

# Dakota County Program Year 2023 Consolidated Annual Performance and Evaluation Report (CAPER)

July 2023 to June 2024

To be submitted to HUD  
on September 28, 2024

Prepared by the Dakota  
County CDA



## **Executive Summary**

Dakota County is a grantee designated to receive federal funding through the U.S. Department of Housing and Urban Development (HUD) for the following entitlement programs: Community Development Block Grant (CDBG); HOME Investment Partnerships (HOME); and Emergency Solutions Grant (ESG). Dakota County is designated as the lead agency for the Dakota County HOME Consortium (the Consortium) and assumes the role of monitoring and oversight of the HOME funds for the Consortium, which includes Anoka, Dakota, Ramsey, and Washington counties and the city of Woodbury. As the grantee of CDBG funds, Dakota County directly works with the various municipalities (municipal subrecipients) within the County to provide access to this funding stream.

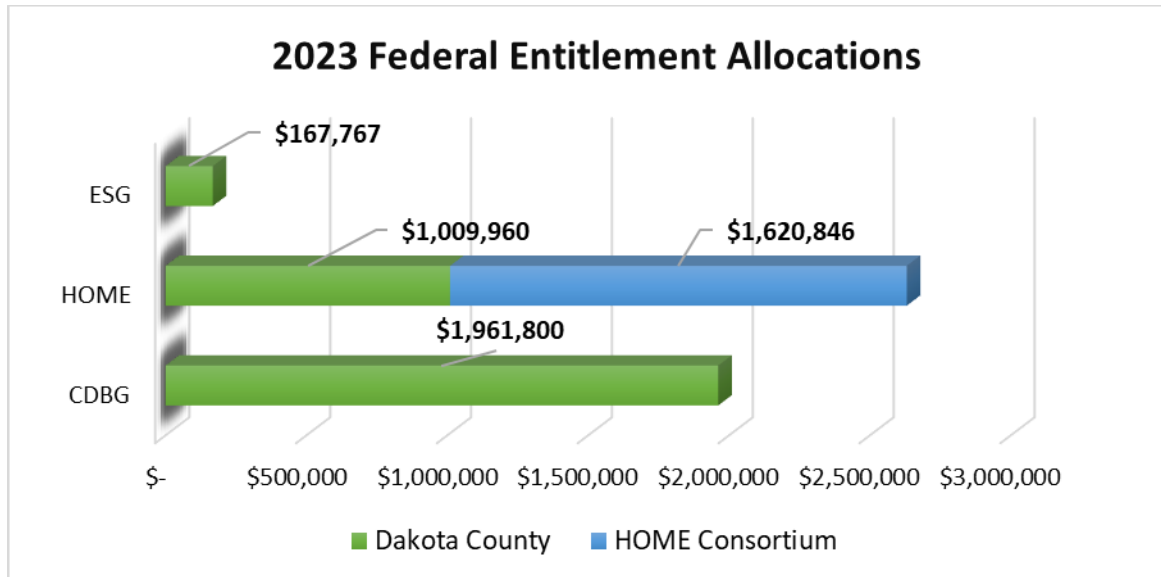
The Dakota County Community Development Agency (the CDA) has administered these federal funds on behalf of Dakota County since the County became an entitlement jurisdiction in 1984. Each of the three entitlement programs has eligible activities for which the funds can be utilized. The CDA directly partners with the municipalities, consortium members, and Dakota County Community Services and Physical Development departments to implement the programs. The CDA is charged with ensuring the rules and regulations are met and will continue to provide the administrative guardianship of the three programs through its agreement with Dakota County.

Each grantee must prepare a Consolidated Plan and subsequent Annual Action Plans to receive this federal funding which helps further affordable housing and community development activities. As a follow up to these plans, each grantee must also prepare a Consolidated Annual Performance and Evaluation Report (CAPER) detailing the progress the grantee has made towards achieving the goals and meeting the objectives outlined in the Annual Action Plan. This CAPER covers the 2023 Action Plan, the fourth year of the approved 2020-2024 Consolidated Plan for Dakota County. The 2020-2024 Consolidated Plan covers Program Years 2020 (July 1, 2020-June 30, 2021) through Program Year 2024 (July 1, 2024-June 30, 2025).

