

DAKOTA COUNTY

2025-2029 CONSOLIDATED PLAN AND 2025 ACTION PLAN



EXECUTIVE SUMMARY
Compiled by the Dakota County
Community Development Agency

Last updated: May 21, 2025

Executive Summary

ES-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

In 1974, Congress enacted the Housing and Community Development Act stating the nation's cities, towns and urban communities faced critical social, economic, and environmental problems resulting from:

- Population growth and concentrations of lower income people
- Inadequate investment and reinvestment in housing and other physical facilities resulting in the growth and persistence of slum and blight, and
- Increased energy costs that undermined the quality and effectiveness of local community and housing development.

The response was to consolidate several overlapping competitive community development funding programs into one consistent system of federal aid and provide communities (entitlement jurisdictions) a direct allocation of a portion of federal financial assistance on an annual basis.

Dakota County became eligible to receive a direct allocation of federal funding in 1984 after being designated an "Urban County", which is a county with a population of 200,000 or more. Dakota County began receiving Community Development Block Grant (CDBG) funds in 1984. In 1992, after forming a consortium with Anoka, Ramsey and Washington Counties and the City of Woodbury, Dakota County began receiving HOME Investment Partnerships Program (HOME) funds. In 2013, Dakota County became eligible to receive an allocation of Emergency Solutions Grant (ESG) funds. For the federal entitlement programs, Dakota County's fiscal and program years begin on July 1st and end the following June 30th. For the Consolidated Plan and Annual Action Plan, the terms fiscal year and program year are used interchangeably.

In order to receive federal funding from the U.S Department of Housing and Urban Development (HUD), Dakota County is required to prepare a Consolidated Plan, as well as subsequent Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPERS), for the following programs: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Housing Opportunities for Persons with AIDS (HOPWA) and Emergency Solutions Grant (ESG). Dakota County does not receive HOPWA funds.

The Consolidated Plan lays out the objectives, priority goals and outcomes Dakota County has established to provide decent affordable housing; suitable living

environments; and expand economic opportunities; for principally low- and moderate-income households over a five-year period.

Dakota County receives CDBG and ESG funds as an entitlement jurisdiction and receives HOME funds as a part of a consortium that include Anoka, Ramsey and Washington Counties and the City of Woodbury.

Dakota County is designated as the lead agency for the Dakota County HOME Consortium, assuming the role of monitoring and oversight of the HOME funds for the Consortium. As the grantee of CDBG funds, Dakota County directly works with the various cities within the County to provide access to this funding stream (municipal subrecipients) but provides the managerial oversight of the numerous activities implemented with CDBG resources.

The Dakota County Community Development Agency (CDA) has been the administering entity for these federal funds on behalf of Dakota County since Dakota County became an entitlement jurisdiction in 1984. Each of the three entitlement programs have eligible activities for which the funds can be used. The CDA is charged with ensuring the statutory requirements of all three programs are met. This is done through an annual agreement with the County.

2. Summary of the objectives, priority goals and outcomes identified in the Plan

The overarching goal of the programs covered by the Consolidated Plan is the development of viable urban communities. This is to be achieved by providing decent housing, a suitable living environment, and expanding economic opportunities to predominantly benefit low-and moderate-income people. HUD defines low-and moderate-income households as having an annual gross income at or below 80 percent of the area median income. As of 2025, the area median income for Dakota County was \$132,400 for a four-member household.

With the outcomes established by Congress in mind and guided by the mission statements of Dakota County and the Dakota County CDA, the following objectives were identified to achieve the housing and community development needs of Dakota County communities and its residents.

1. Increase the affordable housing choices for low-and moderate-income households.
2. Preserve and improve existing housing to maintain affordability.
3. Increase access and quality of living by providing public services and supporting community development efforts.
4. Support neighborhood revitalization and remove safety and blight hazards.

