

## Grantee: Minneapolis, MN

## Grant: B-11-MN-27-0001

## January 1, 2020 thru March 31, 2020 Performance

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<b>Grant Number:</b> B-11-MN-27-0001	<b>Obligation Date:</b> 03/16/2011	<b>Award Date:</b>
<b>Grantee Name:</b> Minneapolis, MN	<b>Contract End Date:</b>	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$2,671,275.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> Kevin James Knase
<b>LOCCS Authorized Amount:</b> \$2,671,275.00	<b>Estimated PI/RL Funds:</b> \$117,414.61	
<b>Total Budget:</b> \$2,788,689.61		

### Disasters:

#### Declaration Number

NSP

### Narratives

#### Summary of Distribution and Uses of NSP Funds:

Eligible Uses C (Land Banking) and D (Demolition)- \$657,573. Due to the high foreclosure rates in the priority 1 and 2 areas an unusually large number of properties have been abandoned and left to deteriorate and become a problem due to lack of care and maintenance. This activity will treat 10 vacant or foreclosed blighted properties through acquisition and through demolition in Activity Number 2. These properties will be held for future redevelopment. The City has programs in place to ensure that neighborhood residents, women and minority owned businesses participate in the demolition and redevelopment of NSP properties, meeting vicinity hiring and Section 3 goals. Properties acquired and demolished will be held for a minimum of 12 months to be redeveloped at a time when the housing market is healthy and can absorb new construction homes in the area. Eligible Use E (Redevelopment) Single Family Homes-Ownership -- \$930,000 Development gap funding to be provided as a grant for the rehabilitation of 12 vacant or foreclosed single family homes for homeownership. Provide homeowner incentive (0%) of \$7,500. All households with income at or below 80% AMI will be eligible for an additional \$10,000. Households who acquire properties rehabilitated through the NSP 3 program will be required to remain as owner occupants in compliance with HOME regulations based on the amount of assistance provided to the project or direct assistance to the home buyer. Eligible Use E (Redevelopment) Rental (2+ units) -- \$188,000 Development gap funding provided as a grant for the rehabilitation of 10 rental units. As a result of the foreclosure crisis, small rental properties which have historically not been an issue have increasingly become vacant. Recognizing this problem we have made these properties a priority for development of affordable rental housing in our priority areas. This activity provides for the development of affordable rental housing and will assist in meeting the requirement that 25 % of the funds be set aside for households with incomes at or below 50% of Area Median Income. The affordability period for (5-10-15 years in compliance with HOME Regulations except in cases of new construction the affordability term will be 20 years) will be determined on the basis of the amount of NSP subsidy in each project. Standard HOME monitoring and enforcement standards apply to both single family and multifamily redevelopment. For rental development, the affordability requirements are included in the executed contract with the developers and supported by a zero interest Note and Mortgage. CPED will conduct onsite monitoring as required by HOME regulations and NSP developers will report on the continued affordability on an annual basis. Eligible Use B (Purchase Rehab) Rental (2+ units) -- \$682,000 Development gap funding provided as a grant for the rehabilitation of rental units. As a result of the foreclosure crisis, small rental properties which have historically not been an issue have increasingly become vacant. Recognizing this problem we have made these properties a priority for development of affordable rental housing in our priority areas. This activity provides for the development of affordable rental housing and will assist in meeting the requirement that 25 % of the funds be set aside for households with incomes at or below 50% of Area Median Income. The affordability pe

#### Summary of Distribution and Uses of NSP Funds:

riod for (5-10-15 years in compliance with HOME Regulations) will be determined on the basis of the amount of NSP subsidy in each project. Standard HOME monitoring and enforcement standards apply to both single family and multifamily redevelopment. For rental development, the affordability requirements are included in the executed contract with the developers and supported by a zero interest Note and Mortgage. CPED will conduct onsite monitoring as required by HOME regulations and

#### How Fund Use Addresses Market Conditions:

As of October 5, 2012, the NSP3 priority areas were amended in the Action Plan. The change was made necessary by changing housing market conditions and original target area was expanded. A map of the new area can be found at [http://www.minneapolismn.gov/foreclosure/foreclosure\\_nsp\\_3](http://www.minneapolismn.gov/foreclosure/foreclosure_nsp_3)

Minneapolis submits a revised Minneapolis NSP3 Priority Area Map consisting of:

This activity will take place in the North Minneapolis Priority Area in the North Minneapolis Neighborhood. This area is



bounded by I-94 in the east, by 18th Avenue in the south, by Vincent Avenue in the west, and by Dowling Avenue in the north. If the market changes significantly by the time the NSP3 funds are available to implement the proposed activities, additional priority areas with the greatest need as established by the HUD mapping tool will be considered. Analysis of the data sources above with input from stakeholders including: neighborhood residents, non profit and for profit developers, philanthropic organizations, realtors, lenders, City Officials and staff.