The 2020-2024 Consolidated Plan and the 2023 Action Plan identified objectives, priorities, strategies, and outcomes to achieve the housing and community development needs of the residents of Dakota County. The accomplishments of Dakota County for Program Year 2023 (July 1, 2023 through June 30, 2024) are listed in the report.

## Allocations

The chart below details the federal funding allocated to Dakota County for Program Year (PY) 2023.



The Dakota County HOME Consortium was allocated \$2,630,806. Dakota County's share of this allocation was 38.3 percent or \$1,009,960.

## Priorities and Outcomes

Below are the priorities established by Dakota County in its Consolidated Plan and the anticipated outcomes the County expects to have achieved at the completion of the Five-year plan on June 30, 2025.

### 1) Reduce Homelessness

- 200 households provided Rapid Rehousing assistance
- 100 households provided Homelessness Prevention funds

### 2) Affordable Rental Housing

- 360 rental units constructed
- 20 rental units rehabilitated

### 3) Affordable Homeowner Housing

- 300 homeowner units rehabilitated
- Six (6) rental units (re) constructed

### 4) Public Facilities

- 13,000 persons benefited from a public facility or infrastructure improvement

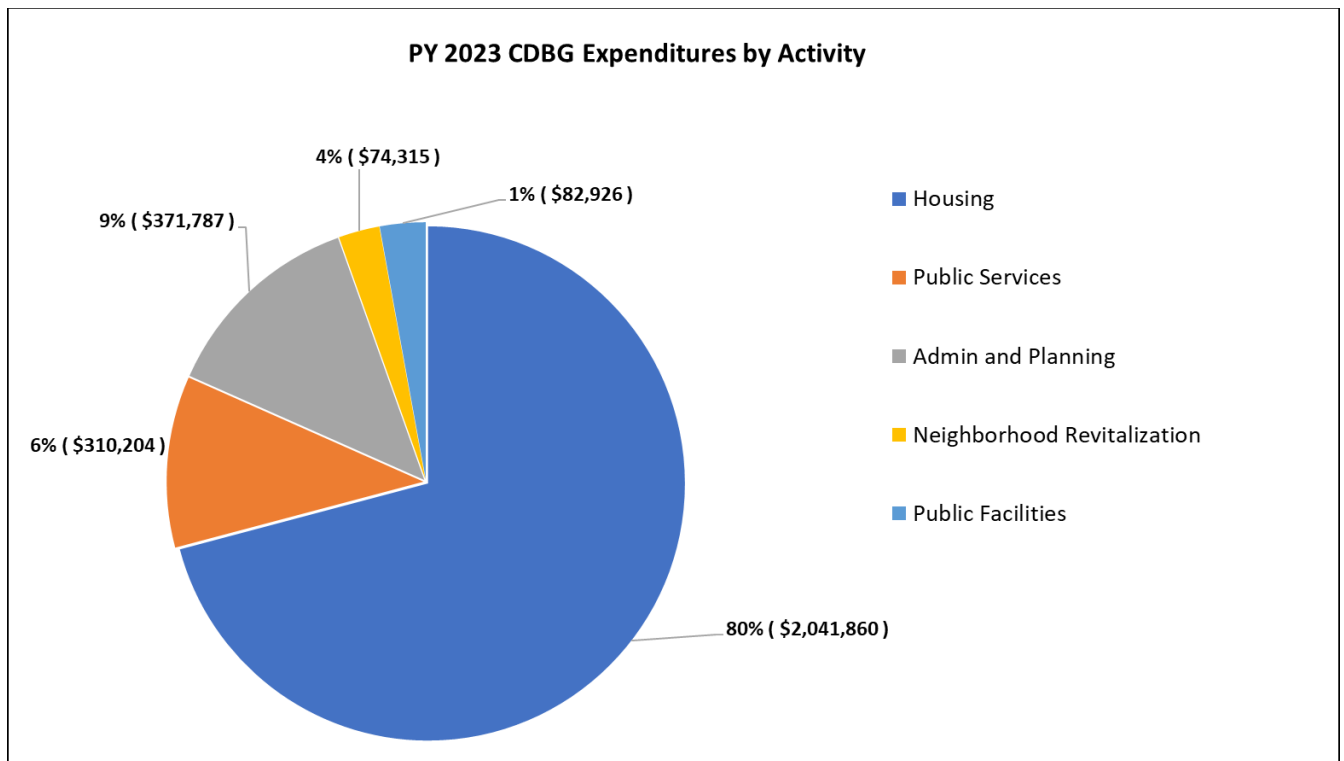
- 5) **Public Services**
  - a) 15,000 persons benefited from public services
- 6) **Neighborhood Revitalization**
  - a) 150 households assisted
  - b) Three (3) buildings demolished
- 7) **Economic Development**
  - a) 20 workforce trainees served
- 8) **Planning and Administration**

