

DAKOTA COUNTY FEDERAL ENTITLEMENT PROGRAMS

Annually, Dakota County (the County) receives Community Development Block Grant (CDBG) funds, HOME Investment Partnerships (HOME) funds, and Emergency Solutions Grant (ESG) funds from the federal government as an entitlement jurisdiction. The funds are received through the U.S. Department of Housing and Urban Development (HUD). The Dakota County Community Development Agency (the CDA) administers the funds on behalf of the County. The federal program year starts July 1st and ends the following June 30th.

CDBG

The CDBG program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. As an urban county with a population of at least 200,000, the County receives a direct CDBG allocation annually. The County Board has decided that 75 percent of the funds should be allocated to the cities and townships, and 25 percent should go towards countywide programs. The County first became eligible to receive a direct allocation of CDBG funding in 1984.

A city in a metropolitan area with a population of 50,000 or more is also considered an entitlement community and can receive a direct CDBG grant. There are four entitlement cities in the County: Apple Valley, Burnsville, Eagan, and Lakeville. These cities have chosen to be part of the Dakota County program because of the partnership between the cities, the County, and the CDA. CDBG funds are allocated to cities as determined by a HUD formula based on overcrowded housing, population and poverty. Overcrowded housing means more than one person per room in a residential structure. The 12 largest Dakota County cities (including Northfield) with a population of more than 10,000 receive direct CDBG allocations. Remaining funds are set aside in a competitive pool for cities and townships with populations less than 10,000. Finally, funding also is set aside for countywide projects and grant administration. The CDBG funds must be spent within four years from the award date or the funds will be forfeited.

HOME

The HOME program provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. The County receives HOME funds as a part of a consortium of counties and a city that includes Anoka County, Ramsey County, Washington County, and the city of Woodbury. The County is designated as the lead agency for the Dakota County HOME Consortium (the Consortium), which was formed in 1994. The County has assumed the role of monitoring and oversight of the HOME funds for the Consortium. Each Consortium member is responsible for developing, selecting and approving activities in their jurisdiction. HOME funds are to be committed to a project within two years from the end of the month the award agreement was signed. Though this rule is currently suspended, the Consortium will strive to meet this deadline annually. HOME funds must be expended within eight years or the funds will be forfeited to HUD.

ESG

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless. ESG funds may be used for five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and Homeless Management Information System (HMIS); as well as administrative activities. The CDA and the County Department of Community Services work together to assist people that are eligible for the program. The Affordable Housing Coalition, an independent, public/private collaboration that facilitates countywide planning of homeless services and resources, provides advisory comments on the ESG program. The ESG funds must be spent within two years from award date or the funds will be forfeited to HUD.