NSP3 funds will give priority emphasis to areas of greatest need in Priority Area North Minneapolis. Based on our analysis we found that these neighborhoods have the highest percentage of home foreclosures, vacant and abandoned small rental properties (less than 8 units), the highest percentage of properties financed by subprime mortgage related loans, and have been identified as likely to face a significant rise in the rate of home foreclosures.

Low-income targeting will be met through redevelopment of affordable rental property. In Minneapolis, the program design calls for any rehabilitation of properties with two or more units to be rental. Additionally, all rental will be affordable to households with incomes at, or below 50% AMI. Minneapolis has experience addressing this, as three of the eight non-profit partners we plan to work with on NSP3 are developers that have assisted us in addressing affordable rental in NSP1 and are poised to do same in NSP2 and 3.

### **Ensuring Continued Affordability:**

The affordability period for both rental and ownership units (5-10-15 years in compliance with HOME Regulations except in cases of new construction the affordability term will be 20 years) will be determined on the basis of the amount of NSP subsidy in each project. Standard HOME monitoring and enforcement standards apply to both single family and multifamily redevelopment. For single family redevelopment, a declaration will be placed with the property. Resale will be used to preserve affordability. For rental development, the affordability requirements are included in the executed contract with the developers and supported by a zero interest Note and Mortgage. CPED will conduct onsite monitoring as required by HOME regulations and NSP developers will report on the continued affordability on an annual basis.

### **Definition of Blighted Structure:**

Blighted structure is defined by the City of Minneapolis Code or Ordinances Chapter 249 standards for nuisance.

249.30. "Nuisance condition" defined; waiver of waiting period. (a) A building within the city shall be deemed a nuisance condition if:

- (1) It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months; or
  - (2) The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days; or
  - (3) Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building; or
  - (4) Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.
- (b) When it is determined by the director of inspections or the city fire marshal that a building constitutes an immediate hazard to the public health and safety, and after approval by the city council, the sixty-day waiting period set out in this section may be waived and the other procedures, as set out in this chapter, may be implemented immediately.
- (c) Notwithstanding the foregoing provisions, accessory buildings such as garages, barns and other similar structures, not intended to be used for human habitation, shall be deemed to constitute a nuisance condition when such buildings are in violation of section 244.1560 of the housing maintenance code which regulates non-dwelling structures or when such accessory buildings are structurally unsound in the opinion of the director of inspections. (76-Or-102, § 1, 7-9-76; 77-Or-226, § 2, 11-10-77; 78-Or-233, § 2, 11-9-78; 79-Or-016, § 1, 1-26-79; 80-Or-181, § 1, 8-8-80; 84-Or-095, § 1, 6-15-84; 86-Or-236, § 1, 10-10-86; 91-Or-157, § 1, 8-9-91; 92-Or-110, § 2, 9-11-92; 93-Or-142, § 1, 10-1-93; 94-Or-123, § 2, 9-16-94; 2006-Or-059, § 1, 5-26-06)

### **Definition of Affordable Rents:**

Affordable rents are as defined by HOME. See the HUD established Fair Market Rents at: <http://www.huduser.org/portal/datasets/fmr.html>

### **Procedures for Preferences for Affordable Rental Dev.:**

Low-income targeting will be met through redevelopment of affordable rental property. In Minneapolis, the program design calls for any rehabilitation of properties with two or more units to be rental. Additionally, all rental will be affordable to households with incomes at, or below 50% AMI. Minneapolis has experience addressing this, as three of the eight non-profit partners we plan to work with on NSP3 are developers that have assisted us in addressing affordable rental in NSP1 and are poised to do same in NSP2 and 3.