## Expenditures by Program

### Community Development Block Grant (CDBG)

Dakota County’s CDBG allocation for Program Year (PY) 2023 was \$1,961,800. In PY 2023, the CDA received \$983,115.60 in program income, which was generated primarily from the CDA-administered Home Improvement Loan program. The combined total available from the PY 2023 allocation and program income was \$2,944,915.60. The total expenditure for PY 2023 was \$2,881,090.70.

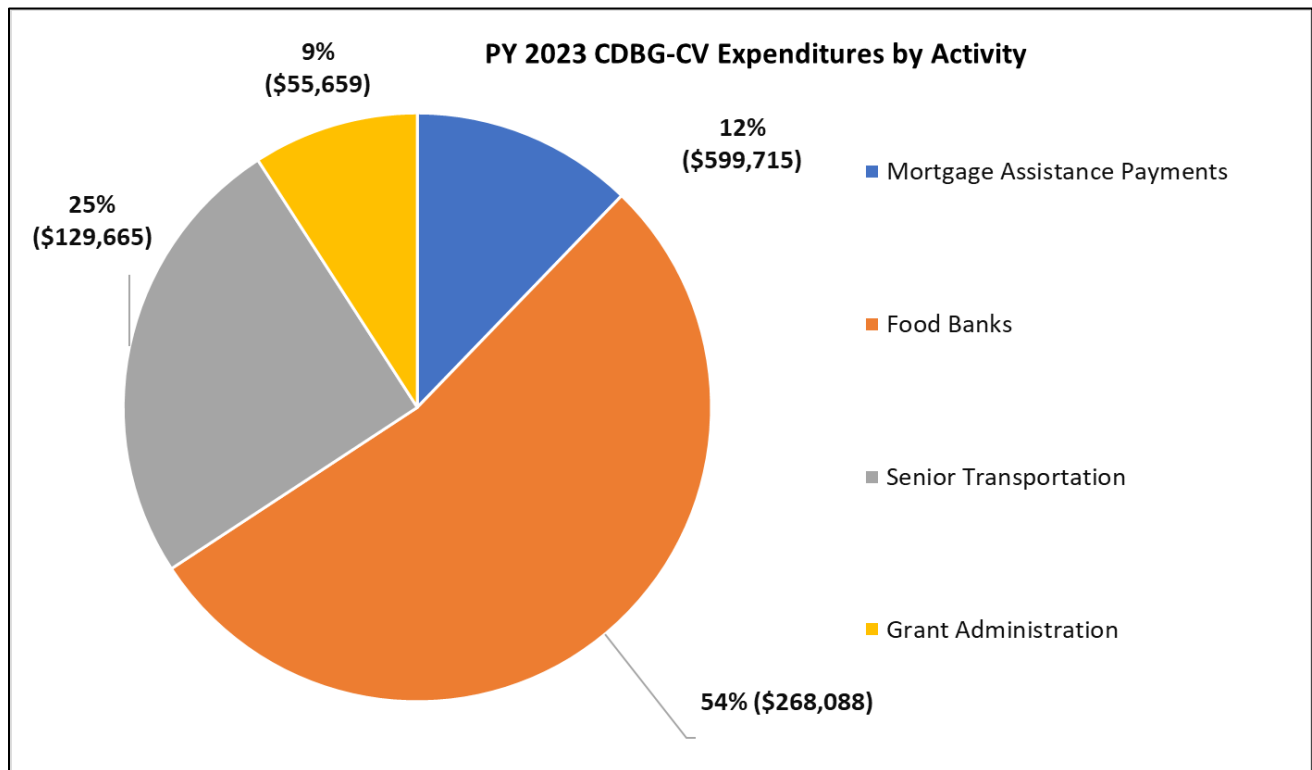
The chart below shows the percentages of those funds expended for each activity.