5. Support economic development initiatives that enhance the workforce and businesses.
6. Support planning efforts that address the housing, community and economic development needs of Dakota County, support fair housing choice, and continue to foster partnerships with community stakeholders.

The following illustration shows how the proposed County objectives align with the National Objectives laid out by Congress.



As part of determining the priority goals for the five-year Consolidated Plan, HUD requires the jurisdiction to look at the needs of the community. The Dakota County CDA reviewed U.S. Census and American Community Survey (ACS) data, and the projection of future household growth by both the Metropolitan Council and State of Minnesota Demography Center, as well using data from a housing needs assessment completed by Bowen National Research. Additionally, the CDA conducted a visual survey for Dakota County residents to solicit their opinions of the priority needs and an online survey of CDA residents, city officials, service providers, and developers.

The priority goals and the strategies to achieve the desired outcomes of decent housing, suitable living environments and economic opportunity were then developed to serve the broad range of households and to provide benefit to as many persons possible given the parameters of the funding programs.

To support the County's objectives for the federal programs, specific strategies are needed that will help the County meet its goals. The strategies are further refined into specific outcomes. The chart on the following page details the proposed strategies and outcomes for the three programs.

2025-2029 Consolidated Plan - Dakota County

Objective		Priority	Strategy		Outcome
6	Support planning efforts that address the housing, community and economic development needs of Dakota County, support fair housing choice, and continue to foster partnerships with community stakeholders.	1	Increase the affordable housing choices for low- and moderate-income households.	Reduce Homelessness <ul style="list-style-type: none"> a. Support the implementation and operation of coordinated access entry sites for families, youth and singles b. Support housing stabilization initiatives for homeless populations c. Support the operation of emergency shelter facilities 	<ul style="list-style-type: none"> • 50 Households provided Rapid Re-housing Assistance • 50 Households assisted with Homelessness Prevention • 500 Persons assisted through Overnight Shelter
			Affordable Rental Housing	<ul style="list-style-type: none"> a. Assist households to secure housing through new construction b. Improve energy efficiency of rental units c. Rehabilitate and preserve affordability in multifamily units d. Support fair housing activities e. Provide rental assistance 	<ul style="list-style-type: none"> • 50 Rental Units constructed • 10 Rental Units rehabilitated
		2	Preserve and improve existing housing to maintain affordability.	Affordable Homeowner Housing <ul style="list-style-type: none"> a. Increase supply of affordable homeowner housing b. Improve energy efficiency of owner-occupied housing units c. Rehabilitate and preserve affordability in single family units d. Support fair housing activities 	<ul style="list-style-type: none"> • 300 Homeowner Units rehabilitated • 1 Homeowner Unit (re)constructed • 3 Direct Financial Assistance to Homebuyers
		3	Increase access and quality of living by providing public services and supporting public facilities.	Community Development <ul style="list-style-type: none"> a. Assist LMI homeowners with street assessments b. Improve accessibility in public buildings to comply with ADA regulations 	<ul style="list-style-type: none"> • 500 Persons benefited from public facility or infrastructure improvement
			Public Services	<ul style="list-style-type: none"> a. Support programs that fulfill basic needs (food and shelter) for people who are low-income and/or homeless b. Support programs for youth c. Support programs for seniors d. Support transportation services e. Support housing counseling services 	<ul style="list-style-type: none"> • 13,000 Persons benefited from public services
		4	Support community development that revitalizes neighborhoods and removes safety and blight hazards.	Neighborhood Revitalization <ul style="list-style-type: none"> a. Address vacant or substandard properties that may or may not be suitable for rehab b. Address water and sanitation hazards c. Address contamination clean up issues 	<ul style="list-style-type: none"> • 150 Households assisted
		5	Support economic development that enhances the workforce and businesses.	Economic Development <ul style="list-style-type: none"> a. Support work initiatives that assist residents to access living wage jobs b. Support initiatives that help low-income people gain work skills, jobs and employment history c. Provide financial assistance to businesses to address building deficiencies (exterior façade improvements) 	<ul style="list-style-type: none"> • Façade treatment/business building rehabilitation: 2 Businesses
		Planning and Administration a. Support all of the goals and strategies with planning and administration			

