



## Housing and Redevelopment Authority AGENDA

**HOUSING AND REDEVELOPMENT AUTHORITY MEETING  
TUESDAY, SEPTEMBER 8, 2026  
COUNCIL CHAMBERS  
BLOOMINGTON CIVIC PLAZA  
1800 W. OLD SHAKOPEE RD.  
BLOOMINGTON, MN 55431  
6:00 PM**

|                    |                    |                  |
|--------------------|--------------------|------------------|
| HRA Commissioners: | Jenna Carter       | Blake Dobliger   |
|                    | Vicki Hoogheem     | Jennifer Mueller |
|                    | Rod Wooten         | Samiira Isse     |
|                    | Danielle Robertson |                  |

### **ANNOUNCEMENT**

This meeting will be held in person and electronically via Webex. Some members of the Housing and Redevelopment Authority, testifiers, and presenters may participate electronically as permitted by Minnesota Statutes. Members of the public may participate in person or electronically. Directions are provided below.

### **To watch or listen to the meeting or provide testimony:**

- Attend in person
- Watch online on the City's YouTube channel [blm.mn/youtube](https://www.youtube.com/channel/UCblmMn)
- Participate via phone (testimony for public hearing only): 1-415-655-0001, Access Code: 2867 605 7600 Password 4721 (Note: long-distance call. Consider calling methods to reduce or eliminate long-distance charges.)
- Participate via computer (testimony for public hearings only):  
Link: <https://logis.webex.com/logis/j.php?MTID=m6ad3669624dce6ebbcc4576a34077a59> Event number: 2867 605 7600; Event password: HRA1

### **Note that no testimony is taken on non-public hearing items**

To aid in the smooth running of the meeting, the HRA recommends pre-registration for remote testimony for public hearing items: e-mail [HRA@BloomingtonMN.gov](mailto:HRA@BloomingtonMN.gov) or call 952-563-8937 any time prior to 4:30 p.m. on the date of the meeting to register and receive instruction.

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. CONSENT BUSINESS**

3.1 August 19, 2026 meeting minutes

3.2 August 25, 2026 meeting minutes

**4. ORGANIZATIONAL BUSINESS**

4.1 Emergency Rental Assistance Program – VEAP Contract Amendment

4.2 Consideration of request from Mount Olivet Rolling Acres for Local Affordable Housing Aid funds.

**5. NEW BUSINESS**

5.1 2025 Consolidated Annual Performance and Evaluation Report (CAPER) for Community Development Block Grant (CDBG)

**6. DISCUSSION ITEMS**

6.1 Discussion on Vision for St. Mark's Property

6.2 HRA Policy and Project Updates

**7. ADJOURNMENT**

**BloomingtonMN.gov:** A yearly meeting schedule, agendas, and the official minutes once approved are available. If you require a reasonable accommodation, please call 952-563-8733 (MN Relay 711) as soon as possible, but no later than 9:00 a.m. one business day before the meeting day.

**Our mission is to cultivate an enduring and remarkable community where people want to be.**



## Board Agenda Item

|                                                      |                                                    |
|------------------------------------------------------|----------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>3.1 August 19, 2026 meeting minutes</b> |
| Agenda Section<br>CONSENT BUSINESS                   | Date<br>September 8, 2026                          |

Requested Action:

Approve August 19, 2026 meeting minutes

Description:

HRA Board Retreat August 19, 2026 meeting minutes

Attachments:

[HRA Board Retreat meeting minutes August 19 2026 unapproved.pdf](#)

# (UN)APPROVED MINUTES



## Housing And Redevelopment Authority

**Date:** 8/19/2026

**Time:** 10:00 a.m.

**Location:** Fire Station 1

**Address:** 10 W 95th Street, Bloomington MN, 55420

**Members Present:** Chair J. Mueller, R. Wooten, V. Hoogheem, J. Carter, D. Robertson, B. Dobliger, S. Isse.

**Staff:** Sarah Abe, HRA Administrator; Mike Palermo, Assistant HRA Administrator; Anna Salvador, Assistant HRA Administrator; Breanne Phillips, Office Support Specialist; Pricilla Mayowa, Business Assistant Specialist

The meeting began at 10:13 a.m. A quorum is present.

### ORGANIZATIONAL BUSINESS.

#### 1.1 HRA Board Retreat

The Bloomington Housing and Redevelopment Authority (HRA) Board held its 2026 Board Retreat on Wednesday, August 19, from 10:00 a.m. to 4:00 p.m. at Fire Station 1, located at 10 W 95th Street.

The retreat provided an opportunity for the HRA commissioners and staff to engage in discussion and review.

### ADJOURNMENT.

There were no formal votes or actions taken during the meeting. Adjournment at 3:59 pm.



## Board Agenda Item

|                                                      |                                                    |
|------------------------------------------------------|----------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>3.2 August 25, 2026 meeting minutes</b> |
| Agenda Section<br>CONSENT BUSINESS                   | Date<br>September 8, 2026                          |

Requested Action:

Approve August 25, 2026 meeting minutes

Description:

August 25, 2026 meeting minutes

Attachments:

[HRA meeting minutes August 25 2026 unapproved.pdf](#)

# (UN)APPROVED MINUTES



## Housing And Redevelopment Authority

**Date:** 8/25/2026

**Time:** 6:00 p.m.

**Location:** City Council Chambers

**Address:** 1800 W Old Shakopee Rd, Bloomington MN, 55431

**Members Present:** Chair J. Mueller, V. Hoogheem, J. Carter, D. Robertson, S. Isse.

**Staff:** Sarah Abe, HRA Administrator; Mike Palermo, Assistant HRA Administrator; Ryan Solberg, Housing Development Specialist; Keele Jackson, Program Specialist II; Breanne Phillips, Office Support Specialist

Chairperson Jennifer Mueller called the meeting to order at 6:02 p.m. A quorum is present.

### APPROVAL OF AGENDA.

#### 2.1 Approval of the August 25, 2026 Agenda

Commissioner Robertson moved to approve the August 25, 2026 agenda. Commissioner Hoogheem seconded the motion. Motion passed 5-0.

### CONSENT BUSINESS.

#### 3.1 July 14, 2026 meeting minutes

#### 3.2 Approval of the Assignment and Assumption of Agreements and Subordination Agreements for 9100 Old Cedar Avenue South, 8300 Old Cedar Avenue South, and 8421 22nd Ave South/2324 East Old Shakopee Road

Chair Mueller introduced the Consent Business agenda, which included the July 14, 2026 meeting minutes and the approval of the Assignment and Assumption of Agreements and Subordination Agreements for the three reference properties. No items were pulled for discussion.

Commissioner Robertson moved to approve the Consent Business items. The motion was seconded by Commissioner Isse. The motion passed 5-0.

### ORGANIZATIONAL BUSINESS.

#### 4.1 HRA 2025 Audit Presentation

Sarah Abe introduced Andy Hering of Redpath and Company, the City's auditor who performs auditing service for the City of Bloomington, the Port Authority, and the HRA. Andy presented the results of the Bloomington HRA's 2025 financial audit. The audit was completed in June 2026 and resulted in an unmodified (clean) opinion, the highest level of audit opinion. No findings were identified related to internal controls over financial reporting or Minnesota statutory compliance. The HRA also received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 54th consecutive year.

# (UN)APPROVED MINUTES



The audit included a federal compliance review of the Housing Choice Voucher Program. One finding related to allowable costs and eligibility was identified as a carryforward from the 2024 audit.

Staff explained that the finding primarily resulted from staffing turnover and that the checklist issue had been corrected in February 2025. HRA staff have reinstated the checklist process, conducted additional random file reviews, and reviewed the audit findings with staff to strengthen procedures and prevent future occurrences.

Andy reported that no significant accounting policies were adopted during the year, no significant difficulties or disagreements were encountered during the audit, and HRA staff were well prepared and responsive throughout the process.

Following the presentation, the Board discussed the corrective measures implemented in response to the federal compliance finding. No additional Board action was requested regarding the finding.

Commissioner Carter moved to approve and accept the 2025 HRA audited financial statements and related information. The motion was seconded by Commissioner Robertson. The motion passed 5-0.

## NEW BUSINESS.

### 5.1 Civil Engineer Selection for 8630 Xerxes

Sarah Abe presented the proposed selection of a civil engineering firm for the St. Mark's redevelopment site at 8630 Xerxes Avenue. The HRA issued a Request for Proposals for engineering services and received nine proposals. Following an internal review by HRA planning and engineering staff, Civil Site Group was recommended for selection based on receiving the highest score and submitting the lowest-cost proposal, with a proposed contract amount of up to \$96,100. Staff noted the firm's multidisciplinary expertise, experience with similar Bloomington developments, and approach to incorporating the existing cell tower and other site considerations into the design.

The Board discussed the future development concept, including community engagement and the mix of housing types under consideration. Staff stated that additional neighborhood engagement is anticipated once the site design is further developed and that the final housing mix remains to be determined. Options being considered include duplexes, triplexes, and detached townhomes, with the goal of maintaining a similar density to what was previously discussed. Commissioner Mueller also noted the Board's previous preference regarding triplexes and requested that this consideration be kept in mind as the site design progresses.

Commissioner Hoogheem moved to adopt a resolution selecting Civil Site Group for civil engineering and related services at 8630 Xerxes Avenue and approving an agreement between Civil Site Group and the Housing and Redevelopment Authority in and for the City of Bloomington. The motion was seconded by Commissioner Robertson. The motion passed 5-0.

### 5.2 Bring It Home Rental Assistance Implementation Updates and Project-Based Voucher Award

Anna Salvador provided an implementation update on the Bring It Home rental assistance program, noting that the HRA was awarded a \$2.6 million, two-year grant to administer tenant-based and project-based rental assistance for eligible households. Staff reported that program implementation during the first year has focused on developing internal capacity, processes, application materials, and an online portal, with

# (UN)APPROVED MINUTES



one tenant-based voucher currently issued through the School Housing program. Staff also plan to open a tenant-based voucher waiting list in September and is exploring a future project-based voucher RFP in early 2027.

Staff presented the results of the project-based voucher RFP, which was issued June 1 and closed June 30. One application was received from CommonBond Communities for 20 project-based vouchers at Bloomington Family Townhomes. Staff recommended a partial award of 10 project-based vouchers, citing the ability to issue assistance more quickly, avoid disruption to existing Housing Choice Voucher households at the property, and maintain flexibility to utilize the remaining funding for other Bring It Home opportunities.

The Board discussed the lower-than-anticipated number of voucher referrals and RFP applications, the anticipated utilization of the Bring It Home funding, the potential for future funding renewal, and the process for using project-based vouchers with new construction projects. Staff stated that the goal is to have approximately 50 percent utilized by the end of 2026 and that additional outreach and education will be conducted to encourage future applications. Staff also indicated that renewal of the state funding is anticipated following the initial two-year grant cycle.

Commissioner Isse moved to award 10 Bring It Home project-based voucher units and authorizing staff to enter a Housing Assistance Payments Contract between CommonBond Communities and the HRA in and for the City of Bloomington. The motion was seconded by Commissioner Hoogheem. The motion passed 5-0.

## **5.3 Resolutions to adopt the Housing and Redevelopment Authority preliminary 2-27 Budget, preliminary 2028 Budget, and preliminary 2027 Levy**

Staff presented the HRA's preliminary 2027 and 2028 budgets and the preliminary 2027 special benefit tax levy. Staff explained that the HRA is transitioning to a two-year budget cycle, with preliminary budget approvals proceeding to the City Council before returning to the HRA Board for final approval. The preliminary 2027 levy will also proceed to the City Council and County before returning to the HRA Board for final consideration.