In 2020, Dakota County received an allocation of Community Development Block Grant Coronavirus (CDBG-CV) funds totaling \$2,913,485 to assist the County in responding to Covid-19. The County Board approved the use of the one-time CDBG-CV funds on the following activities:

<b>CDBG-CV Activity</b>	<b>Activity Budget</b>
Mortgage Assistance Payments	\$ 1,005,465.41
Food Banks	\$ 715,927.44
Senior Transportation	\$ 361,979.96
Homeless Facilities	\$ 396,771
Health Services	\$ 164,656.95
Mental Health Services	\$ 65,668.37
Grant Administration	\$ 203,015.87
<b>TOTAL</b>	<b>\$ 2,913,485</b>

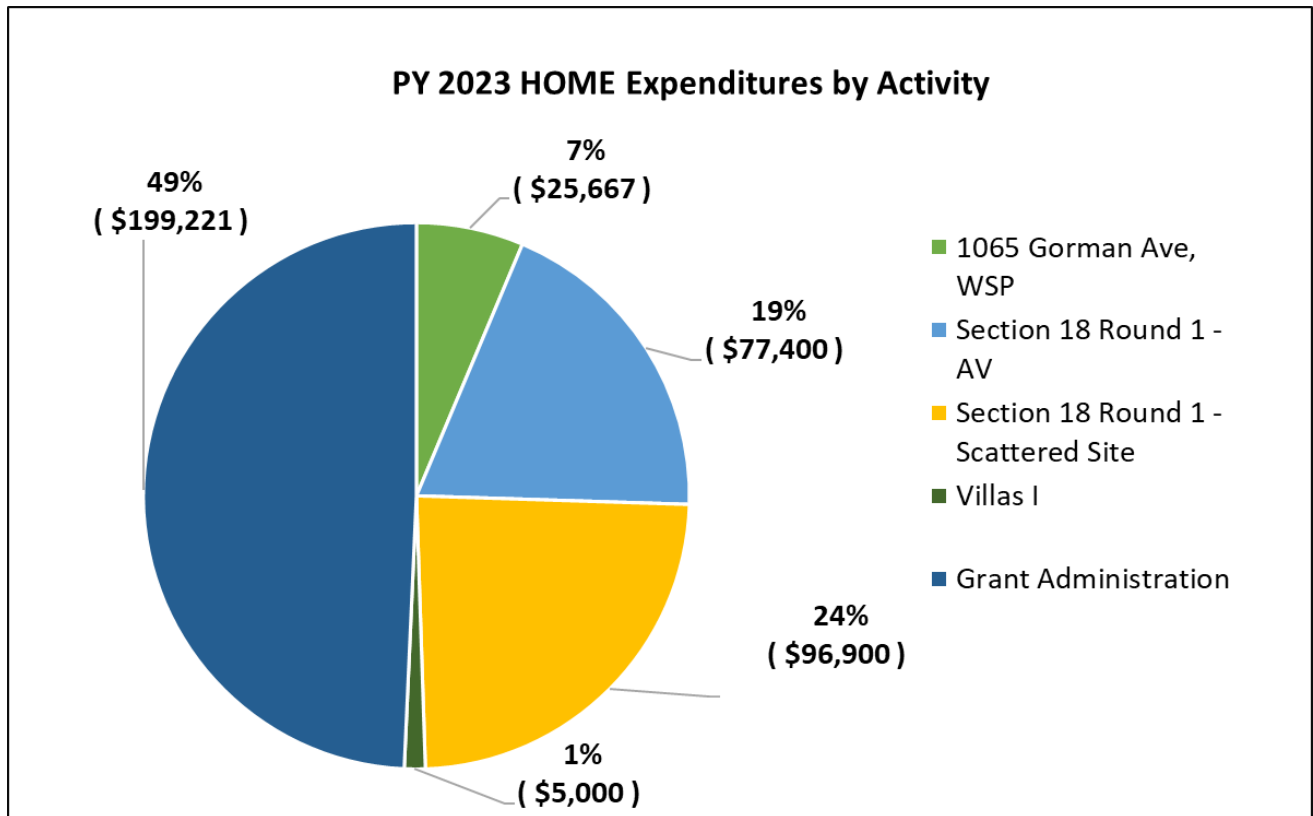
In PY 2023, \$464,723.30 of CDBG-CV funds were expended on the approved activities. The chart below details the expenditures.