### **Housing Rehabilitation/New Construction Standards:**

The rehabilitation standards meet Energy Star requirements and ASHRAE standards, will require Energy Star-46 and WaterSense labeled products as appropriate, and mitigate the impact of disasters. Rehabilitation Standards  
NSP HOUSING REHAB STANDARDS NOTE: All details and/or materials listed may be subject to change or deletion, as required by specific location or structure. All changes must be approved in writing by CPED Project Staff. The City of Minneapolis will adopt the following standards for all rehab projects associated with the Neighborhood Stabilization Program. These guidelines are to be used in conjunction with the minimum code associated with all permits pulled for the completion of the rehabilitation. Additionally, all developers are encouraged to perform sustainability techniques and use Energy Star products and standards.  
BASEMENT 1. Basement floors shall be concrete with no tripping hazards or exposed dirt. 2. Replace hazardous or unserviceable stairways 3. All structural concerns need to be addressed, including cracks and limestone foundations must be properly tuck-pointed. 4. Basement walls should be free of scaling or spalling material. Apply two coats of waterproofing. PLUMBING 1. Provide a minimum of a single laundry tub and washer bib-cocks. 2. Provide one exterior sill-cock centrally located to reach front and rear yards. 3. When the water heater needs to be replaced, install a new 40-gallon water heater in 2 bedroom homes and 50-gallon water heater in 3+ bedroom homes. 4. Sewer systems must be individual and separate from adjacent buildings / properties. If the existing sewer system is retained, it must be cleaned out to the city sewer main. Install a Clean Out, if there is no Main Clean Out. 5. Provide an exterior vent for clothes dryer through the rim joist area. If rim joist venting is not accessible, alternatives can be discussed. Window venting is not acceptable. Glass block venting may be acceptable as determined by CPED. 6. Replacement of bathtubs shall be restricted to either cast iron tubs or fiberglass tub enclosures. NO STEEL TUBS! HEATING & VENTILATION 1. If an existing heating plant will be retained, general contractor must provide written certification from a licensed heating contractor that the plant is at least 80% efficient, and the existing system meets code. All valves on radiators must be operational. 2. If replacement is required,



replacement units shall be a minimum of 90% efficient and be placed on a 2" concrete pad or legs. 3. All kitchens must have a hood fan, which shall be vented to the outside where possible. Where not possible, please notify CPED at the time plans and specs are submitted for review. 4. Bathroom fans will be vented to the exterior. 5. Whole House Ventilation: Provide a low zone ceiling exhaust fan vented to the exterior, and a wall switch set for continuous half speed venting with full speed boost. ATTIC ACCESS 1. Install attic access with weather-stripping and insulate to code. Attic access must be open at final inspection for verification of insulation. ELECTRIC 1. Minimum of 100-amp service per unit. 2. Dwelling and garage must be wired to code (Note: all non-grounded to grounded type). 3. Dwelling to have a minimum of two exterior receptacles for the (1) front and (1) rear. 4. Each outside entry door to have lightg. INSULATION NOT

**Housing Rehabilitation/New Construction Standards:**

E: Order energy audit and insulate according to energy audit recommendations. In the event of any inconsistencies between the Energy Audit and these Rehab Standards, the Energy Audit shall prevail. Minimally the following standards shall apply: 1. If rim joist is accessible, insulate to R-19. 2. Insulate sidewalls, if sidewalls are enclosed insulate to R-14 with the "blow-in-blanket" system or R-13 batts to code on all exposed framing areas. 3. Insulate attic to R-44. 4. &amp;

**Vicinity Hiring:**

Minneapolis has great success with NSP1 with Section 3 goals and we plan to employ similar strategies to achieve vicinity hiring requirements in NSP3. Vicinity hiring requirements will be met by connecting with neighborhood organizations to get the word out in NSP3 target areas, identifying contractors that are currently on the City's Section 3 list that are located in the project area and agree to hire from the NSP3 target areas, advertising in local newspapers that cater to the target area and continue to encouraging contractors that work on NSP1 and NSP2 projects to hire from the target area. Our vicinity hiring goals are employ residents of 1) first priority NSP3 target area, 2) second priority NSP3 target areas, 3) NSP target areas, 4) City of Minneapolis Section 3 residents.