Staff highlighted several factors reflected in the proposed budgets, including the incorporation of anticipated grant revenues and expenditures, funding for public infrastructure at the St. Mark's redevelopment site, and continued investment in affordable housing initiatives. Approximately 71 percent of HRA revenue is anticipated to come from federal, state, and local grants. The preliminary 2027 levy is proposed at \$3 million, compared with a maximum allowable levy of approximately \$3.3 million, with a projected levy of \$3.2 million for 2028. Staff noted that the proposed levy increase is intended to address increased administrative and legal costs and maintain fund balance for future housing investments rather than funding a specific project.

The Board discussed the increase in projected revenues and expenditures, noting that the increase largely reflects the inclusion of grant funds flowing through the HRA and does not represent a comparable increase in reliance on the HRA levy. The Board also discussed staffing capacity, legal and administrative costs, investment revenue, and the use of fund balance for long-term housing investments.

# (UN)APPROVED MINUTES



The Board also discussed the HRA's ability to leverage outside funding sources to address increasing housing needs and maintain flexibility within existing resources. Board members expressed appreciation for staff's work in developing a thoughtful budget and noted the HRA's ability to accomplish significant work with a relatively small staff while maintaining the proposed levy below the maximum allowable amount.

Commissioner Hoogheem moved to approve a resolution adopting the preliminary proposed special benefit tax levy for taxes payable in 2027 pursuant to Minnesota Statutes Sections 469.033, subdivision 6, and 275.065. The motion was seconded by Commissioner Robertson. The motion passed 5-0.

Commissioner Robertson moved to approve a resolution adopting the 2027 preliminary budget. The motion was seconded by Commissioner Isse. The motion passed 5-0.

Commissioner Carter moved to approve a resolution adopting the 2028 preliminary budget. The motion was seconded by Commissioner Robertson. The motion passed 5-0.

## DISCUSSION ITEMS.

### 6.1 Policy and Project Updates

Sarah Abe provided several project and program updates, including notification of a \$225,000 Metropolitan Council grant to support development at the St. Mark's site. Sarah also reported that VEAP's emergency rental assistance contract had been expanded by \$125,000, with additional one-time county and state funding expected to become available to Bloomington residents in September. The expanded assistance will be available to households below 30 percent of Area Median Income (AMI) and includes changes to eligibility requirements, including assistance for households with a pre-filing eviction notice and flexibility regarding the tenant contribution toward past-due rent.

Sarah also announced that applications for one HRA Commissioner vacancy will be accepted from September 1 through November 1, with interviews anticipated in November and an appointment expected in late November or early December. Current Commissioners are eligible to reapply.

Sarah provided an update on The Heights, noting that the project is addressing several change orders and that the HRA is working with the HOA and other project partners to identify solutions. Staff indicated that discussions regarding project costs are ongoing and that additional information will be brought back to the Board.

Staff also provided an update on Bloomington 2050, the City's comprehensive planning process. The Planning Department has completed the first phase of community feedback collection and will compile the feedback into a report for discussion with the HRC in October. The feedback will be used to develop draft vision statements and guiding principles.

Staff noted that the next HRA Board meeting will be held September 8, 2026, after which meetings will return to the regular second-Tuesday schedule for the remainder of the year. No additional Commissioner updates or questions were raised.

## ADJOURNMENT.

# (UN)APPROVED MINUTES



Commissioner Hoogheem moved to adjourn the meeting. Commissioner Robertson seconded the motion. The motion passed 5-0, and the meeting was adjourned at 7:25 pm.



## Board Agenda Item

|                                           |                                                                                  |
|-------------------------------------------|----------------------------------------------------------------------------------|
| Originator<br>N/A                         | Item<br><b>4.1 Emergency Rental Assistance Program – VEAP Contract Amendment</b> |
| Agenda Section<br>ORGANIZATIONAL BUSINESS | Date<br>September 8, 2026                                                        |

Requested Action:

Staff recommend that the HRA Board adopt the accompanying resolution authorizing the reallocation of \$55,000 in LAHA Emergency Rental Assistance funds to VEAP amending the agreement to implement the additional award.

Description:

The HRA established an Emergency Rental Assistance Program utilizing Local Affordable Housing Aid (LAHA) funds to assist Bloomington households experiencing housing instability and financial hardship. Five organizations were approved to advance towards contracting, but two have not been able to advance funds due to challenges with compliance requirements. The purpose of this item is to consider reallocating additional funds to VEAP through a contract amendment to increase its current contract to \$180,000.

Attachments:

[Staff Report](#)  
[Resolution](#)

# STAFF REPORT



**DATE:** September 8, 2026

**TO:** Housing and Redevelopment Authority Board

**CC:** Sarah Abe, HRA Administrator  
Michael Palermo, Assistant HRA Administrator

**FROM:** Keele Jackson, Program Specialist II

**SUBJECT:** Emergency Rental Assistance Program – Reallocation of LAHA Funds

## Background

The HRA established an Emergency Rental Assistance Program utilizing Local Affordable Housing Aid (LAHA) funds to assist Bloomington households experiencing housing instability and financial hardship. Through a Letter of Interest process, qualified community organizations were invited to administer emergency rental assistance on behalf of the HRA.

The program's focus is on serving households at or below 50% of the Area Median Income (AMI), with participating organizations responsible for determining household eligibility, documenting assistance provided, and meeting applicable program and state compliance requirements.

The following organizations were selected by the HRA Board on February 26, 2026, to advance towards contracting for Emergency Rental Assistance funding:

|                                         |                 |
|-----------------------------------------|-----------------|
| VEAP:                                   | \$125,000       |
| Oasis for Youth:                        | \$20,000        |
| St. Vincent de Paul – Nativity of Mary: | \$15,000        |
| St. Vincent de Paul – Bonaventure:      | \$15,000        |
| <u>Sakan:</u>                           | <u>\$40,000</u> |
| Total:                                  | \$215,000       |

Since the initial funding awards, two organizations have been unable to move forward with their allocations. St. Vincent de Paul – Bonaventure declined its award, and Sakan has not advanced to contracting due to challenges meeting applicable state compliance requirements. As a result, 55,000 in LAHA funding is now available for reallocation.

As of August 19, 2026, VEAP successfully fulfilled its funding agreement and fully expended its \$125,000 allocation, demonstrating both a strong demand for emergency rental assistance and its capacity to effectively administer the program, assisting 40 eligible households. Oasis for Youth and St. Vincent de

Paul – Nativity of Mary continue to actively administer their respective funding agreements and have been in communication with staff.

### **Reallocation of Funds**

VEAP has demonstrated both a significant community need for emergency rental assistance and a strong capacity to successfully administer the program. HRA staff recently conducted an on-site monitoring review of VEAP's Emergency Rental Assistance Program and found the program to be fully compliant with applicable program requirements, well-documented, and administered with a high level of thoroughness and accountability.

During the review, staff also observed VEAP's strong client-centered approach to program delivery. VEAP has developed processes that are responsive to the individual needs and circumstances of residents while maintaining the documentation and compliance standards required by the funding. This approach allows VEAP to effectively connect eligible households with assistance while providing thoughtful, individualized support to residents experiencing housing instability. VEAP also works with the property manager to ensure as much as possible that families remain housed after receiving the assistance, and conducts a follow up check in 3 months after funds are received.

Beginning in September, VEAP is receiving funding through Hennepin County for emergency rental assistance. County funds are available to families in Bloomington; however, this funding is restricted to families making at or below 30% AMI. Expanding the funding available to VEAP will fill a gap in providing funds for families at 30-50% AMI and allow more Bloomington families to be served with emergency assistance.

### **Recommendation**

Based on VEAP's successful completion of its initial \$125,000 funding agreement, demonstrated demand for continued rental assistance, and the positive results of HRA staff's monitoring review, staff recommends reallocating the available \$55,000 in LAHA funds to VEAP. This would increase VEAP's total Emergency Rental Assistance allocation from \$125,000 to \$180,000 and allow the organization to continue providing critical rental assistance to Bloomington households at or below 50% AMI. VEAP has indicated that it will be able to expend the additional \$55,000 in the original contract term through December 31, 2026.

### **Requested Action**

Staff recommend that the HRA Board adopt the accompanying resolution authorizing the reallocation of \$55,000 in LAHA Emergency Rental Assistance funds to VEAP amending the agreement to implement the additional award.

**HOUSING AND REDEVELOPMENT AUTHORITY  
IN AND FOR THE CITY OF BLOOMINGTON  
COUNTY OF HENNEPIN  
STATE OF MINNESOTA**

**RESOLUTION NO. 2026-07**

**RESOLUTION AUTHORIZING AN AMENDMENT TO A  
PROFESSIONAL SERVICES AGREEMENT FOR EMERGENCY  
RENTAL ASSISTANCE**

The Board of Commissioners (the “Board”) of the Housing and Redevelopment Authority in and for the City of Bloomington (the “Authority”), finds the following:

**WHEREAS**, the Authority is a public body corporate and politic, organized and existing under the provisions of Minnesota Statutes Sections 469.001-469.047, as amended (the “Housing Authority Act”), and an authorizing resolution adopted by the City Council of the City of Bloomington, a home rule city and municipal corporation of the State of Minnesota (the “City”), in accordance with the Housing Authority Act; and

**WHEREAS**, Local Affordable Housing Aid is funding generated by a 0.25% sales tax collected across the entire seven-county metropolitan area by the Minnesota Department of Revenue and is intended to support cities and counties in addressing affordable housing needs (“LAHA”); and

**WHEREAS**, the City is a recipient of LAHA; and

**WHEREAS**, LAHA can be spent on qualifying projects that include emergency rental assistance; and

**WHEREAS**, on February 26, 2026, the City adopted Resolution No. 2026-12 allocating up to \$350,000 in LAHA dollars for emergency rental assistance (“Allocation”) and to distribute \$55,000 for emergency rental assistance to Volunteers Enlisted to Assist People (“VEAP”) immediately to respond to immediate community rental assistance needs for Bloomington households; and

**WHEREAS**, VEAP has been an active provider of emergency rental assistance in Bloomington and the surrounding region and has the capacity and experience with public funding to distribute emergency rental assistance; and

**WHEREAS**, the City designated the Authority as administrator of this Allocation; and

**WHEREAS**, the Authority issued a call for Letters of Interest accepted between February 2 and 8 for organizations with a current program to distribute emergency rental assistance; and

**WHEREAS**, VEAP was chosen to administer emergency rental assistance and provide other related navigation services, entered into a Professional Services Agreement (the “Agreement”) related to the services (the “Agreement”),, and has expended its full contract amount of \$125,000 as of August 19, 2026; and

**WHEREAS**, the Authority desires to amend the Agreement and allocate an additional \$55,000 in assistance for services to VEAP.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Bloomington:

1. That the Authority hereby approves the amendment to the Agreement to allocate an additional \$55,000 to be administered by VEAP as described herein.
2. That the Authority authorizes the Administrator or the Administrator's designee of the Authority to execute the amended Agreement in substantially the form on file with the Authority with such changes, omissions, and insertions as do not materially change the substance thereof, or as the Administrator, in the Administrator's discretion, shall reasonably determine.
3. That the Authority authorizes, empowers, and directs the Administrator or the Administrator's designee of the Authority to execute all documents necessary to implement the terms of the amended Agreement, including documents as may be required to complete the transactions contemplated thereby.
4. That the Administrator of the Authority, or the Administrator's designee, is hereby authorized, empowered, and directed to make such changes to the foregoing documents as are necessary to carry out the transactions contemplated by the amended Agreement as the Administrator of the Authority deems reasonable and necessary.

