

# Hennepin County Consortium

## 2023 Annual Action Plan Amendment 2

### DRAFT for public comment

Submitted to HUD

DRAFT May 1, 2025

[www.hennepin.us/housing-plans](http://www.hennepin.us/housing-plans)

### Consortium Members:

Hennepin County

City of Bloomington

City of Eden Prairie

City of Plymouth



[Website](http://www.hennepin.us/housing-plans)

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# Executive Summary

## AP-05 Executive Summary - 91.200(c), 91.220(b)

### 1. Introduction

The Hennepin County Consortium 2023 Action Plan has been prepared to meet statutory planning and application requirements for the receipt and use of three Housing and Urban Development (HUD) funding programs in suburban Hennepin County: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG) Program. The 2020-2024 Consolidated Plan set community development and affordable housing goals for the use of CDBG, HOME, and ESG for five program years, 2020-2024. The Consolidated Plan can be found at: <https://www.hennepin.us/your-government/research-data/housing-plans-accomplishments>

The 2023 Action Plan outlines the specific ways in which CDBG, HOME, and ESG funding will be used in the 2023 Program Year, following the goals in the Consolidated Plan. The 2023 program year starts July 1, 2023, and ends June 30, 2024.

The Hennepin County Consortium is comprised of four entitlement jurisdictions - the Cities of Bloomington, Eden Prairie, and Plymouth – and but one the of the remaining suburban cities in Hennepin County. Hennepin County's Housing and Economic Development Department is the Consortium's lead agency responsible for the Plan's development.

### 2. Summarize the objectives and outcomes identified in the Plan

The Consolidated Plan priorities were developed after a thorough review of demographic data, citizen and community input, other public policy and community plans, and past funding results in suburban Hennepin County. The Consolidated Plan seeks to address the following HUD and local objectives and outcomes for low to moderate income residents in suburban Hennepin County.

#### Objectives:

- Provide decent housing
- Provide a suitable living environment
- Expand economic opportunities

#### Outcomes:

- Assisting homeless persons obtain affordable housing
- Increasing the availability of permanent housing that is affordable and accessible to low-income households
- Improving the safety and livability of neighborhoods
- Creating and retaining jobs

Through a collaborative process including city, non-profit, citizen participation, the following Priority Needs have been established for the use of CDBG, HOME, and ESG funding in suburban Hennepin County for the Consolidated Plan period:

- Preserve and create multifamily rental opportunities
- Preserve and create single family homeownership opportunities
- Create housing opportunities for homeless populations
- Promote education, outreach, and services
- Support neighborhood revitalization
- Stimulate economic development
- Administration, Fair Housing and Community Housing Development Organization (CHDO) operating

Goals were developed to meet these Priority Needs. Proposed program year 2023 Projects are in alignment with the identified Goals and Needs.

## **Amendment 2**

The Amendment to our 2023 Annual Action Plan (AAP) is to reallocate funds to develop affordable rental housing. This will provide funding to two new projects in suburban Hennepin County. Notice is hereby given that Hennepin County, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, is requesting a Substantial Amendment of the 2023 Annual Action Plan to reallocate HOME Investment Partnership (HOME) funds.

The 2023 APP awarded \$1,000,000 of HOME funds to Project for Pride in Living to develop affordable rental housing units in Brooklyn Center; this project subsequently terminated. The 2025 Coordinated Affordable Housing RFP process identified the proposed use of the reallocated funds to two affordable housing developments: \$560,000 to JO Companies LLC for Penn Station in Richfield, and \$440,000 to CommonBond Communities South Shore Park & Westonka Estates in Excelsior/Mound.

Hennepin County solicited public comment on the proposed amendment for a period of 30 days ending on June 6, 2025.

## Expected Resources

### AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

#### Introduction

Below is an estimate of expected resources based the allocations and amounts approved by Congress and provided by HUD.

If more or less CDBG is allocated than anticipated, HED will increase or decrease admin commensurately, maintain a 15% allocation for public services, and change each public service project's funding proportionately. HED will then adjust proportional allocations to cities with need greater than 3.5% of the total, and those cities will adjust their homeowner rehab budgets as needed. For the balance of CDBG – the consolidated pool - the Land Trust project will be increased or decreased to reflect increases or decreases in our overall CDBG funding.

If HED receives more or less HOME than anticipated, either admin or the Land Trust activity will be increased or decreased as necessary.

If HED receives more or less ESG than anticipated, the amount made available in HHS's request for proposals will be increased or decreased.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,934,047	2,480,580	0	4,414,627	0	Assumes annual allocation remains constant.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

#### Goals Summary Information - Amended

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Develop or Rehab Affordable Rental Housing	2020	2024	Affordable Housing Public Housing		Preserve & Create Rental Opportunities	CDBG: \$372,228 HOME: \$3,000,000	Rental units constructed: 151 Household Housing Unit Rental units rehabilitated: 229 Household Housing Unit

### AP-35 Projects - 91.420, 91.220(d)

#### Introduction

Projects to be funded for the 2023 Program Year.

Project #3 amended to reallocated HOME funds.

The following Projects in the 2023 Action Plan Project Summary, below, were selected to add properties and receive funds based on the population served and the needs and goals identified in the Consolidated Plan.

#	Project Name
3.1	Penn Station
3.2	South Shore Park & Westonka Estates

## AP-38 Project Summary

### Project Summary Information

3.1	<b>Project Name</b>	Penn Station
	<b>Target Area</b>	
	<b>Goals Supported</b>	Develop or Rehab Affordable Rental Housing
	<b>Needs Addressed</b>	Preserve & Create Rental Opportunities
	<b>Funding</b>	HOME: \$560,000
	<b>Description</b>	Development of a 42-unit apartment building in Richfield by JO Companies LLC. When complete, 16 units will be affordable to households with incomes at or below 50% of the area median income, and 18 will be affordable to households at or below 30% of the area median income. Seven units will be designated for people experiencing homelessness.
	<b>Target Date</b>	6/30/2027
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	16 families at or below 50% of the area median income, and 18 families at or below 30% of the area median income. Seven units will be designated for people experiencing homelessness.
	<b>Location Description</b>	Richfield
	<b>Planned Activities</b>	Development of a 42-unit apartment.
3.2	<b>Project Name</b>	South Shore Park & Westonka Estates
	<b>Target Area</b>	
	<b>Goals Supported</b>	Develop or Rehab Affordable Rental Housing
	<b>Needs Addressed</b>	Preserve & Create Rental Opportunities
	<b>Funding</b>	HOME: \$440,000
	<b>Description</b>	Development of a 109-unit apartment building in Richfield by CommonBond Communities. When complete, 87 units will be affordable to households with incomes at or below 50% of the area median income, and 22 will be affordable to households at or below 30% of the area median income. Eleven units will be designated for people experiencing homelessness.
	<b>Target Date</b>	6/30/2027
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	87 families at or below 50% of the area median income, and 22 families at or below 30% of the area median income. Eleven units will be designated for people experiencing homelessness.
	<b>Location Description</b>	Excelsior/Mound
	<b>Planned Activities</b>	Development of a 109-unit apartment.