**Grantee Contact Information:**

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[http://www.minneapolismn.gov/foreclosure/foreclosure\\_nsp](http://www.minneapolismn.gov/foreclosure/foreclosure_nsp)

Overall	This Report Period	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$2,788,689.61
<b>Total Budget</b>	\$0.00	\$2,788,689.61
<b>Total Obligated</b>	\$0.00	\$2,788,689.61
<b>Total Funds Drawdown</b>	\$0.00	\$2,788,689.61
<b>Program Funds Drawdown</b>	\$0.00	\$2,671,275.00
<b>Program Income Drawdown</b>	\$0.00	\$117,414.61
<b>Program Income Received</b>	\$0.00	\$159,872.47
<b>Total Funds Expended</b>	\$0.00	\$2,788,689.61
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Progress Toward Required Numeric Targets**

Requirement	Target	Actual
<b>Overall Benefit Percentage (Projected)</b>		0.00%
<b>Overall Benefit Percentage (Actual)</b>		0.00%
<b>Minimum Non-Federal Match</b>	\$0.00	\$0.00
<b>Limit on Public Services</b>	\$400,691.25	\$0.00
<b>Limit on Admin/Planning</b>	\$267,127.50	\$222,804.78
<b>Limit on Admin</b>	\$0.00	\$222,804.78
<b>Most Impacted and Distressed Threshold (Projected)</b>	\$0.00	\$0.00
<b>Progress towards LH25 Requirement</b>	\$697,172.40	\$1,347,184.20

**Overall Progress Narrative:**



The Minneapolis NSP3 grant was effective at achieving its main goals. Several dozen housing units were rehabilitated or redeveloped for both renters and owners in distressed neighborhoods needing stabilization. Properties which were not ideal for immediate rehabilitation or redevelopment were handled through demolition and/or landbanking as appropriate. In turn, some of the landbanked properties were have been rehabilitated or redeveloped into affordable housing using other sources of funds multiplying the impact of this NSP3 grant.

The first big event for this award was the 10 MAY 2011 Tornado which damaged the North Minneapolis neighborhood with wind/rain and treefalls carving a 3.5 mile path that went directly through the most poverty impacted areas of the City. The tornado severely damaged 206 homes and impacted 3,700 buildings. The area impacted was within the NSP3 target area, and the neighborhood was badly in need of resources for recovery. A challenging situation arose early on when identifying target properties with development and lending partners. It was important to identify houses which were in need of rehabilitation in the wake of the incident, without being too damaged to be economical/appropriate for NSP rehabilitation. This process continued throughout 2011 and 2012.

A key element in the ultimate success in this program, was the City's experience had gained from the first two NSP awards and from their status as a subgrantee of the State of Minnesota on its NSP awards. The city also has a large and well-staffed department that works with a knowledgeable group of local developer and non-profit partners. They can be relied on to help identify properties, secure financing for the projects, and safely navigate the complex environment of federal funded projects.

The first demolitions of blighted properties began in early 2012, with the main financial and construction activity occurring in 2013 and 2014. By 2015 projects were being wrapped up and last few properties for sale marketed. Since then the City has worked on disposing of the landbanked properties, dealing with program income and final reconciliation/reporting. It is hoped that this is the final QPR and that the grant will be closed in the next month or two and switch to annual reporting.

This grant was part of the innovative and highly successful Green Homes North program. Green Homes North is an initiative of the City of Minneapolis through its Community Planning and Economic Development (CPED) department and its partners (Northside Home Fund, Twin Cities Community Land Bank, Family Housing Fund, Minnesota Housing Finance Agency) to build 100 energy efficient homes over five years to revitalize neighborhoods in North Minneapolis. The City of Minneapolis identified four goals for Green Homes North: Build 100 green homes in North Minneapolis; Build capacity of developers to create energy efficient and sustainable homes; Create job opportunities for local residents and minority or women owned businesses; Promote Minneapolis businesses providing green products. The project was launched in 2012 and this NSP3 award was a major element of it. 105 homes have been completed.

The geographic focus is North Minneapolis, the most racially diverse part of the city with 70.4% of the population representing a community of color compared to 39.0% in the City as a whole. Households in North Minneapolis have a lower median income and are more likely to live in poverty than residents in the remainder of the City (30.8% below poverty line versus 22.6% city-wide). The Green Homes North program specifically incorporated workforce development training and partnerships into its programming, to provide area residents with opportunity to increase household income.