3. Evaluation of past performance

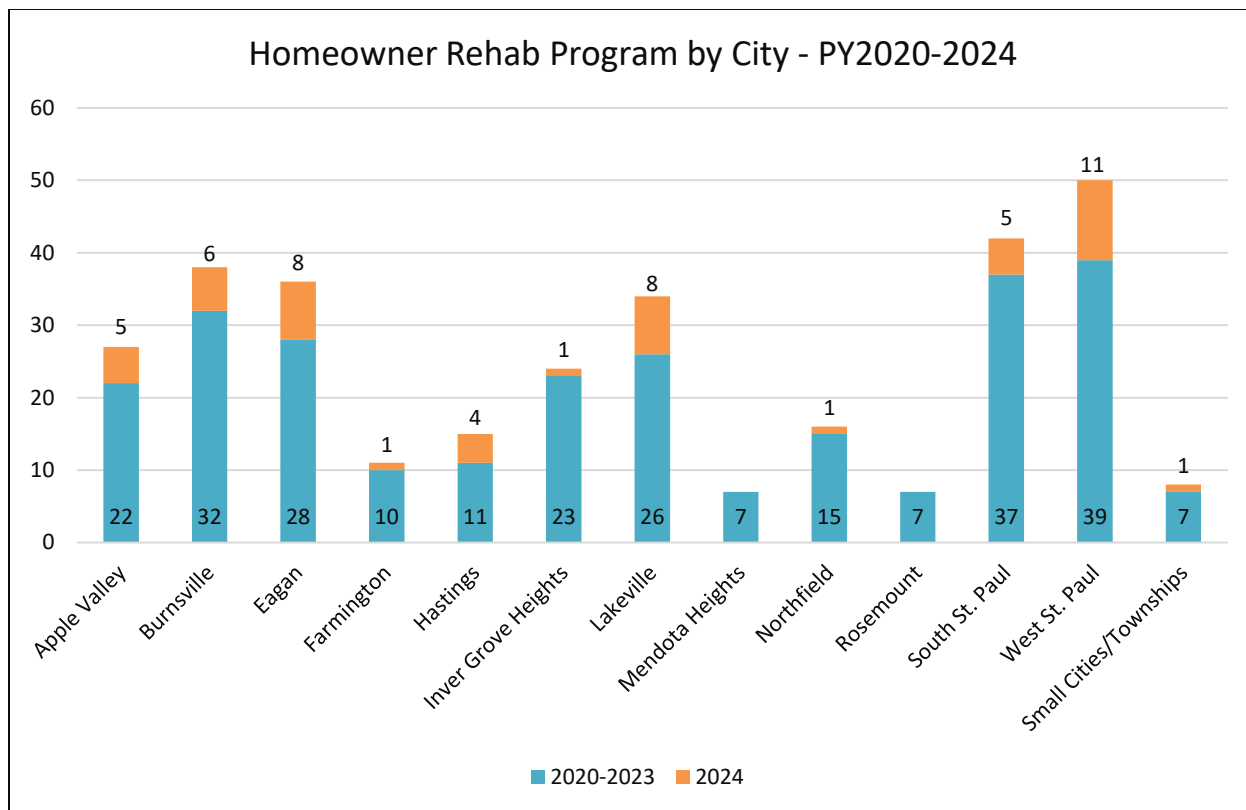
Dakota County has done well in meeting or exceeding most of the goals that were established in the 2020-2024 Consolidated Plan. As the fifth year of the Consolidated Plan and final year action plan nears completion, the following narrative and graphics highlight the outcomes Dakota County was able to achieve with CDBG, HOME and ESG funding.