## HOME Investment Partnerships (HOME)

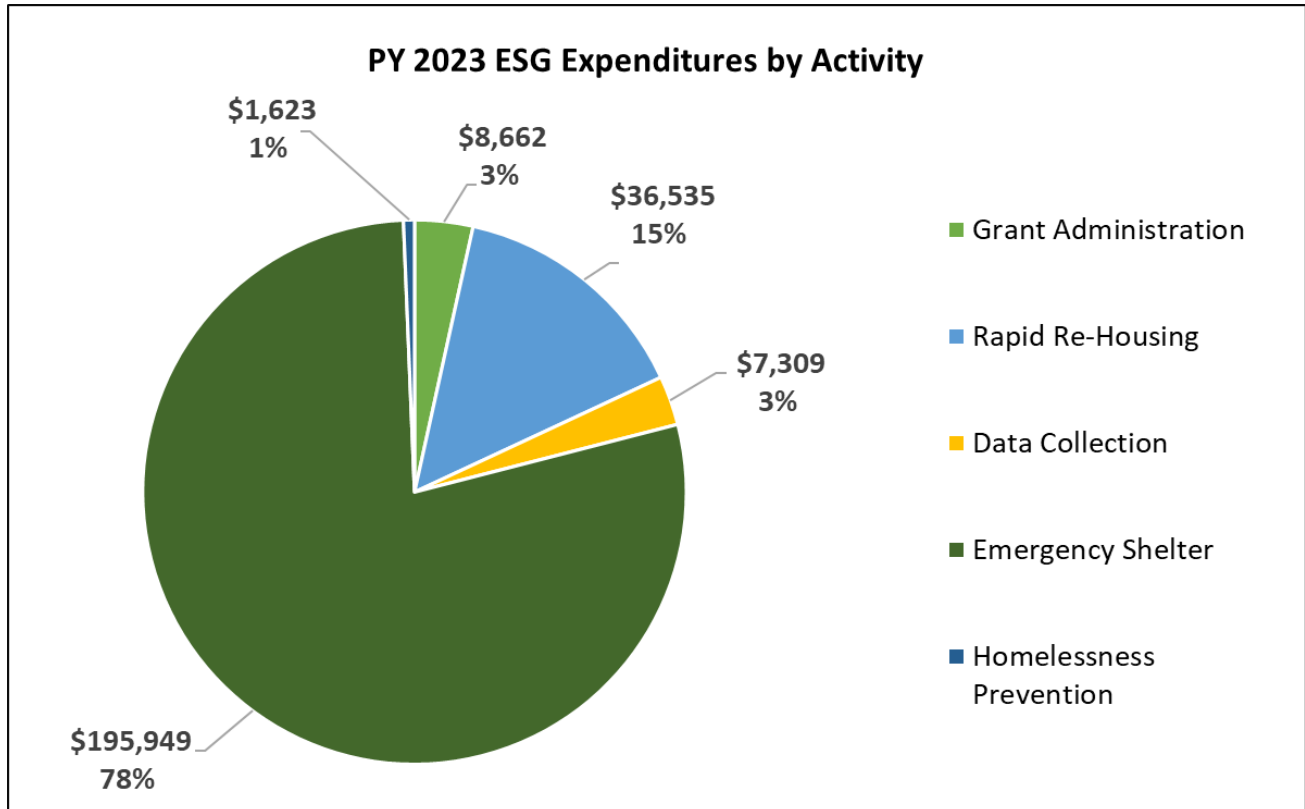
The majority of HOME funds were spent on the rehabilitation and new construction of single family homes by Habitat for Humanity. Additionally, \$5,000 was disbursed for the construction of Villas I, which is 150 units for seniors at 60% AMI. A total of \$199,221 was spent on Grant Administration. Grant Administration costs accounts for CDA time on both CDA projects and Consortium projects.

The following chart shows the expenditures for the four HOME-funded activities in PY 2023 for Dakota County.