Commissioner Wooten introduced the foregoing resolutions, the reading of which was dispensed with by unanimous consent, and moved its adoption:

The motion for adoption of the foregoing resolutions was duly seconded by Commissioner Doblinger, and upon vote being taken thereon, the following voted in favor thereof:

Wooten  
Hoogheem  
Robertson  
Doblinger  
Isse  
Mueller

And the following voted against the same:

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Whereupon said Resolution was declared duly passed and adopted by the Housing and Redevelopment Authority in and for the City of Bloomington on the 8<sup>th</sup> day of September 2026.

ATTEST:

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Blake Dobliger, Secretary

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Jennifer Mueller, Chair



## Commission Agenda Item

|                                                      |                                                                                                                         |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>4.2 Consideration of request from Mount Olivet Rolling Acres for Local<br/>Affordable Housing Aid funds.</b> |
| Agenda Section<br>ORGANIZATIONAL BUSINESS            | Date<br>September 8, 2026                                                                                               |

Requested Action:

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_, to adopt Resolution No. 2026-\_\_\_\_, a resolution awarding Local Affordable Housing Aid funds and authorizing staff to enter into a grant agreement between Mount Olivet Rolling Acres and the Housing and Redevelopment Authority in and for the City of Bloomington.

Description:

Follow up on the discussion of MORA's request for LAHA funding, providing greater information on how staff evaluated the request and potential future application process.

Attachments:

[MORA request staff report.docx](#)  
[Attachment A - LAHA spending summary](#)  
[MORA Resolution.pdf](#)

# STAFF REPORT



**DATE:** September 4, 2026

**TO:** Housing and Redevelopment Authority (HRA)

**CC:** Sarah Abe, HRA Administrator

**FROM:** Ryan Solberg, Housing Development Specialist

**SUBJECT:** Mount Olivet Rolling Acres (MORA) LAHA Request Follow-up

## Summary of Issue

MORA has requested \$85,204 in Local Affordable Housing Aid (LAHA) funds to complete capital improvements at two nonprofit operated Community Residential Setting (CRS) homes in Bloomington. This is the first time an external organization has submitted a project specific request for LAHA funding. At its July 14 meeting, the HRA asked staff to provide additional context on group home licensing, evaluation criteria, and how staff determined that the request fits LAHA priorities. This memo outlines staff's evaluation process, findings, and recommendations. The action item before the HRA tonight is to consider approving MORA's request for LAHA funds.

## Licensed Group Homes in Bloomington.

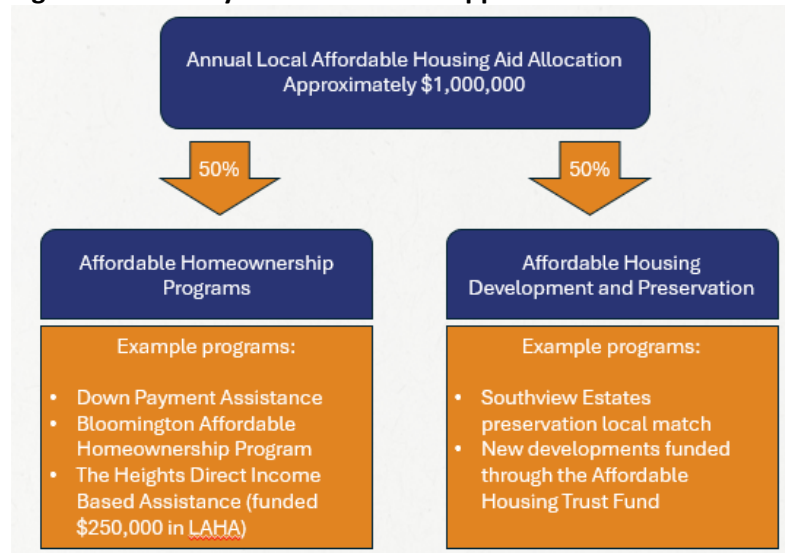
Bloomington hosts 225 state licensed group homes with a combined capacity of approximately 2,000 residents. Of these, 22 are Community Residential Settings (CRS) operated by nonprofit organizations, including MORA. Citywide, there are 113 CRS facilities serving roughly 400 residents; 2 are state-run and 89 are operated by for-profit businesses. CRS facilities:

- Use shift-staff support models
- Serve individuals funded through Home and Community Based Services (HCBS) waiver programs
- Are exempt from city rental licensing per State Statute
- Serve residents below 100% of the federal poverty level and with limited assets

These factors mean all MORA's residents in Bloomington homes meet state LAHA income eligibility requirements and fall within populations defined as "at risk" by the Minnesota Department of Health.

## LAHA Request Process

To date, staff have recommended use of LAHA for projects and programs as opportunities arise that are in alignment with the 2025 City Council and the HRA Board approved LAHA framework that says 50% of LAHA should be used for homeownership and 50% for housing development and preservation. In spring 2026, the City Council and HRA also provided a one-time allocation of \$350,000 to emergency rental assistance.

**Figure 1: 2025 City Council and HRA approved LAHA Use Framework**

MORA's request falls within the Affordable Housing Development and Preservation category. To further evaluate MORA's request, staff used the following criteria:

- Fit with State and Local LAHA priorities
- Financial readiness and organizational capacity
- Demonstrated need

#### **Fit with State and Local LAHA Priorities**

While LAHA funding is flexible, the state encourages the prioritization projects that:

- Serve households earning below 80% of area median income (AMI), with a preference for serving those at 50% AMI or below
- Reduce housing instability or homelessness
- Improve the habitability of homes
- Create accessible housing
- Create more energy- or water-efficient homes

MORA's homes in Bloomington serve individuals with an average income of 18% AMI, and the improvements outlined in MORA's request relate to habitability, accessibility, and resource efficiency. Thus, the request aligns with multiple State priorities and would be an eligible activity demonstrated by the HRA.

At the time of the LAHA Framework plan's approval, staff indicated that funds for Affordable Housing Development and Preservation would be implemented through the existing Affordable Housing Trust Fund (AHTF) framework. According to the program manual, the AHTF:

- Primarily targets households earning between 30-50% AMI, consistently referred to as "workforce housing"
- Offers loans and rent and service grants through defined programs
- Allows "other activities" at the HRA's discretion

Staff believe MORA's request would be classified as "other activities" to be acted upon at the HRA's discretion.

### **Financial Readiness/Organizational Capacity**

In addition to the requested assistance, MORA has continued investing in both Bloomington properties. Since 2024, the organization has invested \$34,903 in Bloomington Home for improvements such as gutter replacement, driveway repaving, interior painting, and bathroom remodels. At Valley High Home, MORA has invested \$15,531.73 in landscaping, furnace replacement, and residing following fire damage. This demonstrates the organization's ability to successfully complete the proposed project.

### **Demonstrated Need**

MORA's total capital budget for 2026 is \$2,211,898. The organization anticipates receiving LAHA funding from several metro-area municipalities; it has received a funding commitment from the Edina HRA for a property there and is in discussions with Waconia and Chaska. With no alternative state, local, or federal funding available for the proposed home improvements, a LAHA award would represent a meaningful investment in MORA's mission and in the stability and well-being of the individuals these homes serve.

### **Staff Recommendation**

Staff recommend that the HRA approve MORA's request.

### **LAHA Application**

At the discussion on July 14, HRA Board members also requested clarity on a formal review process for LAHA funds. Required information for a LAHA application would mirror that which was collected for this evaluation and gathered from AHTF and TIF application forms, including:

- Organization history and primary contacts
- Project description and justification
- Site identification
- Detailed sources and uses
- Project timeline
- Public purpose alignment (e.g., affordable housing preservation, habitability, accessibility, fulfillment of Comprehensive Plan)
- Ongoing maintenance/funding plan
- Current and historical financial statements and projections
- Construction plans and itemized cost estimates
- Service to "at-risk" populations, including individuals needing intensive medical support, communication assistance, supervision, or transportation access

HRA staff propose developing an application form to collect the information noted above. This information has already been collected from MORA, but the HRA could create an application form for use on the City website. for future standalone requests for LAHA funding.

### **Prioritization and Availability of LAHA funding**

To date, the City/HRA has spent approximately 25% of available LAHA Funds. The LAHA framework provides a high-level prioritization – 50% to homeownership and 50% to housing development and preservation. When the current allocation of \$350,000 to emergency rental assistance has been fully spent, staff will likely recommend additional LAHA funds be allocated to emergency rental assistance on an ongoing basis.

Given the challenges of affordable housing development and preservation, staff recommend continuing to prioritize projects based on the City's LAHA Framework, the State's criteria for LAHA use, project readiness, organizational capacity, and demonstrated need. If Bloomington's LAHA funds for affordable housing development and preservation become oversubscribed, additional evaluation criteria may need to be applied or projects may need to wait for additional funds to become available.

By the end of 2026, the HRA will have received a total of \$3,431,551.71 in LAHA funding. \$1,656,538 has been spent or committed through resolutions for projects such as Southview Estates, Bloomington Affordable Homeownership, Habitat for Humanity downpayment assistance, and rental assistance programs (**Attachment A: LAHA Funding Summary**).

LAHA funds carry rolling deadlines that require each year's allocation to be committed within three years and fully spent within four years. As new revenue continues to arrive annually, these overlapping deadlines create an ongoing need to commit and spend funds at a steady pace to remain in compliance with LAHA program rules.

### **Next steps**

Should the HRA approve funding for MORA, staff would begin drafting an agreement. If funding is approved, MORA anticipates being able to start and complete the projects before the end of 2026.

Staff will also proceed with finalizing a LAHA application form on the website to evaluate future LAHA requests.



## Attachment A: LAHA Funding Summary

| LAHA Framework, Project/Program                                                                               | Project /Program Details        | Status               | 2024              | 2025                | 2026                | Totals              |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------|-------------------|---------------------|---------------------|---------------------|
| <b>Emergency Rental Assistance</b>                                                                            |                                 |                      |                   |                     |                     |                     |
| Emergency Rental Assistance                                                                                   | Sub-contracts to non-profits    | Allocated/Spent      |                   |                     | \$ 350,000          |                     |
| <b>Rent Assistance Total</b>                                                                                  |                                 |                      |                   |                     | <b>\$ 350,000</b>   | <b>\$ 350,000</b>   |
| <b>Affordable Homeownership</b>                                                                               |                                 |                      |                   |                     |                     |                     |
| Heights - Direct Income Based Assistance                                                                      | Condo rehabilitation            | Spent                |                   | \$ 250,000          |                     |                     |
| Habitat                                                                                                       | Down Payment Assistance         | Spent                |                   |                     | \$ 250,000          |                     |
| Bloomington Affordable Homeownership (BAH)*                                                                   | Single family home development  | Under consideration  |                   |                     | \$ 500,000          |                     |
| <b>Homeownership Total</b>                                                                                    |                                 |                      |                   | <b>\$ 250,000</b>   | <b>\$ 750,000</b>   | <b>\$ 1,000,000</b> |
| <b>Affordable Housing Development/Preservation</b>                                                            |                                 |                      |                   |                     |                     |                     |
| Southview Estates                                                                                             | Preservation / Rehab            | Allocated            |                   |                     | \$ 385,000          |                     |
| MORA                                                                                                          | Group home improvements         | Under consideration  |                   |                     | \$ 85,204           |                     |
| Real Estate Equities / Wixon Apartments                                                                       | New construction - 180 units    | Informal discussions |                   |                     |                     |                     |
| Aeon / Blooming Meadows South                                                                                 | Preservation / Rehab            | Informal discussions |                   |                     |                     |                     |
| <b>Development/Preservation Total</b>                                                                         |                                 |                      |                   |                     | <b>\$ 470,204</b>   | <b>\$ 470,204</b>   |
|                                                                                                               |                                 |                      |                   |                     |                     |                     |
|                                                                                                               | <b>Total LAHA Rev</b>           |                      | <b>\$ 567,427</b> | <b>\$ 1,478,986</b> | <b>\$ 1,431,138</b> | <b>\$ 3,477,551</b> |
|                                                                                                               | <b>Total Spent or Allocated</b> |                      | <b>\$ -</b>       | <b>\$ 250,000</b>   | <b>\$ 1,570,204</b> | <b>\$ 1,820,204</b> |
|                                                                                                               | <b>LAHA Funds available</b>     |                      | <b>\$ 567,427</b> | <b>\$ 1,796,413</b> | <b>\$ 1,657,347</b> | <b>\$ 1,657,347</b> |
|                                                                                                               |                                 |                      |                   |                     |                     |                     |
| *LAHA State matching funds \$75K to BAH                                                                       |                                 |                      |                   |                     |                     |                     |
| **Southview Estates allocation recommended to be lowered to \$221,334 to satisfy LHIA local match requirement |                                 |                      |                   |                     |                     |                     |