Note for the reader: The program year for the funding sources discussed in this plan operate from July 1st to June 30th. Because the 2024 program year will not be completed until June 30, 2025, the accomplishments highlight the beneficiaries and the attainment of goals through a designated period of the 2024 program year.

- **Homeowner Rehabilitation Program**

From July 2020 to December 2024, the CDA's Home Improvement Loan Program has funded rehabilitation work for 294 single family homes. Since July 2020, approximately \$6.5 million dollars in CDBG funds have been utilized to provide low-to-moderate income homeowners rehab loans to complete projects ranging from window replacement, roofing and siding replacement, HVAC updates, and kitchen or bathroom remodels. The loans are zero percent and deferred, meaning the homeowner does not need to repay the loan until they sell the house or refinance for reasons other than rate or term. A 30-year mortgage is placed on the property to ensure the loan is repaid. Because the loan does not accrue interest, the homeowner only pays back the principal loan amount.

To date this program year (May 2025), 50 homeowners have completed their rehabilitation projects, receiving an average loan of \$29,873.



Source: Dakota County CDA

- ### New Affordable Housing Construction

Dakota County has prioritized spending HOME funds, approximately \$540,000 each year, on the development of new affordable housing units. By the middle of PY2024, 16 new HOME rental units of affordable housing had been added in Dakota County, with new housing developments still in the pipeline.

Additional developments close to completion in 2025 will add 40 more units for those who have incomes at or below 80 percent of area median income. Denmark Trail, a CDA owned workforce housing development, will be completed in mid to late 2025 and will add 40 affordable units and six HOME units.

- ### Homelessness Activities

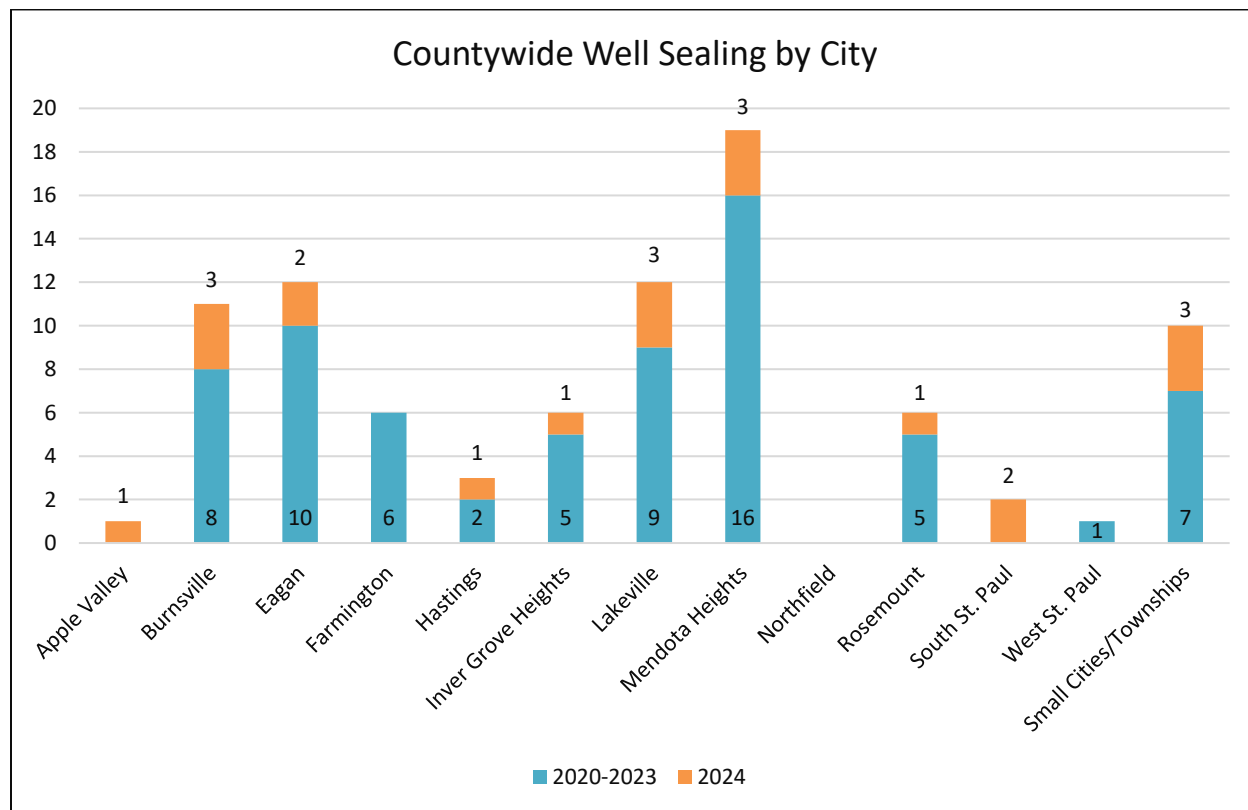
For households in Dakota County that are currently homeless or at-risk of becoming homeless, ESG funds have been used rapid re-housing activities, homelessness prevention, emergency shelter operations, data collection, and grant administration. The rapid re-housing and homelessness prevention activities include assistance with application fees, security deposits and first month's rent, in addition to on-going rental assistance payments to provide households with permanent housing. Payment of rental

