



# First Program Year CAPER

The CPMP First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

In its 2005 Action Plan the Dakota County CDA proposed how it will utilize CDBG, HOME, ADDI as well as funds from Public Housing and Section 8 programs, to provide affordable housing opportunities to low income residents of Dakota County. CDBG funds also assist with redevelopment, public services, and public facility improvements.

Specific objectives over the past year included:

- Increasing the number of affordable rental housing units through construction and rehabilitation.
- Increasing the number of affordable owner units through financial assistance and new construction.
- Increasing the number of homeowners through first mortgage and downpayment assistance programs.
- Encouraging redevelopment through acquisition and clearance of blighted properties.
- Improving existing public facilities.
- Providing needed services to low income residents of Dakota County.

The results of Dakota County CDA's efforts to achieve these objectives are reported throughout the CAPER and in the CAPER tables.

### General Questions

1. Assessment of the one-year goals and objectives:
  - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
  - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
  - c. If applicable, explain why progress was not made towards meeting the goals and objectives.

Information regarding the above is in the additional files, IDIS reports and DC 2005 CAPER tables.

2. Describe the manner in which the recipient changed its program because of its experiences.

Last year, the CDA changed its rehab policy from providing low interest installment loans to households above 50% of median to providing only zero interest deferred loans to all income eligible households. Because of this change, more households applied for rehab loans that might not have if previously qualified for a low interest installment loan.

The CDA found that many lenders participating in the CDA's FTHB Program have difficulty with determining buyer's incomes for eligibility for the CDA's downpayment assistance (DPA) program. Because of this, the CDA reformatted its DPA reservation form with the hope of making it easier for lenders to collect the required information.

Based on recommendations from lead based paint experts, the CDA also decided to exclude pre-1978 structures that fail the HQS inspection due to deteriorated paint from participating in the DPA program. The CDA found that scheduling the required tests and coordinating appointments and inspections with realtors and/or sellers became administratively burdensome. Lenders learned of this change at the annual lender training. The CDA hopes that a by-product of this is that lenders will educate their buyers about deteriorated paint older homes and buyers will urge sellers to repair the paint prior to the CDA inspection.

### 3. Affirmatively Furthering Fair Housing:

#### a. Provide a summary of impediments to fair housing choice.

Several years ago, the metro area entitlement jurisdictions formed the Fair Housing Implementation Council (FHIC). The purpose of the FHIC is to develop the Analysis of Impediments and design actions to address the identified impediments.

Identified impediments are categorized into three groups; Government/Public Sector, Homeownership Market, and Private Rental Market.

Impediments identified in the Government/Public Sector:

Exclusionary land use policies

Lack of housing policies that establish a minimum threshold of affordable housing

Demolition/Redevelopment activities that result in displacement

Disconnect between owners of accessible rental units and the people who need them

Difficulties in obtaining information for LEP populations

Loss of federally assisted rental housing

Impediments identified in the Homeownership Market:

Limited access to prime loan rates for protected classes

Difficulties in accessing and retaining homeowners insurance by protected classes

Predatory lending

Discrimination in home buying process

Lack of homeownership knowledge

Restriction of housing choices

Impediments identified in the Private Rental Market:

Fewer ads and greater reliance on vacancy signs – lack of information available

Restrictive occupancy standards

Refusal to accept rent subsidies

Use of minimum income requirements

Reliance on tenant screening reports

Application fees

Lack of fair housing knowledge

#### b. Identify actions taken to overcome effects of impediments identified.

Every year the Dakota County CDA's Rent Assistance Department hosts a landlord conference. Area landlords and property owners are invited to discuss a variety of issues relating to rental housing and the Section 8 program. Fair housing and equal access to housing are covered in the conference.

Every April, the CDA publishes fair housing print ads in local newspapers, some of which are targeted to African Americans (Insight News), Asians (Asian American Press) and Hispanics (La Prensa). This year, fair housing ads appeared twice in each publication.

The HomeStretch curriculum for first time homebuyers now includes a section on fair lending. Door hangers on how to spot a predatory lender go out with every mailing to people that request first time homebuyer information. The Dakota County CDA is also a partner in the Don't Borrow Trouble campaign.

Dakota County does not have the authority to enforce fair housing laws. However, if a fair housing complaint is received, the person reporting the complaint is instructed to call HUD's Fair Housing Enforcement Center, the Minnesota Department of Human Rights, the Minneapolis Department of Civil Rights or the St. Paul Department of Human Rights. Persons that feel they have been discriminated against can also file a complaint on line via the HUD web site at [www.hud.gov](http://www.hud.gov).

#### 4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

In the Con Plan, households in need of affordable housing are identified as being underserved. Dakota County addresses this need each year by developing affordable rental townhomes for families, affordable rental apartments for seniors, and by continually applying for Section 8 and other rent assistance funding.

Developing affordable rental units has never been easy. Neighborhood opposition is the obstacle most frequently encountered. To overcome this opposition, the CDA makes every effort to educate and inform the neighboring residents about CDA owned and managed properties. The CDA also makes changes to building designs and layouts, like reducing the number of units or bedrooms, or increasing setbacks, in an effort to address neighbor's concerns.

Each community is different and each community has their own concerns. It does seem as though once a community has a CDA development within its jurisdiction, it is more receptive to additional developments.

The decline in HUD funding over the years, especially the drastic decline recently, is an obstacle to meeting needs as well, underserved or not. A decrease in funding can, and does result in staff reductions, fewer projects, activities and services.

#### 5. Leveraging Resources

- a. Identify progress in obtaining "other" public and private resources to address needs.

When other funding sources become available the CDA reviews the funding criteria to determine if it should apply for the funds. During the program year, the CDA applied to the State and Met Council for contamination clean up funds for the Meadowlark site in Lakeville and for gap financing for the GMHC houses. These attempts were not successful. However, the CDA successfully applied for and received over \$90,000 from the DNR and over \$70,000 from the MPCA for acquisition and site clearance activities.

Successfully obtained leverage funds include over \$1.5 million in local and state funding for rental rehab activities that will also involve HOME funds, \$1 million for redevelopment grants to cities for a CDA pilot program that will begin in 2007, and \$110,900 for homeownership counseling and education. The CDA also issued bonds for over \$65 million for FTHB financing.

- b. How Federal resources from HUD leveraged other public and private resources.

The Dakota County CDA tries to leverage other private and public funds whenever possible. Acquisition and clearance activities were performed using CDBG funds paired with Minnesota Department of Natural Resources and Pollution Control Agency funds in the City of Inver Grove Heights. Acquisition and relocation of a commercial property in the city of Eagan were coupled with other City funds. Land