The NSP program was envisioned as a response to the negative impacts of the late 2000s housing crisis. Sub prime loans lead to inflated home prices, unserviceable/unrealistic debt, and blighted properties. And North Minneapolis was one of the epicenters of these negative impacts, experiencing significant barriers to market function compared to the remainder of Minneapolis. According to census data it has an older housing stock, with more vacancy and much lower property values. A report by the University of Minnesota—Center for Urban and Regional Affairs (CURA) determined that African-American or Black households in the Twin Cities between 1996-2002 were 34% more likely, regardless of income, to receive a subprime loan and 3.4 times more likely than a White or Caucasian resident to have received a subprime mortgage. The report also determined that borrowers with subprime loans accounted for 40% of all foreclosures during that time period. These loan originations were highest in North Minneapolis, making up over 10% of loans in some neighborhoods. This led to a higher concentration of foreclosures, vacancy, and abandonment in North Minneapolis when the housing market crashed in 2008.

Building new, green, energy efficient and sustainable housing on available City-owned vacant lots boosts the confidence of the North Minneapolis housing market. In 2012, the average sales price for all homes in North Minneapolis was \$55,000. The average sales price of the 49 completed Green Homes North homes is \$184,000, with price ranges from \$165,000 to \$218,000. For the remaining 56 homes that will be completed in 2017, sales prices are projected to range from \$175,000 to \$250,000. Green Homes North properties feature, on average, three bedrooms, two bathrooms, two-car detached garages, and 1,700 square feet. The housing opportunities created through Green Homes North have also served a higher rate of households of color than is typical in the Twin Cities real estate market, which contributes to closing the racial disparity gap in homeownership rates in the region. More information on this program can be found at the following city website: <http://www.ci.minneapolis.mn.us/cped/housing/GreenHomesNorth>

## Project Summary

Project #, Project Title

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Demolition and Landing Banking for Future	\$0.00	\$788,405.35	\$769,018.36
2, Redevelopment-Single+Family+Homes-Ownership	\$0.00	\$907,479.48	\$809,451.86
3, Redevelopment Rental (2+ units)	\$0.00	\$188,000.00	\$188,000.00
4, NSP3 Administration	\$0.00	\$222,804.78	\$222,804.78
5, PurchaseRehabRental<50%AMI	\$0.00	\$682,000.00	\$682,000.00



# Activities

**Project # / 1 / Demolition and Landing Banking for Future**

**Grantee Activity Number: 1N3LandBankAcq**  
**Activity Title: LandBank Acquisition**

**Activity Category:**

Land Banking - Acquisition (NSP Only)

**Project Number:**

1

**Projected Start Date:**

03/16/2011

**Benefit Type:**

Area ( )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Completed

**Project Title:**

Demolition and Landing Banking for Future

**Projected End Date:**

06/30/2019

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Minneapolis Community Planning and

Overall	Jan 1 thru Mar 31, 2020	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$515,095.06
<b>Total Budget</b>	\$0.00	\$515,095.06
<b>Total Obligated</b>	\$0.00	\$515,095.06
<b>Total Funds Drawdown</b>	\$0.00	\$515,095.06
<b>Program Funds Drawdown</b>	\$0.00	\$496,653.07
<b>Program Income Drawdown</b>	\$0.00	\$18,441.99
<b>Program Income Received</b>	\$0.00	\$98,631.07
<b>Total Funds Expended</b>	\$0.00	\$515,095.06
City of Minneapolis Community Planning and	\$0.00	\$515,095.06
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Due to the high foreclosure rates in the priority 1 and 2 areas an unusually large number of properties have been abandoned and left to deteriorate and become a problem due to lack of care and maintenance. This activity will acquire several dozen properties as supply of appropriate vacant or foreclosed blighted properties and funding allow. The City conducted an assessment of vacant structures and determined which properties should be maintained in the Land Bank because the structures required demo and were not habitable. These properties will have blighted structures cleared, if necessary, and held in a land bank. They will then be maintained in the land bank until future redevelopment or other eligible NSP disposition.

The City has programs in place to ensure that neighborhood residents, women and minority owned businesses participate in the demolition and redevelopment of NSP properties, meeting vicinity hiring and Section 3 goals. Properties acquired and demolished will be held for a minimum of 12 months to be redeveloped at a time when the housing market is healthy and can absorb new construction homes in the area.