**HOUSING AND REDEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF  
BLOOMINGTON COUNTY OF HENNEPIN  
STATE OF MINNESOTA**

**RESOLUTION NO. 2026-\_\_\_\_**

**RESOLUTION AWARDING LOCAL AFFORDABLE HOUSING AID FUNDS AND  
AUTHORIZING STAFF TO ENTER INTO A GRANT AGREEMENT BETWEEN  
MOUNT OLIVET ROLLING ACRES AND THE HOUSING AND REDEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON**

The Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Bloomington (the "Authority"), finds the following:

**WHEREAS**, the Authority is a public body corporate and politic, organized and existing under the provisions of Minnesota Statutes, Sections 469.001 through 469.047, as amended (the "HRA Act"), and an authorizing resolution adopted by the City Council of the City of Bloomington, a home rule city and municipal corporation of the State of Minnesota (the "City"), in accordance with the HRA Act; and

**WHEREAS**, Local Affordable Housing Aid is funding generated by a 0.25% sales tax collected across the entire seven-county metropolitan area by the Minnesota Department of Revenue and is intended to support cities and counties in addressing affordable housing needs; and

**WHEREAS**, Local Affordable Housing Aid must be used for a qualifying project under Minnesota Statutes, section 477A.35, subdivision 4, including projects involving construction, acquisition, rehabilitation, demolition or removal of existing structures, to provide affordable housing; and

**WHEREAS**, for rental projects, recipients of Local Affordable Housing Aid must prioritize projects serving households with incomes at or below 50 percent of area median income and projects that improve the habitability of homes, create accessible housing, or create more energy-efficient homes; and

**WHEREAS**, the City is a recipient of Local Affordable Housing Aid and received its first payment of Local Affordable Housing Aid on July 26, 2024; and

**WHEREAS**, on March 17, 2025, the City approved the Authority's proposed usage of the 2024 and 2025 allocations of Local Affordable Housing Aid, including usage for Affordable Housing Development and Preservation, and delegated the administration of such funds to the Authority; and

**WHEREAS**, the City and the Authority entered into an agreement for the Authority to develop, administer, and monitor all activities for Local Affordable Housing Aid on January 2, 2026; and

**WHEREAS**, the Authority received a request from Mount Olivet Rolling Acres on July 14, 2026, for \$85,204 in Local Affordable Housing Aid funds to complete capital improvements at two

licensed group homes in the City, as further described in the staff report to the Authority (the “Project”), preserving affordable housing units; and

**WHEREAS**, these group homes provide affordable housing to individuals whose incomes do not exceed fifty percent of area median income, and the proposed improvements will improve the habitability, accessibility, and resource efficiency of the homes, qualifying the Project for Local Affordable Housing Aid funding; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF BLOOMINGTON**, based on the foregoing recitals, which are hereby incorporated by reference, that:

1. The Authority finds that the Project is an eligible qualifying project for Local Affordable Housing Aid purposes and approves the request from Mount Olivet Rolling Acres, subject to the terms of this Resolution and the grant agreement.
2. The Authority allocates up to \$85,204 in Local Affordable Housing Aid funds to the Project, with disbursement conditioned on execution of the grant agreement and satisfaction of all requirements set forth therein.
3. The Authority authorizes, empowers, and directs the Administrator of the Authority, or the Administrator’s designee, to negotiate, finalize, and execute the grant agreement with Mount Olivet Rolling Acres for the Project, together with any related documents or amendments, in substantially the form approved by staff and legal counsel, and to take all actions necessary or convenient to carry out the intent of this Resolution.

Commissioner \_\_\_\_\_ introduced the foregoing resolutions, the reading of which was dispensed with by unanimous consent, and moved its adoption:

The motion for adoption of the foregoing resolutions was duly seconded by Commissioner \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereupon said Resolution was declared duly passed and adopted by the Housing and Redevelopment Authority in and for the City of Bloomington on the 8<sup>th</sup> day of September, 2026.

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Jennifer Mueller, Chair

ATTEST:

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Blake Doblinger, Secretary



## Board Agenda Item

|                                                      |                                                                                                                                        |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>5.1 2025 Consolidated Annual Performance and Evaluation Report<br/>(CAPER) for Community Development Block Grant (CDBG)</b> |
| Agenda Section<br>NEW BUSINESS                       | Date<br>September 8, 2026                                                                                                              |

Requested Action:

Motion \_\_\_\_\_, second \_\_\_\_\_ to recommend approval and submission to the Department of Housing and Urban Development the 2025 Consolidated Annual Performance and Evaluation Report to the City Council.

Description:

The 2025 Consolidated Annual Performance and Evaluation Report (CAPER) evaluates the City of Bloomington's accomplishments towards meeting the five-year goals defined in the Consolidated Plan, as required by the Department of Housing and Urban Development (HUD), for communities receiving Community Development Block Grant (CDBG) funding. The before the report can be submitted to HUD it must solicit public comment during at 15 day public comment period as well as a public hearing.

Attachments:

[2025 CAPER HRA Staff Report.pdf](#)  
[2025 CAPER Bloomington Draft](#)

# STAFF REPORT



**DATE:** September 4, 2026

**TO:** Housing and Redevelopment Authority Board

**CC:** Sarah Abe, HRA Administrator

**FROM:** Michael Palermo, Assistant HRA Administrator

**SUBJECT: 2025 Consolidated Annual Performance and Evaluation Report (CAPER) for the CDBG Program**

The 2025 Consolidated Annual Performance and Evaluation Report (CAPER) evaluates the City of Bloomington's accomplishments towards meeting the five-year goals defined in the Consolidated Plan, as required by the Department of Housing and Urban Development (HUD), for communities receiving Community Development Block Grant (CDBG) funding. The five-year goals of the Consolidated Plan are the quantitative unit and service goals for the Hennepin County Consortium, which includes Hennepin County and the cities of Bloomington, Eden Prairie and Plymouth.

The 2025 program year (PY) began July 1, 2025 and ended June 30, 2026 and is the first grant period of the 2025-2029 Consolidated Plan. The CAPER focuses on activities completed during a specific program year. Some projects funded through CDBG are completed over multiple program years, and so funding for these programs may not be fully captured in an individual CAPER.

The 2025 Program Year activities were delayed. The grant agreement between HUD and the HRA was delayed due to new compliance requirements. This delay then pushed back contracting with partners. As a result, many projects were not completed in the program year. While not reflected in the 2025 CAPER, partners were well situated to work on their activities. Most of these activities are near completion at the time of this staff report and those accomplishments will be incorporated into the 2026 CAPER.

Through CDBG funds, Bloomington supported the following eligible activities in the 2025 program year:

**Senior Services:** The Household and Outdoor Maintenance (HOME) program provides household and outside maintenance services to elderly homeowners 62 years-old and older in Bloomington. This program allows seniors to remain in their homes. HOME services were provided to 92 Bloomington residents. This activity is offered citywide. The total expense for this activity for 2025 was \$19,970.

**Fair Housing:** This activity is to further fair housing as part of the Fair Housing Implementation Council (FHIC). In 2025, \$5,000 in CDBG Administration funds were used for activities identified by the FHIC. The funds go to Dakota County Community Development who acts as fiscal agent to the FHIC. The FHIC works collaboratively with several partners to provide training, support agencies that investigate fair housing complaints, and other fair housing related activities.

**Administration:** This activity covers the general oversight and monitoring of the programs and relays information to the public regarding planning, implementation, or assessment of the CDBG activities. The total expense for this activity for 2025 was \$89,594.07.

**Single-family rehabilitation:** Homeowner rehab has been the single largest program the City of Bloomington offers through its CDBG program. This program also provides lead paint abatement and assessments. However, in program year 2025 the issuance of new loans paused. HUD added the requirement to verify eligibility through the Systematic Alien Verification for Entitlement (SAVE) system. The HRA requested access to the system but for most of the program year it did not have the ability to use the system. Additionally, there was some confusion around implementation requirements of the new system. However, since gaining access the HRA has started to work through the existing waitlist and hopes to make up for 2025 in the 2026 program year.

**Acquisition of Properties:** Related to delays in approving the grant agreement, Homes Within Reach was delayed in acquiring two properties. They are currently working on the activity and anticipate completing the acquisitions in the next month. These properties will be rehabbed and sold to qualified applicants. This is a longstanding activity that has been funded with CDBG to increase affordable homeownership opportunities and maintain the quality of Bloomington's housing stock.

**Emergency Rental Assistance:** Volunteers Enlisted to Assist People (VEAP) was awarded funding to issue emergency rental assistance. Due to the delayed contracting and issuance of new requirements the activity was not fully completed. At this time VEAP is supporting residents through the program and will be requesting the remaining CDBG funds soon.

**Artificial Intelligence (AI) Fair Housing Chatbot:** HousingLink was awarded funds to support the development of an AI Chatbot for fair housing. They have requested some funds, but the activity was not fully completed in the 2025 program year. The remaining funds will be requested shortly, and the activity will be reported on in the 2026 CAPER.

### Approval Process

The HRA administers the CDBG Program on behalf of the City of Bloomington. The 2025 CAPER is currently posted for a 15-day Public Comment Period that began on August 27, 2026. Public hearings are held at least twice during each program year to provide opportunities for residents and interested representatives of local organizations to be involved in reviewing program activities, local needs of low and moderate-income persons, proposed uses, and performance evaluation of CDBG funds. The HRA will hold a public hearing to allow the public to provide comments on the CAPER.

Under 24 CFR Part 91 (ecfr.gov) and 24 CFR Part 570 (ecfr.gov), "jurisdiction" or "grantee" is defined as the legal entity that signed the original CDBG grant agreement which holds the ultimate statutory, fiduciary, and legal liability for the funds. This grant is awarded to and signed by the City Council, so the City Council must also vote to approve the CAPER. This is scheduled to go before the City Council at its September 14 meeting on the consent agenda.

- September 8: HRA holds public hearing and considers recommending approval to the City Council
- September 14: City Council considers approval on its consent agenda

# 2025 Consolidated Annual Performance and Evaluation Report (CAPER)

City of Bloomington, Minnesota

Draft - August 21, 2026

## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

This document is the Consolidated Annual Performance Report (CAPER) for the City of Bloomington's 2025 Community Development Block Grant (CDBG) program year, as it relates to its Action Plan, Consolidated Plan, and other HUD requirements. The City of Bloomington did not receive HOME, HOPWA or ESG funding in 2025. The 2025 Program Year (PY) began July 1, 2025, and ended on June 30, 2026. More detail is included below and throughout this report.