## Emergency Solutions Grant (ESG)

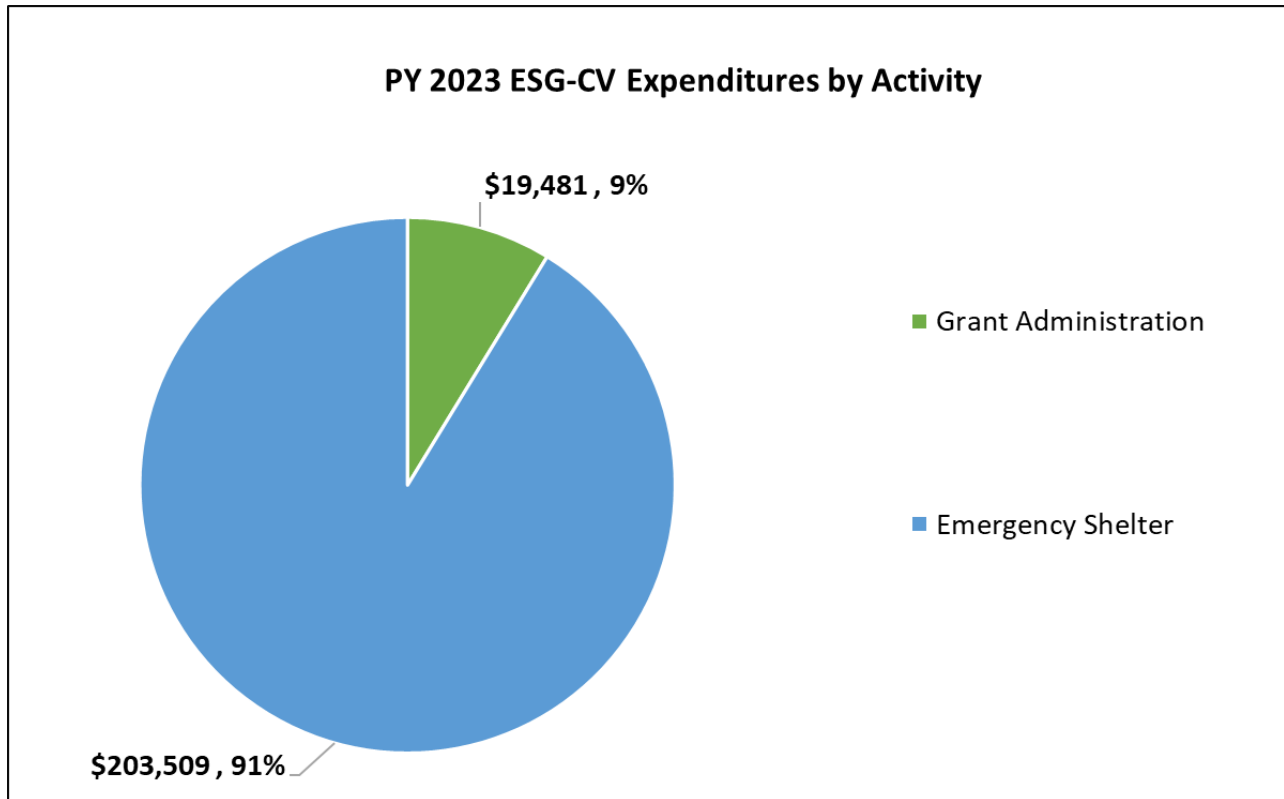
Funds expended in PY 2023 for the ESG program were dedicated to rapid rehousing, homelessness prevention, data collection (Homeless Management Information System or HMIS), emergency shelter and grant administration costs. A total of \$250,078.51 was expended on eligible ESG activities with \$36,534.64 expended on rapid rehousing, which includes on-going rental assistance payments as well as one-time payments for security deposits and first month's rent, and \$195,949 on emergency shelter operations. The following chart details the ESG expenditures by activity.



In 2020, Dakota County received an allocation of Emergency Solutions Grant Coronavirus (ESG-CV) funds totaling \$2,109,564 to help address the needs of individuals or families who are homeless or are at risk of homelessness because of the coronavirus; and to support those eligible activities that mitigate the impacts of Covid-19. The County Board approved the use of the one-time activities on the following activities:

ESG-CV Activity	Activity Budget
Emergency Shelter Operations	\$ 2,013,481
Homeless Management Information System	\$ 19,127
Grant Administration	\$ 76,956
<b>TOTAL</b>	<b>\$ 2,109,564</b>

The ESG-CV grant has been fully spent. In PY 2023, \$222,990.62 of ESG-CV funds were expended on the approved activities. The chart below details the expenditures.