arrears is also an approved action to help a household gain access to permanent housing.

From PY 2020 through PY 2023, 700 households were helped with ESG funds. Data for PY 2024 is not yet available.

- **Well Sealing Grant Program**

The Countywide well-sealing grant program reimburses Dakota County homeowners up to half of the total cost to seal an unused and/or abandoned well. Unused or abandoned wells are a potential threat to health, safety, and the environment. Wells can provide safe water for many years but as these wells age, they may deteriorate and lose their ability to keep contaminants out of the water supply. A total of 69 wells were properly sealed from PY 2020 to PY 2023, with an average reimbursement grant of \$1,350 for the property owner. This program combines private funds with CDBG funding. For every dollar of CDBG spent, at least one dollar of non-CDBG money is spent. This means that the \$108,867 of CDBG funding that has been expended since PY 2020 leveraged an additional \$108,867 in private funding.



Source: Dakota County CDA

4. Summary of citizen participation process and consultation process

- I. The process followed to develop the current Consolidated Plan included citizen participation along with stakeholder consultation to assist in identifying community needs and strengthen partnerships. Staff developed an outline for the process in January 2024 and began collecting citizen and stakeholder input in June 2024. The process identified for the 2025-2029 Consolidated Plan was first to identify the needs of the community by soliciting input from the community and then analyze various data sources to complete the needs assessment.

II. Citizen Participation (Ongoing).

A majority of the feedback received from citizens was received in the summer of 2024. The following highlights the engagement process conducted:

1. Dakota County Fair (August 2024) – The Dakota County CDA had a booth located on one of the main thoroughfares at the Dakota County Fair. Staff members requested fairgoers complete a visual preference survey on priorities for their community. The survey was completed by placing a dot on the pictures of the issues that citizens deemed most important. The CDA received 76 responses.
2. Eagan Market Fest (July and August 2024) – The Dakota County CDA had a booth at the Eagan Market Fest on July 10th and August 28th. Staff members requested attendees complete a visual survey and identify the top three priorities in their community. The Eagan Market Fest is an open-air market held by the City of Eagan every Wednesday evening in the summer. A total of 105 responses were received at the events.
3. Community Needs Survey (August 2024) – Dakota County CDA designed a survey for CDA residents, city officials, elected officials, service providers, and developers to complete. The survey was distributed to stakeholders mainly through email and face-to-face meetings with partners.
 - The CDA emailed more than 1,718 residents of Dakota County CDA housing a copy of the survey; 240 residents responded.
 - A link to the survey was e-mailed and provided at the July virtual meeting to the Affordable Housing Coalition (AHC), the local advisory body for several housing issues and funding, most notably the Continuum of Care. The e-mail list-serve includes service providers, elected officials and advocates of affordable housing in Dakota County. Eleven (11) individuals responded to the survey from the AHC.