In program year 2025, the City of Bloomington did not meet program year goals. Delays due to approvals and uncertainty around new regulations greatly slowed the implementation of programming. Despite the delay, demand for the Home Rehabilitation Loan program remains strong and a partnership with Senior Community Services was effective at providing services for seniors in the community. Additionally, we are partnering with Homes Within Reach to acquire two blighted buildings with CDBG dollars, HousingLink to provide fair housing support, and Volunteer Enlisted to Assist People (VEAP) to provide emergency rental assistance.

While the Annual Action Plan goals were not met the City will continue to work toward meeting the five-year Strategic Plan goals. The strategic plan identifies a larger number of needs in the community than could be achieved in this first year of the Consolidated Plan. The City is using its resources to help address those needs in a variety of ways. Those goals addressed in this first year are the highest priority and best use of the CDBG funds.

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

| Goal                                              | Category                          | Source / Amount         | Indicator                                                                                   | Unit of Measure        | Expected – Strategic Plan | Actual – Strategic Plan | Percent Complete | Expected – Program Year | Actual – Program Year | Percent Complete |
|---------------------------------------------------|-----------------------------------|-------------------------|---------------------------------------------------------------------------------------------|------------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| Acquisition and/or Demolition of Structures       | Affordable Housing                | CDBG: \$                | Buildings Demolished                                                                        | Buildings              | 4                         | 0                       | 0.00%            |                         |                       |                  |
| Administration                                    | Non-Housing Community Development | CDBG: \$<br>\$29,667.69 | Other                                                                                       | Other                  | 0                         | 0                       |                  | 1                       | 1                     | 100%             |
| Build/Improve Public Facilities or Infrastructure | Non-Housing Community Development | CDBG: \$                | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted       | 1000                      | 0                       | 0.00%            |                         |                       |                  |
| Build/Improve Public Facilities or Infrastructure | Non-Housing Community Development | CDBG: \$                | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit        | Households Assisted    | 100                       | 0                       | 0.00%            |                         |                       |                  |
| Develop Homes for Homeownership                   | Affordable Housing                | CDBG: \$                | Homeowner Housing Added                                                                     | Household Housing Unit | 0                         | 0                       |                  | 2                       | 0                     | 0.00%            |
| Develop Homes for Homeownership                   | Affordable Housing                | CDBG: \$                | Homeowner Housing Rehabilitated                                                             | Household Housing Unit | 4                         | 0                       | 0.00%            |                         |                       |                  |

|                                              |                                               |               |                                                                   |                        |    |   |       |    |    |       |
|----------------------------------------------|-----------------------------------------------|---------------|-------------------------------------------------------------------|------------------------|----|---|-------|----|----|-------|
| Economic Development and Business Assistance | Non-Housing Community Development             | CDBG: \$      | Jobs created/retained                                             | Jobs                   | 10 | 0 | 0.00% |    |    |       |
| Economic Development and Business Assistance | Non-Housing Community Development             | CDBG: \$      | Businesses assisted                                               | Businesses Assisted    | 3  | 0 | 0.00% |    |    |       |
| Fair Housing Activities                      | Fair Housing Activities                       | CDBG: \$      | Public service activities for Low/Moderate Income Housing Benefit | Households Assisted    | 40 | 0 | 0.00% |    |    |       |
| Fair Housing Activities                      | Fair Housing Activities                       | CDBG: \$5,000 | Other                                                             | Other                  | 0  | 0 |       | 30 | 30 | 100%  |
| Financial Literacy                           | Non-Housing Community Development             | CDBG: \$      | Public service activities for Low/Moderate Income Housing Benefit | Households Assisted    | 30 | 0 | 0.00% |    |    |       |
| Homeowner Rehabilitation Assistance          | Affordable Housing Non-Homeless Special Needs | CDBG: \$      | Homeowner Housing Rehabilitated                                   | Household Housing Unit | 55 | 0 | 0.00% | 15 | 0  | 0.00% |

|                                              |                                                                                             |                   |                                                                   |                  |     |   |       |     |    |        |
|----------------------------------------------|---------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------------------------|------------------|-----|---|-------|-----|----|--------|
| Public Services<br>Senior Community Services | Affordable Housing<br>Non-Homeless<br>Special Needs<br>Non-Housing<br>Community Development | CDBG:<br>\$19,970 | Public service activities for Low/Moderate Income Housing Benefit | Persons Assisted | 500 | 0 | 0.00% | 150 | 92 | 61.00% |
| Public Services                              | Affordable Housing<br>Non-Homeless<br>Special Needs<br>Non-Housing<br>Community Development | CDBG: \$          | Other                                                             | Other            | 0   | 0 |       | 100 | 0  | 0.00%  |

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The 2025 Annual Action Plan prioritized the highest needs in the community balanced against the greatest impact. The focus was on addressing the needs of seniors, those facing housing discrimination, low income homeowners, creating affordable ownership opportunities, and assisting those experiencing a housing crisis. Each activity funded was oversubscribed and while not all activities were complete by the end of the program year the needs were well documented. The reason for the delay was not in demand as much as administrative process in contracting.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

|                                           | CDBG |
|-------------------------------------------|------|
| White                                     | 81   |
| Black or African American                 | 5    |
| Asian                                     | 3    |
| American Indian or American Native        | 0    |
| Native Hawaiian or Other Pacific Islander | 0    |
| Multi-racial                              | 3    |
| <b>Total</b>                              | 92   |
| Hispanic                                  | 0    |
| Not Hispanic                              | 0    |

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

The above table details the race and ethnicity data for the PY2025 CDBG activities. The impact went to 88% White households, which was higher than the Bloomington racial demographics at only 65% White. This is not unexpected given the funding focus on homeowners which are predominantly White in Bloomington.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

| Source of Funds | Source           | Resources Made Available | Amount Expended During Program Year |
|-----------------|------------------|--------------------------|-------------------------------------|
| CDBG            | public - federal | \$836,198                | \$554,557.78.                       |

Table 3 - Resources Made Available

### Narrative

Bloomington Continues to receive program income and works to continually draw down its resources to support its community. This year, with staff transitions, new regulations, uncertainty about how to implement those regulations, the draw down slowed. As we ramp upstaffing and capacity the funding back into programs will increase.

### Identify the geographic distribution and location of investments

| Target Area         | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|---------------------|----------------------------------|---------------------------------|-----------------------|
| City of Bloomington |                                  |                                 | City-Wide             |

Table 4 – Identify the geographic distribution and location of investments

### Narrative

The entire city is the target area and offers all its CDBG funded activities city-wide to qualified people and households. This is both 100% of the planned and 100% of the actual percentage of the allocation.

## **Leveraging**

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The CDBG program does not require a leveraging match to its grant expenditures. However, the city and its HRA annually invest in the community to address community needs and those identified in the five-year and annual CDBG plans. The home rehab program, which is the largest program funded by CDBG in Bloomington, has a high demand and is also supplemented by Housing and Redevelopment Authority levy dollars annually.

The City's fair housing dollars are allocated to Fair Housing Implementation Council, which is a regional collaboration and funded by multiple local entities to leverage resources across the whole region. This collaborative pools together funding from multiple agencies to address fair housing in an approach that is more comprehensive and effective than any single entity could achieve.

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

|                                                                            | One-Year Goal | Actual |
|----------------------------------------------------------------------------|---------------|--------|
| Number of homeless households to be provided affordable housing units      |               |        |
| Number of non-homeless households to be provided affordable housing units  |               |        |
| Number of special-needs households to be provided affordable housing units |               |        |
| <b>Total</b>                                                               |               |        |

Table 5 – Number of Households

|                                                                          | One-Year Goal | Actual   |
|--------------------------------------------------------------------------|---------------|----------|
| Number of households supported through rental assistance                 |               |          |
| Number of households supported through the production of new units       |               |          |
| Number of households supported through the rehab of existing units       | <b>32</b>     | <b>0</b> |
| Number of households supported through the acquisition of existing units |               |          |
| <b>Total</b>                                                             |               |          |

Table 6 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

The Annual Action Plan identified two activities with rehab. The first is the owner rehab program operated by the Bloomington HRA. This program did not issue any new loans for two reasons. First, they could not verify document status through the SAVE system because the organization did not have access for most of the program year. Second, the grant agreement was not completed until late in the year. This had delayed the roll out of programs.

Not unrelated to the grant agreement delay, the other rehab program is operated by Homes

Within Reach. This program is currently working on rehab of two homes but is not completed at time of the CAPER.

**Discuss how these outcomes will impact future annual action plans.**

It is anticipated that both Homes within Reach and the Bloomington HRA will work to make up ground on the missed goals. Homes within Reach will likely complete its 2025 activity in the next few weeks and start on its 2026 activity. The Bloomington HRA has a waitlist for its Owner Rehab program and is working on issuing new loans. An extra effort will be taken to work through the loan applications quickly to make up on the missed goals.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

| Number of Households Served | CDBG Actual | HOME Actual |
|-----------------------------|-------------|-------------|
| Extremely Low-income        | 25          | 0           |
| Low-income                  | 16          | 0           |
| Moderate-income             | 36          | 0           |
| High                        | 15          | 0           |
| <b>Total</b>                | <b>92</b>   | <b>0</b>    |

**Table 7 – Number of Households Served**

**Narrative Information**

The above table details the number of households for each income limits served for the PY2025 CDBG activities. Households supported by the program are over 83% low or moderate income. Of that 27% are extremely low income.

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City of Bloomington works closely with Hennepin County to reach out and assess the needs of homeless persons. The City's Public Health and HRA divisions can refer homeless persons to Hennepin County or other service providers such as non-profits. In addition, Hennepin County provides a regional Human Services center in Bloomington that includes food and cash assistance and assessment of needs and services for homeless persons. The City of Bloomington also supports the Schools to Housing Program paid for by Hennepin County in partnership with Bloomington Public Schools. This new program, initiated in 2023, prevents homelessness for Bloomington Public Schools children by providing rental assistance and technical assistance to families.

Hennepin County has implemented Coordinated Entry for families, which assesses families in shelter after one week in shelter. The community has launched a Coordinated Entry system for singles, assessing people in shelter with the VI-SPDAT assessment forms. Additionally, the County launched a more coordinated shelter entry system for single adults and implemented the VI-SPDAT assessment for all single adults after a month in shelter. People who score into the Permanent Supportive Housing (PSH) range are triaged through a Housing Referral Coordinator to available PSH units within Hennepin County.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City of Bloomington currently does not have an emergency shelter nor transitional housing units. It works closely with Hennepin County the lead agency on homelessness. City employees are trained and able to refer individuals and family when they identify the need.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections**

**programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City of Bloomington works closely with Hennepin County to reach out and assess the needs of persons at risk of homelessness. The City's Public Health, HRA and Community Outreach and Engagement divisions can refer homeless persons to Hennepin County or other service providers such as non-profits. In addition, Hennepin County provides a regional Human Services center in Bloomington that includes food and cash assistance and assessment of needs and services for homeless persons. The city, through its HRA, provides rental assistance for over 560 households every month through its Housing Choice Voucher (Section 8) program. This program provides an essential resource for families and individuals to obtain affordable housing. The city also works closely with Hennepin County for providing services to those likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions) and receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs. In cases where City staff is unable to connect the person at risk of homelessness to the service's needs, they will be provided with referrals to Hennepin County for assistance. This year, the Public Health division added a Community Health Worker focused on housing who works closely with the HRA to provide referrals to services for folks experiencing housing instability and homelessness.