## Accomplishments by Priority

### Reduce Homelessness

ESG funds are one resource available to people experiencing homelessness. Dakota County Social Services and the Scott-Carver-Dakota Community Action Partnership, a private social services provider, deliver direct service to individuals and families referred through the Coordinated Entry system.

In PY 2023, Dakota County served nine households through rapid rehousing and homelessness prevention. In addition to providing rental assistance payments, the rapid rehousing component assists ESG participants with first month's rent, security deposits, and application fees. Homelessness prevention provides rent assistance to stabilize households at risk of becoming homeless.



Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Rental Assistance/Rapid Rehousing	Households Assisted	200	63	32%	2	6	300%
Homelessness Prevention	Persons Assisted	100	3	3%	2	3	150%

**Affordable Rental Housing**

Dakota County added 12 HOME Rental Units in PY 2023. Four of these HOME Rental Units were in Dakota County and eight were added in Ramsey County. The following chart breaks down the progress on the Affordable Rental Housing priority.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023Expected	2023 Actual	% Complete
Rental Units Constructed	Household Housing Unit	360	56	16%	12	12	100%
Rental Units Rehabilitated	Household Housing Unit	20	270	1,350%	0	0	0%

**Affordable Homeowner Housing**

Affordable Homeowner Housing is the focal point of Dakota County’s CDBG program with homeowner rehabilitation being the main activity of the program. In 2023, \$1,991,859.61 (69 percent) of CDBG funds were expended on homeowner rehabilitation. The CDA completed 66 homeowner rehabilitation projects with CDBG funds and another five loans with local CDA funds, and closed on 68 loans, which will be expended in PY 2024. The City of Northfield completed one homeowner rehabilitation project using CDBG funds. Additionally, one homebuyer was assisted through Northfield’s down payment assistance (DPA) program using CDBG.

One homebuyer was assisted through Ramsey County’s down payment assistance (DPA) program. HOME funds were also used to add four units of affordable homeowner housing through new construction. HOME funds were also used to add six units of affordable homeowner housing through acquisition, rehabilitation, and sale to qualified homebuyers.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Homeowner Housing Rehabilitated	Household Housing Unit	300	277	92%	50	75	150%
Homeowner Units Constructed	Households Assisted	6	13	217%	8	4	50%
Direct Financial Assistance to Homebuyers	Households Assisted	1	15	1,500%	0	2	200%

### Public Facilities

No public facilities activities were completed in PY 2023.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit Homelessness Prevention	Persons Assisted	13,000	208	1%	6,000	0	0%

### Public Services

The cities of Apple Valley, Burnsville, Eagan, Farmington, Lakeville, and Northfield allocated funding to a variety of public services in PY 2023. Public Services provided by these communities include senior services, youth services, and senior transportation services. The CDA also provided Housing Counseling as a public service activity.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Public Service Activities Other than LMI Housing Benefit	Persons Assisted	15,000	14,104	94%	2,000	3,466	173%

### Neighborhood Revitalization

One of the strategies of Dakota County’s Neighborhood Revitalization is to address water and sanitation hazards. As part of this strategy, the Dakota County Environmental

Services Division has sealed two abandoned residential wells and repaired seven septic tanks to protect against groundwater contamination. Additionally, assessment abatement was provided to three households in Hastings.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Households Assisted	Household Housing Unit	150	124	83%	10	12	120%
Buildings Demolished	Buildings	3	0	0%	0	0	0%

## Economic Development

In PY 2023, no eligible applications were received for economic development activities. These funds are available for use in PY 2024.

Indicator	Unit of Measure	5-Year Expected	5-Year To Date	% Complete	2023 Expected	2023 Actual	% Complete
Workforce Trainees	Workforce Trainees	20	0	0.00%	0	0	0.00%

## Administration and Planning

Greenvale Township, Douglas Township, and the City of Rosemount used CDBG funds for updates to their zoning codes. The City of Lakeville completed a parking needs assessment study and housing needs assessment study.

Indicator	Unit of Measure	5-Year Expected	5-Year Actual	% Complete	2023 Expected	2023 Actual	% Complete
Other	Other	10	13	130%	4	5	125%