- The survey link was emailed to current city council elected officials requesting their participation and to city and township community development/planning staff. Twenty-eight (28) city elected officials and city and township staff responded to the survey.
- The survey link was emailed to developer partners that have had previous contact or partnership with the Dakota County CDA. Three developers responded.

A total of 282 residents and community partners completed the survey.

III. Community partners consultation (October 2024 – March 2025).

1. October 10, 2024 – Dakota County CDA staff presented initial data and solicited feedback regarding the affordable housing needs at the October meeting of the Affordable Housing Coalition for the Consolidated Plan public meeting.
2. October 10, 2024 – Dakota County CDA staff presented initial Consolidated Plan data to Community Development Directors and economic development staff of the 12 large cities in Dakota County.
3. October 24, 2024 – Consortium-wide public meeting. Staff from each Consortium member attended and prepared a presentation about initial data and next steps for the development of the Consolidated Plan. A public notice for the meeting was published in the *Minnesota Star Tribune* on September 23, 2024. No members of the public attended.
4. November 6, 2024 – CDA staff presented preliminary data and information about the Consolidated Plan to the Dakota-Scott Workforce Board Business Services Committee.
5. November 14, 2024 - The development timeline and process of the Consolidated Plan were discussed at the annual CDBG workshop. All municipalities in the County are required to formally apply for CDBG funding and request funding for activities that would best serve their community needs. CDBG applications were provided to municipal staff mid-November 2024 and were placed on the CDA's website.
6. November 14, 2024 – The ESG Notice of Funding Availability and 2025 ESG application were sent to the Affordable Housing Coalition and potential applicants. Applications were due to the CDA by January 17, 2025. It should be noted that 2025 applications for CDBG and ESG funding were first guided by the priorities established in the 2020-2024 Consolidated Plan and reviewed with the priorities proposed in the current Plan.
7. October 2024 – January 2025 - CDA staff consulted with the Dakota County Physical Development department, specifically the Environmental Resource

Division, and the Community Services department. The departments provided feedback on the proposed goals and objectives.

In addition to the above-listed meetings, the following public meetings were held to receive comments about the proposed Consolidated Plan and Action Plan:

1. February 13, 2025 – The Affordable Housing Coalition discussed the Consolidated Plan goals and the ESG applications at its monthly public meeting.
2. February 18, 2025 - Dakota County Board of Commissioners reviewed Countywide CDBG community needs and eligible activities at a public meeting.
3. February 20, 2025 – Presentation of the Consolidated Plan at the bi-monthly City-County Economic Development meeting; the meeting attendees included cities in Dakota County.
4. March 25, 2025 – Dakota County Board of Commissioners reviewed Consolidated Plan goals and activities at a public meeting.
5. March 8, 2025 – Dakota County CDA published the notice starting the minimum 30-day comment period for the Consolidated Plan.

III. Public Hearing Process (March 2025 – May 2025).

1. March 8, 2025 – Thirty-day public comment period began for the Consolidated Plan with the public comment notice published in the following newspapers: *Minnesota Star Tribune*, *Dakota County Tribune*, and the *Hastings Star Gazette*.
2. April 1, 2025 – Public Hearing notice published in the *Minnesota Star Tribune*.
3. April 22, 2025 – Public hearing for the 2025-2029 Consolidated Plan and 2025 Action Plan was held at the Dakota County Board of Commissioner's meeting. Public comments should be submitted via email or in person.
4. June 24, 2025 – Dakota County Board of Commissioners will be asked to approve the 2025-2029 Consolidated Plan and 2025 Action Plan.