To the extent possible, people who are not literally homeless are first directed to "non-homeless" resources to assist in housing stability. Hennepin County offers "emergency assistance" for rent or utility bill arrears to keep people in their current housing. Treatment programs are encouraged to find housing for their clients upon discharge, rather than discharging them into homelessness. This is an area for improvement, however. Because of the extremely low vacancy rate, many people are still discharged from systems into homelessness. As our community's Coordinated Entry system expands, the County will reach out to those systems of care to assess people before discharge into appropriate homeless specific and mainstream funding sources for housing support. The county uses State dollars from Family Homeless Prevention and Assistance Program (FHPAP) as a second tier of prevention funds for families and singles that have already used emergency assistance within the past year.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that**

**individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City of Bloomington's HRA provides permanent affordable housing through its Housing Choice Voucher (Section 8) program that assists up to 565 individuals and families every month. The HRA also operates 21 single-family rental homes that provide families with a pathway to homeownership.

Hennepin County: For all our populations, our focus is on making homelessness rare, brief, and nonrecurring. Families experiencing homelessness are guaranteed entry into Hennepin County's contracted shelter system. They are assessed via the VI-F-SPDAT within a week of shelter entry. The VI-F-SPDAT assesses their vulnerability and need for support to end their homelessness. Families are then offered Permanent Supportive Housing or Rapid Rehousing services, as their vulnerability warrants. The focus in family shelter is on making the experience as brief as possible, but with sufficient supports in place upon housing to make a recurrence of homelessness rare. Our RRH program has flexible rental and social service support, so that support can continue up to two years, as needed by the family. For single adults, our plan is to implement the "Single Point of Entry". In this system, all single adults will be briefly assessed upon entry into shelter. Those who do not self-resolve within a few weeks will be given the VISPDAT and a housing plan will be developed, with Permanent Supportive Housing or Rapid Rehousing services offered, depending on vulnerability. Currently, most youth are served through our family or single adult system. Some youths are served in youth-specific shelter and housing. Youth are given a choice as to which system to enter. We are currently more intentionally wrapping youth into the adult system, so that youth who enter the homeless system and get assessed can choose to either enter youth-focused housing or more general adult housing options, again based on their vulnerability, as determined by the VI-TAE-SPDAT.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

The City of Bloomington does not operate a Public Housing Program.

### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

The City of Bloomington does not operate a Public Housing program. However, the City, through its HRA, offers educational courses about the homebuying process as well as a Rental Homes for Future Homebuyers program and Down Payment Assistance offerings. In the Rental Homes for Future Homebuyers program participants pay into an escrow account as part of their monthly rent. This account is available at the end of the program for them to use as downpayment for a home. The HRA funded downpayment assistance program over 2023 and 2024. The program assisted 21 households in achieving homeownership. Additionally, the Bloomington HRA is designated as a PHA and manages its Housing Choice Voucher services, including 21 single-family homes that are provided to low-income families through funding from Project Based Vouchers.

### **Actions taken to provide assistance to troubled PHAs**

The Bloomington HRA does not operate a public housing program but is rated by HUD as a High Performer for the administration of its Housing Choice Voucher program. The Bloomington HRA also participates in a Quarterly meeting of all Metro area housing agencies to coordinate and share best practices, though none of the HRAs in the Metro are designated as troubled PHAs.

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

The City of Bloomington is flexible to help develop new housing, including affordable units and has developed an Opportunity Housing Ordinance to address this. As a result, in 2025, there were almost 300 units of new below market rate housing in the pipeline.

This Opportunity Housing Ordinance (OHO), adopted in the fall of 2019, also established an affordable housing trust fund, initially funded with \$15 million for the development of new and the preservation of Naturally Occurring Affordable Housing (NOAH). In 2025, 2,213 new housing units were completed, under construction, or approved. Of the total, 674 units are set at affordable rates (80% AMI or below) and supported with local financial incentives made available through the Opportunity Housing Ordinance. The first NOAH property to access these tools was the purchase of a 306-unit building with non-profit housing developer Aeon. The affordable housing trust fund has also contributed to the development of a new, 100% affordable, 128-unit senior complex that is latest building to open.

In 2023, the City updated single- and two-family zoning requirements have facilitated several affordable homeownership projects in the community. The largest update is reduction of minimum lot size. This was critical projects such as the 9030 Park Avenue by Twin Cities for Humanity. The project not only removed a single blighted home but replaced it with two owner occupied units with two accessory dwelling units.

In 2025, the City built upon those updates to address missing middle housing. The update included by right new housing types such as detached townhomes, cottage courts, and triplexes. Many of the updates allow the increase in density by right, streamlining the approval process. These updates have been critical to the Bloomington HRA moving forward with its Bloomington Affordable Homeownership program which as a goal of constructing 27 new units that will be affordable to households making 80% area median income or below.

## **Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

The City and its HRA continue to work to identify the underserved needs in the community. The City and HRA have both provided additional funding to preserve the housing stock of the City through the various single-family rehabilitation programs that the HRA operates. The City's Public Health and HRA divisions work closely with various elderly, disabled and others in need

to provide direct services or referrals and connections to other service providers.

The HRA has continued its partnerships with Habitat for Humanity. It has funded through Local Affordable Housing Aid (LAHA) a downpayment assistance program. This will help underserved communities access the financial tools necessary to achieve homeownership.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

The City and HRA funds lead-based paint testing and clearance testing and is available to all participants in the single- family rehabilitation loan program.

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The number of persons in poverty is also reduced through the City's public service activities mentioned earlier. In addition, the HRA will continue to seek additional sources of funding for affordable housing. The provision of safe, decent affordable housing is recognized as one of the best ways to assist a family emerge from poverty. Bloomington HRA has contract authority for 565 Section 8 vouchers and assists new participants when current participants go off the program. The HRA will continue to maximize the use of the funding it does receive to assist the maximum number of families.

The City of Bloomington has adopted its first 5-year economic development plan. While this plan's focus is on business growth and development opportunities it also discusses the importance of workforce development. The City continues to expand its own pathways programs and internship programs to help grow and expand career opportunities for communities who would not have access or exposure to well-paying industries and careers. Economic development and stable housing are two key components to reducing poverty in Bloomington.

The HRA also funds emergency rental assistance. By keeping households stably housed residents can focus on employment and education. The program funded 3 organizations (VEAP, Oasis for Youth, St. Vincent) with the Local Affordable Housing Aid (LAHA).

**Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The City of Bloomington works to connect its services and programs with other new and existing programs and services provided by other governmental entities and non-profits. The City's HRA has worked this year to develop a close working relationship between its program staff and the non-profit Volunteers to Assist People (VEAP), a large social service agency in the South Metro and the largest food shelf in the area. This ongoing relationship will assist

participants of both agencies get better connected to the services they need. HRA staff has also reached out and developed working relationships with the staff at the Hennepin County Social Services hub located in Bloomington. The hub provides essential connections to cash assistance, food stamps, mental health, and homeless services.

Additionally, the HRA funded HousingLink a non-profit that connects low- and moderate-income residents with affordable housing. It also funded Bridging, a program that provides low or no cost furniture to low-income residents. Lastly, it funded Oasis for Youth an outreach organization for youth at risk of homelessness. The HRA is exploring additional partnerships to expand available services in Bloomington. The funds provided from the HRA helps increase housing stability in the community and compliments the CDBG funding.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

As noted above, the City of Bloomington works to connect its services and programs with other new and existing programs and services provided by other governmental entities and non-profits. For example, the City's HRA continues to develop a close working relationship between its program staff and the nonprofit Volunteers to Assist People (VEAP), a large social service agency in the South Metro and the largest food shelf in the area. This ongoing relationship will assist participants of both agencies get better connected to the services they need. Also, City staff continued developing working relationships with the staff at the Hennepin County Social Services hub located in Bloomington. The hub provides essential connections to cash assistance, food stamps, mental health, and homeless services.

Through the Bring It Home rental assistance program, the Bloomington HRA is developing and strengthening partnerships with local schools and Hennepin County's School to Housing program to help connect families with stable and affordable housing. As part of this effort, the Bloomington HRA has established a Memorandum of Understanding (MOU) with the School to Housing program and has set aside 20 Bring It Home housing vouchers specifically for referrals through the program. The School to Housing program also partners with the nonprofit Sabathani Community Center to provide families with supportive services during their first year of residency, helping families successfully transition into housing and build long-term stability. Bring It Home prioritizes families with children under the age of 18 and household incomes at or below 30% of Area Median Income (AMI), helping ensure that resources are directed toward families experiencing the greatest housing cost burden. By formalizing these partnerships and dedicating voucher resources to families referred through School to Housing, the HRA is creating a coordinated pathway to housing stability and expanding access to affordable housing for families in the community.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

The City and HRA participate in the Fair Housing Implementation Council (FHIC). This is a group comprised of different agencies that received federal funding and focus on regional solutions to fair housing. The group created an Analysis of Impediments to Fair Housing in 2020 and developed programs and partnerships to address the issues identified. The group meets regularly to guide the work and ensure fair housing is addressed.

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## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

The City through its annual planning process for the CDBG program considers the best activities to serve the city. The CDBG program funding and its activities are considered in a broader connection to the other services provided by the City and the other agencies and non-profits funded by the City. Annually we review those services and determine how well the community was served.

The largest activity the city undertakes with CDBG funding is the Single-Family Rehabilitation Loan Program. The homeowners who participate in this program are free to select the contractors they choose for their project. They must acquire bids from at least two licensed contractors. The lowest qualified bid is then accepted. The staff that administers the program conducts an annual review of its files to ensure compliance with program guidelines.

Additionally, staff requires from program partners regular reporting, invoicing, and documentation of activities. Staff work closely with the finance department to generate and review financial reporting and data and to complete an annual audit.

Beyond monitoring its own programs and partners the City has several departments that interact with community development activities. Primarily the Planning Division, Port Authority, and Housing and Redevelopment Authority, work closely to do long range comprehensive planning and address the City's long term housing and economic development needs. Every 10 years the City is required by the Metropolitan Council, the regional government, to update the comprehensive plan. In the middle of that cycle these divisions coordinate implementation of the plan and do updates to small area plans supplementing the comprehensive plan.

## **Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The City of Bloomington is a member of the Hennepin County Consortium for the CDBG and HOME programs. Hennepin County serves as lead agency for the consortium. To encourage public comment on the CAPER, the County published a 15-day public notice of a comment period for the CAPER.

Additionally, Bloomington holds its own 15-day public comment period and public hearing before the City Council to ensure the residents of Bloomington are notified and have the opportunity to provide comment. The County provided electronic copies on its website for comments. To ensure access to all, regardless of native language, during the comment period, the city posted its' section of the CAPER on our webpage. The webpage can translate into any language, utilizing Google translate. In addition, the webpage is fully ADA compliant, including any documents that are posted on the site.

During public comment periods, a public hearing will be held before the Hennepin County Board of Commissioners and Bloomington City Council for the CAPER at which the public may comment on any part of the CAPER.

### **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes occurred this year. However, staff turnover and uncertainty of program requirements created delays in funding. New standard operating procedures are being implemented to prevent delays in programing and help with smoother transitions and better evaluation of program procedures.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

The jurisdiction does not have any open Brownfield Economic Development Initiatives.

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

Not applicable as there are no Brownfields Economic Development Initiatives.

## CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

| <b>Total Labor Hours</b>              | <b>CDBG</b> | <b>HOME</b> | <b>ESG</b> | <b>HOPWA</b> | <b>HTF</b> |
|---------------------------------------|-------------|-------------|------------|--------------|------------|
| Total Number of Activities            | 0           | 0           | 0          | 0            | 0          |
| Total Labor Hours                     |             |             |            |              |            |
| Total Section 3 Worker Hours          |             |             |            |              |            |
| Total Targeted Section 3 Worker Hours |             |             |            |              |            |

**Table 8 – Total Labor Hours**

| <b>Qualitative Efforts - Number of Activities by Program</b>                                                                                                                                            | <b>CDBG</b> | <b>HOME</b> | <b>ESG</b> | <b>HOPWA</b> | <b>HTF</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|------------|--------------|------------|
| Outreach efforts to generate job applicants who are Public Housing Targeted Workers                                                                                                                     |             |             |            |              |            |
| Outreach efforts to generate job applicants who are Other Funding Targeted Workers.                                                                                                                     |             |             |            |              |            |
| Direct, on-the job training (including apprenticeships).                                                                                                                                                |             |             |            |              |            |
| Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.                                                                                                     |             |             |            |              |            |
| Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).                                                                                                    |             |             |            |              |            |
| Outreach efforts to identify and secure bids from Section 3 business concerns.                                                                                                                          |             |             |            |              |            |
| Technical assistance to help Section 3 business concerns understand and bid on contracts.                                                                                                               |             |             |            |              |            |
| Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.                                                                                                     |             |             |            |              |            |
| Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services. |             |             |            |              |            |
| Held one or more job fairs.                                                                                                                                                                             |             |             |            |              |            |
| Provided or connected residents with supportive services that can provide direct services or referrals.                                                                                                 |             |             |            |              |            |
| Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.          |             |             |            |              |            |
| Assisted residents with finding child care.                                                                                                                                                             |             |             |            |              |            |
| Assisted residents to apply for, or attend community college or a four year educational institution.                                                                                                    |             |             |            |              |            |
| Assisted residents to apply for, or attend vocational/technical training.                                                                                                                               |             |             |            |              |            |
| Assisted residents to obtain financial literacy training and/or coaching.                                                                                                                               |             |             |            |              |            |
| Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.                                                                                               |             |             |            |              |            |
| Provided or connected residents with training on computer use or online technologies.                                                                                                                   |             |             |            |              |            |
| Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.                                                                                       |             |             |            |              |            |
| Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.                                                    |             |             |            |              |            |
| Other.                                                                                                                                                                                                  |             |             |            |              |            |

**Table 9 – Qualitative Efforts - Number of Activities by Program**

## **Narrative**

Bloomington does not operate any Section 3 programs.

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## Board Agenda Item

|                                                      |                                                                               |
|------------------------------------------------------|-------------------------------------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>6.1</b><br><br><b>Discussion on Vision for St. Mark's Property</b> |
| Agenda Section<br>DISCUSSION ITEMS                   | Date<br>September 8, 2026                                                     |

Requested Action:

Discussion only

Description:

The HRA Board has had several discussions regarding the layout of the redevelopment project at the vacant St. Mark's Church site at 8630 Xerxes Avenue. This is a continuation of the discussion seeking to answer questions around the inclusion of triplexes, a mixed income site, and per unit subsidy.

Attachments:

[St Marks vision Staff Report - September](#)  
[Option 1 rendering](#)  
[Option 3 rendering](#)

# STAFF REPORT



**DATE:** September 8, 2026

**TO:** Housing and Redevelopment Authority Commission

**FROM:** Sarah Abe, Housing and Redevelopment Authority Administrator  
Breanne Kennedy, Thrive LLC (Development Consultant)

**SUBJECT:** Discussion on Vision for St. Mark's Property

## Background

The HRA purchased the property located at 86<sup>th</sup> and Xerxes, the former St. Mark's Church property, for the purpose of developing more owner-occupied, affordable housing on the site. For the past year, staff have been working on due diligence and negotiations with the owners, and the cell tower lessor on the property, as well as developing preliminary concepts for the layout of the future housing development. The site civil engineer has been selected and next steps include selection of two or three emerging developers to build homes on the site. The HRA discussed the project at June and August HRA meetings.

## The project

Staff is continuing to develop iterations of the site plan. The most recent version was a plan for six, three unit lots (18) and up to 6 detached townhomes, totaling 24 homes on the St. Mark's site. The HRA discussed this in August, and expressed concern over the change to including tri-plexes. Therefore, another discussion is warranted that weighs the tradeoffs in each different scenario.

Staff is presenting three options to the HRA for discussion. It is critically important to note that the infrastructure costs are generally the same for all three scenarios, which affects the cost per unit. There is not enough gap funding available from other sources for lower density options, therefore, selection of the lowest density option will require further discussion with the HRA on securing gap financing. The per-unit gap is lower when considering attached products.

|                                                  | <b>Option #3 – Plan from June</b>              | <b>Option #2</b>                           | <b>Option #1 – Original Plan</b>  |
|--------------------------------------------------|------------------------------------------------|--------------------------------------------|-----------------------------------|
| # of units                                       | 24                                             | 22                                         | 16                                |
| Price Point                                      | 16 @80% and 8 at market rate (mixed income)    | 16@80% and 6 at market rate (mixed income) | All 80% AMI                       |
| Unit Type                                        | 15 triplex units and 9 small lot single family | 22 detached small lot single family        | 10 duplex units and 6 single lots |
| Public infrastructure cost per unit:             | \$100,000 per unit                             | \$109,000 per unit                         | \$150,000 per unit                |
| Land Cost per unit:                              | \$29,000 per unit                              | \$32,000 per unit                          | \$43,750 per unit                 |
| Estimated Value Gap for 80% AMI:                 | \$110,00 per affordable unit                   | \$150,000 per affordable unit              | \$125,000 per unit                |
| Estimated total Gap per unit:                    | \$240,000 per unit                             | \$290,000 per unit                         | \$318,750 per unit                |
| Total Development Cost gap (high level estimate) | \$4,800,000                                    | \$5,500,000                                | \$5,100,000                       |

### Product types

The product types contemplated are as follows:

Small lot single-family/detached townhomes – Proposed in option 1 and 3, these units are disconnected units, with a 5 foot side yard setback along each side property line. Often built with one car, or a small two car garage, the lots are much smaller than average lots (35 feet), but still provide buyers with a detached product and no common ownership. The reason for building this product type is to meet the demand in the market for smaller, single-family homes, achieve a more reasonable price point (mid \$400K for market rate), and reduce gaps for the affordable units. It also does not require coordination on maintenance of the individual unit – that would be the responsibility of the homeowner. The disadvantage of this product is that it does not provide larger units for larger households.

Twinhomes – Proposed in option 1 and a common product type found in south metro suburbs, twinhomes provide an option for attached living while still maintaining ownership options. They are built for a smaller per square foot price due to shared foundations, driveways, and other building materials. Because there are no setbacks on one shared property line, the land cost per unit is also lower. The disadvantage is the common wall and common shared building, requiring coordination between two parties.

Tri-plexes – Proposed in option 3, this is a less common product type in the market, providing an opportunity for the HRA to build “missing middle” housing. This represents an under-built option across the metro, further brings down the cost to construct per unit, and provides the ability for a broader spectrum of ownership options. The disadvantage of this product type is that it requires coordination with three households in making investments in maintenance and upgrades to common elements.

The HRA has specifically designed this site to function without the need for a Homeowners' Association (HOA) and none of these options contemplated the need for an HOA.

### **Discussion Questions**

- 1) Does HRA want to consider triplexes? It provides a few more units of housing, and offers a smaller per-unit gap. The missing middle ordinance allows for this type of unit and could serve as a demonstration project for other infill sites in the city.
- 2) Would the HRA like to consider mixed income neighborhood by adding more units? There is a strong demand for this product type and adding more units at higher prices would also bring per-unit gaps down.
- 3) How important is the per-unit subsidy to the HRA? If the HRA seeks to minimize it's investment into the project, a higher density option could be considered. Less density requires more participation from the HRA per unit because the infrastructure and land costs are the same across the property and detached homes increase the construction costs over attached product. The exact amount of per-unit gap that the HRA will consider is to be determined when a full proforma is completed and is subject to future grant pursuits.

### **Financing**

Up to 16 of the homes to be developed on the St. Mark's site will be financed similarly to recent Bloomington Affordable Homeownership projects with a combination of a construction mortgage (replaced by an owner financed mortgage), Impact award funds, and a variety of other gap funds, including pursuit of Metropolitan Council LHIA/LCDA funds, Hennepin County AHIF funds, and Bloomington HRA resources. The remaining lots could be considered market rate homes and sold for higher values. It should be noted that there will likely be gaps on all three scenarios, even after available funding, and HRA staff will be continuing to pursue funding.

### **Next Steps**

Below are the next steps associated with the development of St. Mark's property, as well as an overview of the entire project timeline:

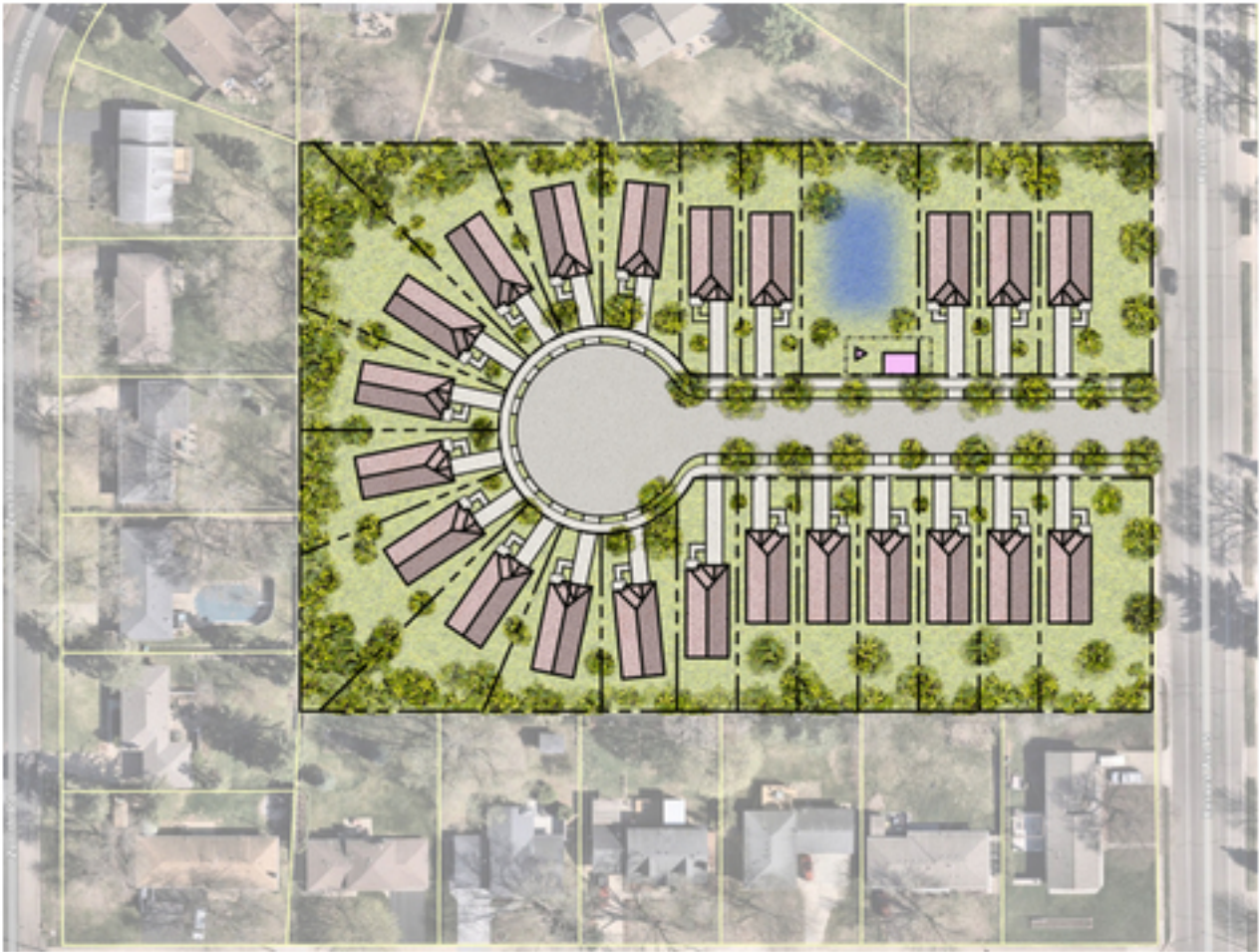
Fall 2026 – Select developers, begin site civil design

