



U.S. Department of Housing and Urban Development

Minneapolis Field Office
212 3rd Avenue South, Suite 150
Minneapolis, Minnesota 55401

January 29, 2024

Commissioner Jennifer Ho
Minnesota Housing
400 Wabasha St. N; Suite #400
St. Paul, MN 55102

Commissioner Matt Varilek
Minnesota Department of Employment and Economic Development
1st National Bank Building
332 Minnesota St. Suite E-200
St. Paul, MN 55101

Commissioner Jodi Harpstead
Minnesota Department of Human Services
P.O. Box 64998
Elmer C. Anderson Building
St. Paul, MN 55164

Dear Commissioners Ho, Varilek and Harpstead:

SUBJECT: End-of-Year Review
Program Year 2023
State of Minnesota

HUD is required to conduct an annual review of performance by grant recipients. This is to report to you the results of our review. Additionally, the Secretary must determine that the grant recipient is compliant with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

Report

This review is based upon the information we received concerning the State's 2023 program year of October 1, 2022, through September 30, 2023. We congratulate you on your many accomplishments during this past year on the achievement of departmental objectives. Enclosed is a report showing the use of CDBG, HOME, HTF, ESG, and HOPWA funds during the reporting period. Some specific accomplishments during the year included:

- Rehabilitated 150 units of rental housing and 210 units of owner-occupied housing (CDBG)
- Benefitted 2,725 households through public facility and infrastructure activities (CDBG)
- Completed 86 businesses façade treatment (CDBG)

- Constructed 28 rental units (HOME)
- Constructed 17 rental units (HTF)
- Prevented the homelessness of 161 special needs households through short-term rent, mortgage, and utility assistance (HOPWA)
- Provided emergency shelter to 13,256 individuals (ESG)
- Served 93 households with homelessness prevention services and 126 households with rapid re-housing assistance (ESG)

Background Information

HUD's Office of Community Planning and Development has sought to establish partnerships with State and local governments. The focus of our partnership has been to work with communities to ensure that our joint efforts result in housing and community development programs and policies that benefit and serve low and moderate-income persons. These efforts occur within the framework of the statutes we administer and the regulations and policies that are designed to improve program performance.

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary, that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

With the implementation of the Consolidated Planning Regulations of January 5, 1995, the Department began making comprehensive performance reviews of grantee's overall progress at least annually, as required by the statutes and section 91.525 of the regulations. The review consists of analyzing the consolidated planning process; reviewing management of funds; determining the progress made in carrying out policies and programs; determining the compliance of funded activities with statutory and regulatory requirements; determining the accuracy of required performance reports; as well as evaluating accomplishments in meeting key Departmental objectives.

This assessment not only meets the mandates of the statutes, but it also provides a basis for working together collaboratively to help grantee's achieve housing and community development goals. One critical outcome of this collaboration should be the development of a more comprehensive, effective, and concise Consolidated Plan and improved performance in achieving specific goals that correspond to the activities outlined in your forthcoming Action Plan.

Public Access

This Report must be made readily available to the public within 30 days of receipt of your comments. There are several ways the report can be made available to the public. You can assist us in this regard by sharing HUD's report with the media; with members of your advisory committee; or with those who attended hearings or meetings, placing it on your web site or

distributing it through a listserv. HUD will make this information available to the public upon request and may provide copies of future reports to interested citizens and groups.

Conclusion

We have determined that your overall progress is satisfactory, and the State of Minnesota has the continuing capacity to implement these programs.

If there are any questions, please do not hesitate to contact Lori Speckmeier, Program Manager, at Lori.J.Speckmeier@hud.gov.

Sincerely,



Marcia A. Kolb, Director
Office of Community Planning and Development