5. Summary of public comments

A public meeting that included all HOME Consortium members was held on October 24, 2024. No members of the public attended. The official public comment period for the 2025-2029 Consolidated Plan opened on March 8, 2025 and was open for 41 days. The public hearing for the Dakota County Consolidated Plan was April 22, 2025. No public comments were received. Comments from surveys and community consultation have already been incorporated.

6. Summary of comments or views not accepted and the reasons for not accepting them

All public comments received have been accepted.

7. Summary of Program Year 2025 Funds and Activities

Dakota County and the HOME Consortium members were allocated approximately \$4 million between CDBG, HOME and ESG for FY 2025. Dakota County is expected to receive slightly under \$3 million in grant allocations, with the largest being CDBG.

For the 2025 program year, Dakota County has set funding for 38 activities to take place either within a specified city or on a Countywide basis. The breakout is 31 activities are funded with CDBG, five activities are funded with ESG, and two activities are funded with HOME including program administration. The following activity statement and graphs detail the intended uses (activities) of CDBG, HOME and ESG funds for FY 2025.

The other members of the Dakota County HOME Consortium will work with their respective elected Boards for approval of the non-HOME funds.

**Dakota County 2025 Community Development Block Grant (CDBG),
HOME Investment Partnerships (HOME)
and Emergency Solutions Grant (ESG) Activity Statements**

Final CDBG Budget with 1.03% (\$19,547) increase from FY 2024
Final HOME Budget with 3.04% (\$66,657.78) increase from FY 2024
Final ESG Budget with 4.69% (\$7,730) decrease from FY 2024

Dakota County 2025 CDBG Activity Statement

Small Cities and Townships:

City	Project	2025 Budget
Vermillion Twp.	Planning & Admin - Buildable Site Inventory Map	\$ 11,115.00
	Total	\$ 11,115.00

Large Cities:

City	Project	2025 Budget
Apple Valley	Home Improvement Loan Program	\$ 141,398
	Public Service - DARTS Senior Chore Service	\$ 24,952
	Total	\$ 166,350

City	Project	2025 Budget
Burnsville	Home Improvement Loan Program	\$ 235,944
	Total	\$ 235,944

City	Project	2025 Budget
Eagan	Home Improvement Loan Program	\$ 171,630
	Public Service - Pre-School Program	\$ 12,125
	Public Service - Youth After School Programs	\$ 6,063
	Public Service - DARTS Senior Chore Services	\$ 5,052
	Public Service - Dakota Woodlands Youth	\$ 1,516
	Public Service - Senior Services	\$ 6,063
	Total	\$ 202,449

City	Project	2025 Budget
Farmington	Home Improvement Loan Program	\$ 42,051
	Public Service - Senior Services	\$ 5,053
	Total	\$ 47,104

City	Project	2025 Budget
Hastings	Assessment Abatement	\$ 45,347
	Total	\$ 45,347

City	Project	2025 Budget
Inver Grove Heights	Home Improvement Loan Program	\$ 97,463
	Total	\$ 97,463

City	Project	2025 Budget
Lakeville	Home Improvement Loan Program	\$ 72,466
	Planning & Admin - Industry Cluster Analysis	\$ 18,706
	Planning & Admin - Downtown Development Guide	\$ 3,031
	Public Service - Senior Transportation	\$ 35,370
	Public Service - Senior Services	\$ 15,355
	Total	\$ 144,928

City	Project	2025 Budget
Mendota Heights	Home Improvement Loan Program	\$ 17,391
	Total	\$ 17,391

City	Project	2025 Budget
Northfield	Homeownership Assistance - Down Payment Assistance	\$ 48,500
	Planning & Admin - Land Development Code	\$ 6,130
	Total	\$ 54,630

City	Project	2025 Budget
Rosemount	Home Improvement Loan Program	\$ 11,901
	Planning & Admin - Downtown Framework Update	\$ 30,313
	Total	\$ 42,214

City	Project	2025 Budget
South St. Paul	Home Improvement Loan Program	\$ 71,854
	Total	\$ 71,854