Winter 2026 - complete developer training; site plans and proformas for each set of lots; bid public infrastructure project

Spring/Summer 2027- complete public infrastructure

Summer 2027 - close on lots; building permit issuance; begin construction







## Board Agenda Item

|                                                      |                                                   |
|------------------------------------------------------|---------------------------------------------------|
| Originator<br>Housing and Redevelopment<br>Authority | Item<br><b>6.2 HRA Policy and Project Updates</b> |
| Agenda Section<br>DISCUSSION ITEMS                   | Date<br>September 8, 2026                         |

Requested Action:

Informational only

Description:

A standing agenda item for the HRA Administrator and HRA Board members to provide any updates to the Board.

This month's update item includes the HRA property report for Q2 and a Conflict of Interest informational presentation that will be given by the HRA General Counsel, Rachel Tierney of Kennedy & Graven.

Attachments:

[Q2 2026 HRA owned properties update.pdf](#)  
[Conflicts of Interest.pdf](#)

# STAFF REPORT



**DATE:** September 8, 2026

**TO:** Housing and Redevelopment Authority Commission

**FROM:** Valentina Avdulov, Program Specialist II  
Sarah Abe, Housing and Redevelopment Authority Administrator

**SUBJECT:** HRA owned properties update

## **Bloomington HRA Owned Rental Properties Quarterly Update**

Quarter 2 update: April 1 to June 30<sup>th</sup>, 2026

### **Background:**

This report serves as an update on activities related to Housing and Redevelopment Authority (HRA) owned rental properties for Quarter 2 of 2026 (Q2). The Bloomington HRA owns 41 single-family rental homes through two programs administered by the HRA:

1. Assisted Rental homes, project-based vouchers that receive assistance through the Housing Choice Voucher program.
2. Rental Homes for Future Homebuyers, that prepares renters for homeownership through education and saving for a down payment.

Most of the homes in the portfolio are 1950/60s ramblers with significant ongoing maintenance needs. This report serves as a general update regarding property management and maintenance actions taken.

### **General Updates:**

#### **Operations**

- Initiated Low Income Rental Efficiency (LIRE) inspections in partnership with CenterPoint Energy to assess energy efficiency in the homes. This is an income-restricted program to complete comprehensive free property assessments and cover a portion of the cost to complete weatherization and high-efficiency equipment upgrades. Assessments started in Q2, and it is anticipated that they will continue into Q3.
- Preparing for several capital improvement projects funded through CDBG-CV funds. Most of this work will be completed in Q3.

#### **Resident Relationships**

- Sent out monthly reminders to residents for furnace filter changes and lawn care.
- Provided residents with home care checklists to check off different home care items on a monthly, quarterly and annual basis to help guide care of single-family homes.

- Received positive feedback from residents about TUK, the emergency maintenance vendor selected for 2026.

#### Vendor Network

- Worked with existing vendors in our current pool for repairs. The current pool of vendors includes all major categories such as plumbing, electrical, HVAC, and general carpentry.
- Anticipated release of a Request for Qualifications (RFQ) for vendors later this year to continue to expand the vendor pool.

#### Physical Asset Planning

- Results of the LIRE inspection in partnership with CenterPoint Energy will inform planning for long-term capital improvements. – Final inspections wrapped up in Q3.
- The HRA is also included in the City's annual Capital Improvement Planning (CIP) process.

#### Maintenance Updates:

| <b>Rental Homes for Future Homebuyers</b> |                    |                          |                   |                   |                   |                   |
|-------------------------------------------|--------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Type of Maintenance</b>                | <b>2026 Budget</b> | <b>2026 Total Actual</b> | <b>Q1 Actuals</b> | <b>Q2 Actuals</b> | <b>Q3 Actuals</b> | <b>Q4 Actuals</b> |
| Emergency/On-Call Maintenance             | \$24,978           | \$13,033                 | \$6,851           | \$6,182           |                   |                   |
| General Maintenance                       | \$48,046           | \$16,981                 | \$7,242           | \$9,739           |                   |                   |
| Turn Costs                                | \$15,999           | \$800                    | \$0               | \$800.00          |                   |                   |
| Capital Improvements                      | \$14,214           | \$6,675                  | \$6,675           | \$0.00            |                   |                   |
| <b>Total</b>                              | <b>\$103,237</b>   | <b>\$37,489</b>          | <b>\$29,923</b>   | <b>\$16,721</b>   |                   |                   |

Average cost per unit in Q2: \$796.00

| <b>Assisted Rental</b>        |                    |                          |                   |                   |                   |                   |
|-------------------------------|--------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Type of Maintenance</b>    | <b>2026 Budget</b> | <b>2026 Total Actual</b> | <b>Q1 Actuals</b> | <b>Q2 Actuals</b> | <b>Q3 Actuals</b> | <b>Q4 Actuals</b> |
| Emergency/On-Call Maintenance | \$23,230           | \$4,401                  | \$2,591           | \$1,810           |                   |                   |
| General Maintenance           | \$39,936           | \$19,014                 | \$5,720           | \$13,294          |                   |                   |
| Turn Costs                    | \$15,999           | \$9,035                  | \$6,965           | \$2,070           |                   |                   |
| Capital Improvements          | \$12,252           | \$14,069                 | \$14,069          | \$0.00            |                   |                   |
| <b>Total</b>                  | <b>\$91,471</b>    | <b>\$47,097</b>          | <b>\$29,923</b>   | <b>\$17,174</b>   |                   |                   |

Average cost per unit in Q2: \$817.00

A description of the types of maintenance work completed in Q2 is included below.

| <b>Type of Maintenance</b>                                                                                                                                                  | <b>Current Status</b>                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>Emergency/On-Call Maintenance:</b><br>Responding to issues affecting safety or operational continuity outside of regular working hours, including weekends and holidays. | Emergency calls went down in Q2 and were mostly carpentry and no AC calls. |

|                                                                                                                                                                         |                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Maintenance:</b><br>Non-emergency maintenance includes: Housing Quality Standards (HQS) compliance, cosmetic repairs, and preventative maintenance.          | Property spending in Q2 was primarily driven by necessary maintenance and repairs across the HRA's properties. The majority of maintenance costs consisted of four appliance replacements, plumbing leak repairs, and masonry work. |
| <b>Unit Turns:</b><br>When a unit is vacated, the package of necessary repairs that must be made to prepare the home for a new tenant are referred to as a "unit turn." | Assisted Rentals: 1<br>The assisted Rental property turn consisted of trash out, painting, blind replacement, electrical work and cleaning.<br>Rental Homes for Future Homebuyers: 0                                                |
| <b>Capital Improvements:</b><br>Substantial unit turns and replacement of major components or systems.                                                                  | Project scoping is currently in process, more updates anticipated in the Q3 update.                                                                                                                                                 |
| <b>Vacancies:</b> The number of units vacant on the last day of the quarter.                                                                                            | Assisted Rentals: 0<br>Rental Homes for Future Homebuyers: 3                                                                                                                                                                        |

# Housing and Redevelopment Authority

in and for the

## City of Bloomington

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### Conflicts of Interest

# Agenda

**Minn. Stat. § 471.87** – Public Officers interests in contracts

**City Charter § 12.03** – City Officers interests in contracts

**Minn. Stat. § 471.88** – Exceptions to interests in contracts

**Minn. Stat. § 10A.07** – Conflicts of Interest, expenditure of public funds

**Minn. Stat. § 471.95** – Gifts from Interested Persons

# State Conflict of Interest Laws

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A Public Officer may not personally benefit financially from a sale, lease, or contract he or she is authorized to take part in making. (Minn. Stat. § 471.87 – violation is a gross misdemeanor)

- \* If conflict exists, contract is void. Abstaining does not cure the conflict. (But see exceptions.)
- \* The term “Public Officer” includes anyone who is “authorized to take part in any manner in making a contract in an official capacity”.

# Bloomington City Charter § 12.03

Unless permitted by law, no officer of the city authorized to take part in any manner in any contract with the city can voluntarily have a personal financial interest in or derive a personal financial benefit from that contract. Violation of this provision is a gross misdemeanor.

\*The Charter does not define “officer”, but it has been interpreted to include members of commissions.

# Exceptions to Conflict Laws

(Minn. Stat. § 471.88 – apply to Charter and Statute)

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- Contract with no bids required.
    - Interested official abstains.
    - Resolution affirms contract price is as low or lower than available elsewhere.
    - Official files affidavit with City Clerk prior to payment.
    - Unanimous vote required.
  - Renting space in public facility at rate available to general public.
  - Local development organization loan or grant programs for property owners. Official must abstain from voting (on specific application), disclose application for assistance as part of official minutes at public meeting. Unanimous vote required.
  - Recipient of federal or state grant or loan program. Official must abstain from voting. In the case of a loan, must disclose application as part of official minutes at public meeting. Unanimous vote required.

# Conflict of Interest – disclosure required

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A Local Official who would be required to take an action or make a decision that would “substantially affect the official’s financial interests or those of an associated business” must make a written disclosure. Financial interest means ownership or control in an asset that has the potential to produce monetary return. (Minn. Stat. § 10A.07)

1. Write up a statement explaining potential conflict.
2. Give it to the person in charge (Authority Administrator).
3. Abstain from voting.

\*subordinate to situations covered by Minn Stat. §§471.87, 471.88 (personal financial interest in sale, lease, contract).

\*the term “Local Official” includes appointees of political subdivisions with authority to make, or authority to make recommendations about, major decisions regarding expenditure of public money.

## State Gift Ban

A local  
official may  
not accept a  
gift from an  
interested  
person.

(Minn. Stat. § 471.895)

Local official: elected or appointed official.

Gift: money, property, service, loan, forgiveness, promise of employment.

Interested Person: person or a representative of a person or association that has a direct financial interest in a decision that a local official is authorized to make.

Except: campaign contribution, services of “insignificant value”, \$5 or less, food at meeting where official is speaking.

Except: everyone in the group that includes non-public officials received gift, gift from family.

# What should I do if?

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- I'm not sure about a financial interest?
  - I'm not sure if it's a conflict?
  - I'm not sure if I can vote?
  - Somebody gave me a gift?
- Call Rachel
  - Call Rachel
  - Call Rachel
  - Call Rachel

# Who should I call?

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Rachel Tierney

612-337-9234

[rtierney@kennedy-graven.com](mailto:rtierney@kennedy-graven.com)