Minneapolis has great success with NSP1 with Section 3 goals and we plan to employ similar strategies to achieve vicinity hiring requirements in NSP3. Vicinity hiring requirements will be met by connecting with



neighborhood organizations to get the word out in NSP3 target areas, identifying contractors that are currently on the City's Section 3 list that are located in the project area and agree to hire from the NSP3 target areas, advertising in local newspapers that cater to the target area and continue to encouraging contractors that work on NSP1 and NSP2 projects to hire from the target area. Our vicinity hiring goals are employ residents of 1) first priority NSP3 target area, 2) second priority NSP3 target areas, 3) NSP target areas, 4) City of Minneapolis Section 3 residents.

**Location Description:**

This activity will take place in the North Minneapolis Priority Area in the North Minneapolis Neighborhood. This area is bounded by I-94 in the east, by 18th Avenue in the south, by Vincent Avenue in the west, and by Dowling Avenue in the north.

**Activity Progress Narrative:**

47 property that met under \$25,000 disposition guideline were removed from the land bank. This was reflected in final closeout documentation submitted.

**Accomplishments Performance Measures**

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	80/52

**Beneficiaries Performance Measures**

**No Beneficiaries Performance Measures found.**

**Activity Locations**

**No Activity Locations found.**

**Other Funding Sources Budgeted - Detail**

**No Other Match Funding Sources Found**

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



**Grantee Activity Number:** 1N3LandBankDemolition

**Activity Title:** LandBankDemolition

**Activity Category:**

Clearance and Demolition

**Project Number:**

1

**Projected Start Date:**

03/16/2011

**Benefit Type:**

Area ( )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Completed

**Project Title:**

Demolition and Land Banking for Future

**Projected End Date:**

01/01/2020

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Minneapolis Community Planning and

**Overall**

	<b>Jan 1 thru Mar 31, 2020</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$273,310.29
<b>Total Budget</b>	\$0.00	\$273,310.29
<b>Total Obligated</b>	\$0.00	\$273,310.29
<b>Total Funds Drawdown</b>	\$0.00	\$273,310.29
<b>Program Funds Drawdown</b>	\$0.00	\$272,365.29
<b>Program Income Drawdown</b>	\$0.00	\$945.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$273,310.29
City of Minneapolis Community Planning and	\$0.00	\$273,310.29
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Ancillary Activities**

<b>Responsible Organization</b>	<b>Activity Type</b>	<b>Project #</b>	<b>Grantee Activity #</b>	<b>Activity Title</b>	<b>Program Income Account</b>
City of Minneapolis Community Planning and Economic Development Department	Land Banking - Acquisition (NSP Only)	1	1N3LandBankAcq	LandBank Acquisition	General Account

**Association Description:**

The City acquired and demolished blighted vacant structures. These properties were then held in the City's Land Bank. Performance measures are reflected in the Land Bank activity for outcome reporting purposes.

**Activity Description:**

Due to the high foreclosure rates in the priority 1 and 2 areas an unusually large number of properties have been abandoned and left to deteriorate and become a problem due to lack of care and maintenance. This activity will treat ~18 vacant or foreclosed blighted properties through acquisition and through demolition. These properties will be held for future redevelopment or disposed of through change of use. The City has programs in place to ensure that neighborhood residents, women and minority owned businesses participate in the demolition and redevelopment of NSP properties, meeting vicinity hiring and Section 3 goals. Properties acquired and demolished will be held for a minimum of 12 months to be redeveloped at a time when the housing market is healthy and can absorb new construction homes in the area. Minneapolis has



great success with NSP1 with Section 3 goals and we plan to employ similar strategies to achieve vicinity hiring requirements in NSP3. Vicinity hiring requirements will be met by connecting with neighborhood organizations to get the word out in NSP3 target areas, identifying contractors that are currently on the City's Section 3 list that are located in the project area and agree to hire from the NSP3 target areas, advertising in local newspapers that cater to the target area and continue to encouraging contractors that work on NSP1 and NSP2 projects to hire from the target area. Our vicinity hiring goals are employ residents of 1) first priority NSP3 target area, 2) second priority NSP3 target areas, 3) NSP target areas, 4) City of Minneapolis Section 3 residents.

In the end 23 properties had demolition costs under this activity, and all of these properties later flowed through the landbank activity and are included in the 80 properties reported there. All address and performance measure reporting associated with this activity appears in that associated activity.