City	Project	2025 Budget
West St. Paul	Home Improvement Loan Program	\$ 86,706
	Total	\$ 86,706

Countywide	Project	2025 Budget
Dakota County	Home Improvement Loan Estimated Revolving Loan	\$ 400,000
	Planning & Admin - CDA General Grant Administration	\$ 234,237
	Countywide Home Improvement Loan	\$ 259,970
	Public Service - Housing Counseling	\$ 111,773
	Countywide Septic System Repair/Replacement Grants	\$ 60,967
	Planning & Admin - Fair Housing (Landlord Training)	\$ 3,000
	PY2025 CDBG Countywide	\$ 435,710
	PY2025 CDBG Grant Administration	\$ 234,237
	PY2025 CDBG Total Budget	\$ 1,893,442
	PY2025 CDBG Budget w/ Estimated RL	\$ 2,293,442

Dakota County Consortium 2025 HOME Activity Statement

Participating Jurisdiction	Project	2025 Budget
Anoka County 24.62%	Affordable Rental Housing	\$ 405,091.00
	Affordable Rental Housing - Program Income	\$ 37,513.20
	Affordable Rental Housing (from Woodbury)	\$ 73,054.00
	Affordable Rental Housing - Program Income (from Woodbury) -	\$ 3,840.48
	Affordable Homeowner Housing – Program Income	\$ 150,000.00
	Community Housing Development Organization - Rental	\$ 81,018.00
	Grant Administration	\$ 42,814.00
	Grant Administration - Program Income	\$ 15,626.10
	Total	\$ 808,956.78

Participating Jurisdiction	Project	2025 Budget
Dakota County 36.24%	Affordable Rental Housing	\$ 263,393.21
	Affordable Rental Housing – Program Income	\$ 69,495.57
	Affordable Homeowner Housing	\$ 332,888.79
	Community Housing Development Organization - Rental	\$ 119,257.00
	Grant Administration	\$ 114,474.34
	Grant Administration – Program Income	\$ 8,147.01
	Total	\$ 907,655.92

Participating Jurisdiction	Project	2025 Budget
Ramsey County 22.84%	Affordable Homeowner Housing	\$ 375,803.00
	Affordable Homeowner Housing – Program Income	\$ 66,007.68
	Rental - Community Housing Development Organization	\$ 75,161.00
	Grant Administration	\$ 37,580.00
	Grant Administration – Program Income	\$ 5,500.65
	Total	\$ 560,052.33

Participating Jurisdiction	Project	2025 Budget
Washington County 11.86%	Affordable Homeowner Housing	\$ 195,141.00
	Affordable Homeowner Housing - Program Income	\$ -
	Community Housing Development Organization - Rental	\$ 39,028.00
	Grant Administration	\$ 19,514.00
	Grant Administration - Program Income	\$ -
	Total	\$ 253,683.00

Participating Jurisdiction	Project	2025 Budget
City of Woodbury 4.44%	Community Housing Development Organization - Rental	\$ 14,611.00
	Grant Administration	\$ 5,000.00
	Total	\$ 19,611.00

Consortium Totals	Project	2025 Budget
	HOME Projects:	
	Affordable Rental Housing	\$ 741,538.21
	Affordable Homeowner Housing	\$ 903,832.79
	Community Housing Development Organization - Rental	\$ 329,075.00
	Grant Administration	\$ 219,382.34
	Prior Year Program Income	\$ 356,130.69
	PY2025 HOME Total Budget	\$ 2,193,828.34
	PY2025 HOME Total Budget and Program Income	\$ 2,549,959.03

Dakota County 2025 ESG Activity Statement

Countywide	Activity	2025 Budget
	Emergency Shelter Operations	\$ 98,815
	Rapid Re-Housing	\$ 44,936
	Homelessness Prevention	\$ 3,817
	Data Collection (HMIS)	\$ 4,772
	Grant Administration	\$ 12,352
	PY2025 ESG Total Budget	\$ 164,692