**Location Description:**

This activity will take place in the North Minneapolis Priority Area in the North Minneapolis Neighborhood. This area is bounded by I-94 in the east, by 18th Avenue in the south, by Vincent Avenue in the west, and by Dowling Avenue in the north.

**Activity Progress Narrative:**

**Accomplishments Performance Measures**

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	0/0

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	0/0
# of Singlefamily Units	0	0/0

**Beneficiaries Performance Measures**

**No Beneficiaries Performance Measures found.**

**Activity Locations**

**No Activity Locations found.**

**Other Funding Sources Budgeted - Detail**

**No Other Match Funding Sources Found**

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

**Project # / 2 / Redevelopment-Single+Family+Homes-Ownership**

<b>Grantee Activity Number:</b>	<b>2N3RedevelopmentSingle Family Homes - Ownership</b>
<b>Activity Title:</b>	<b>Redevelopment Single Family Homes - Ownership</b>

**Activity Category:**  
Rehabilitation/reconstruction of residential structures

**Project Number:**  
2

**Projected Start Date:**

**Activity Status:**  
Completed

**Project Title:**  
Redevelopment-Single+Family+Homes-Ownership

**Projected End Date:**

03/16/2011

06/30/2019

**Benefit Type:**

Direct ( HouseHold )

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Minneapolis Community Planning and

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2020</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$430,295.28
<b>Total Budget</b>	\$0.00	\$430,295.28
<b>Total Obligated</b>	\$0.00	\$430,295.28
<b>Total Funds Drawdown</b>	\$0.00	\$430,295.28
<b>Program Funds Drawdown</b>	\$0.00	\$423,224.50
<b>Program Income Drawdown</b>	\$0.00	\$7,070.78
<b>Program Income Received</b>	\$0.00	\$61,241.40
<b>Total Funds Expended</b>	\$0.00	\$430,295.28
City of Minneapolis Community Planning and	\$0.00	\$430,295.28
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Development gap funding to be provided as a grant for the rehabilitation of 12 vacant or foreclosed single family homes for homeownership. Provide homeowner incentive (0%) of \$7,500. All households with income at or below 80% AMI will be eligible for an additional \$10,000. Homebuyer assistance is secured with a note and mortgage for recapture restrictions, or a declaration of covenants with resale requirements for resale restrictions. Homebuyer assistance cannot exceed 50% of required DPA plus closing costs.

Households who acquire properties rehabilitated through the NSP 3 program will be required to remain as owner occupants in compliance with HOME regulations based on the amount of assistance provided to the project or direct assistance to the home buyer. Minneapolis has great success with NSP1 with Section 3 goals and we plan to employ similar strategies to achieve vicinity hiring requirements in NSP3. Vicinity hiring requirements will be met by connecting with neighborhood organizations to get the word out in NSP3 target areas, identifying contractors that are currently on the City's Section 3 list that are located in the project area and agree to hire from the NSP3 target areas, advertising in local newspapers that cater to the target area and continue to encouraging contractors that work on NSP1 and NSP2 projects to hire from the target area. Our vicinity hiring goals are employ residents of 1) first priority NSP3 target area, 2) second priority NSP3 target areas, 3) NSP target areas, 4) City of Minneapolis Section 3 residents.

**Location Description:**

This activity will take place in the North Minneapolis Priority Area in the North Minneapolis Neighborhood. This area is bounded by I-94 in the east, by 18th Avenue in the south, by Vincent Avenue in the west, and by Dowling Avenue in the north.

**Activity Progress Narrative:**

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	9/12
<b>#Energy Star Replacement</b>	0	105/24



#Additional Attic/Roof	0	7/12
#High efficiency heating plants	0	8/12
#Efficient AC added/replaced	0	4/6
#Replaced thermostats	0	5/6
#Replaced hot water heaters	0	6/12
#Light Fixtures (indoors)	0	39/12
#Light fixtures (outdoors)	0	3/6
#Refrigerators replaced	0	7/12
#Clothes washers replaced	0	6/12
#Dishwashers replaced	0	7/12
#Low flow toilets	0	18/12
#Low flow showerheads	0	14/18
#Units with bus/rail access	0	10/12
#Units exceeding Energy Star	0	5/6
#Sites re-used	0	14/12
#Units & other green	0	9/12
# ELI Households (0-30% AMI)	0	0/0
# of Substantially Rehabilitated	0	5/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	9/12
# of Singlefamily Units	0	9/12

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	1/0	4/8	9/12	55.56
# Owner Households	0	0	0	1/0	4/8	9/12	55.56

### Activity Locations

No Activity Locations found.

### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

### Project # / 3 / Redevelopment Rental (2+ units)

**Grantee Activity Number:** 3N3RedevelopmentRental  
**Activity Title:** RedevelopmentRental

**Activity Category:**  
 Rehabilitation/reconstruction of residential structures  
**Project Number:**  
 3  
**Projected Start Date:**  
 03/16/2011

**Activity Status:**  
 Completed  
**Project Title:**  
 Redevelopment Rental (2+ units)  
**Projected End Date:**  
 06/30/2019



**Benefit Type:**

Direct ( HouseHold )

**Completed Activity Actual End Date:****National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Minneapolis Community Planning and

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2020</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$188,000.00
<b>Total Budget</b>	\$0.00	\$188,000.00
<b>Total Obligated</b>	\$0.00	\$188,000.00
<b>Total Funds Drawdown</b>	\$0.00	\$188,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$188,000.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$188,000.00
City of Minneapolis Community Planning and	\$0.00	\$188,000.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Development gap funding provided as a grant for the rehabilitation of 10 rental units. As a result of the foreclosure crisis, small rental properties which have historically not been an issue have increasingly become vacant. Recognizing this problem we have made these properties a priority for development of affordable rental housing in our priority areas. This activity provides for the development of affordable rental housing and will assist in meeting the requirement that 25 % of the funds be set aside for households with incomes at or below 50% of Area Median Income. The affordability period for (5-10-15 years in compliance with HOME Regulations except in cases of new construction the affordability term will be 20 years) will be determined on the basis of the amount of NSP subsidy in each project. Standard HOME monitoring and enforcement standards apply to both single family and multifamily redevelopment. For rental development, the affordability requirements are included in the executed contract with the developers and supported by a zero interest Note and Mortgage. The City of Minneapolis provided financing in amounts ranging from \$60,000 to \$80,000 per affordable rental unit. Units were restricted to 50% of area median income and NSP investment is secured through a declaration of covenants. The selected developer owns and manages the properties during the affordability period. The City has contracted with a 3rd party rental monitoring company to provide oversight and audit compliance during the affordability period. CPED will conduct onsite monitoring as required by HOME regulations and NSP developers will report on the continued affordability on an annual basis. Minneapolis has great success with NSP1 with Section 3 goals and we plan to employ similar strategies to achieve vicinity hiring requirements in NSP3. Vicinity hiring requirements will be met by connecting with neighborhood organizations to get the word out in NSP3 target areas, identifying contractors that are currently on the City's Section 3 list that are located in the project area and agree to hire from the NSP3 target areas, advertising in local newspapers that cater to the target area and continue to encouraging contractors that work on NSP1 and NSP2 projects to hire from the target area. Our vicinity hiring goals are employ residents of 1) first priority NSP3 target area, 2) second priority NSP3 target areas, 3) NSP target areas, 4) City of Minneapolis Section 3 residents.

**Location Description:**

This activity will take place in the North Minneapolis Priority Area in the North Minneapolis Neighborhood. This area is bounded by I-94 in the east, by 18th Avenue in the south, by Vincent Avenue in the west, and by Dowling Avenue in the north.

**Activity Progress Narrative:**

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	3/3
#Energy Star Replacement	0	54/10
#Additional Attic/Roof	0	3/10
#High efficiency heating plants	0	6/10
#Efficient AC added/replaced	0	6/10
#Replaced thermostats	0	6/10
#Replaced hot water heaters	0	6/10
#Light Fixtures (indoors)	0	62/10
#Light fixtures (outdoors)	0	6/10
#Refrigerators replaced	0	6/10
#Clothes washers replaced	0	3/10
#Low flow toilets	0	6/10
#Low flow showerheads	0	6/10
#Units with bus/rail access	0	6/10
#Sites re-used	0	3/10
# ELI Households (0-30% AMI)	0	4/0
# of Substantially Rehabilitated	0	6/10

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/10
# of Multifamily Units	0	0/0
# of Singlefamily Units	0	6/10

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	6/10	0/0	6/10	100.00
# Renter Households	0	0	0	6/10	0/0	6/10	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	