

2025 - 2029 CONSOLIDATED PLAN

2025 Annual Action Plan



CITY OF
ROCHESTER
MINNESOTA

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Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Every five years, the U.S. Department of Housing and Urban Development (HUD) requires the development of a Consolidated Plan to assist the City of Rochester in determining community needs and further provide a community-wide dialogue regarding affordable housing and community development priorities. This Consolidated Plan covers the period of January 1, 2025, to December 31, 2029. These plans serve as the application for funding for the Community Development Block Grant (CDBG), which serves low-income individuals and/or families:

The City's Five-Year Consolidated Plan identifies the community's affordable housing, community development, and homelessness needs and outlines a comprehensive and coordinated strategy for addressing them. This document includes narrative responses to specific questions that grantees must respond to be compliant with the Consolidated Planning Regulations. All funds must assist low-moderate income (LMI) individuals and families. Entitlement funds must focus on at least one of the following objectives for low-and-moderate income persons: increase the availability/accessibility, affordability, and sustainability of decent housing, create suitable living environments, and/or expand economic opportunities.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The City of Rochester has developed priorities and goals to address community needs over the next five years. The plan outlines housing, community development, and economic development needs in the City. This plan relies on data from the U.S. Census, the 2022 1-Year American Community Survey (ACS), and a special tabulation of ACS data known as Comprehensive Housing Affordability Strategy (CHAS) data that estimates the number of households with one or more housing needs. Local data regarding homeless and assisted housing is also included. Finally, public input gathered through interviews, focus groups, meetings, and the community survey are coupled with data analysis to identify priority needs related to affordable housing, homelessness, assisted housing, community development, and economic development in the City of Rochester. The City identified the following priorities for 2025-2029.

FY2025-2029 Consolidated Plan Priorities

- Access to Affordable Housing
- Access to Public Services
- Non-Housing Community Development
- Affirmatively Furthering Fair Housing
- Planning and Administration

3. Evaluation of past performance

During this reporting period, \$1,156,383.68 was expended from HUD CDBG Entitlement Grant program, including CDBG-CV spending. Additionally, \$836,125.20 was leveraged from other public and private sources to implement HUD-eligible projects during the reporting period. The City's Single-Family Rehabilitation Loan program generated \$158,141.12 from repayment of loans and \$1,451 of the City's Single-Family Rehabilitation Loan Program was provided by the owners that received assistance through the City's Single-Family Rehabilitation Loan Program.

There were 14 activities allocated for 2023 CDBG funding. Of the 14 activities, only one activity was completed in 2023. A balance of \$1,324,142.86 of CDBG funding remains for 23 activities to be completed (some activities have had small incremental draws). The remaining activities are:

- The City Single-Family Rehab program (YR 2022 # 560 \$15,446.31 unspent YR 2023 #567 \$286,000 unspent),
- City Single Family Rehab Program Administration (YR 2021 #538; \$20,493.15 unspent),
- CDBG Program Administration (YR 2022; \$ 73,259.12 unspent YR 2023 \$59,000 unspent),
- Lead Grant Administration (YR 2020 # 517 and YR 2021 #537; \$16,863.43 unspent),
- Warming Center (YR 2023 #563; \$20,000 unspent),
- Bus Shelter Replacement (YR 2022 #558; \$161,879 unspent),
- Miracle Field of SE MN (YR 2022 #555, \$10,000 unspent,
- Code Enforcement (YR 2022 #553 and YR 2023, \$30,000 unspent)
- First Homes (YR2023 #569, \$100,000 unspent),
- ADU Pilot Program (YR2022-C#577; \$60,000 unspent),
- Rental Rehab Pilot Program (YR2023#568, \$100,000 unspent),
- Active Transportation (YR2023 #575 \$10,000 unspent).
- Hiawatha Homes (YR 2023 #571 \$15,000 unspent),
- Infrastructure (YR 2023 #576 \$100,000 unspent),
- Project Legacy (YR 2023 #565 \$29,965 unspent),
- Two Rivers Habitat (YR 2023 #570 \$25,000 unspent).

4. Summary of citizen participation process and consultation process

The City of Rochester conducted consultation through interviews and focus groups with citizens, non-profit agencies, public housing agencies, private developers, governmental agencies, and the Continuum of Care in preparing this plan. The City held two in-person public meetings prior to the development of the plan to solicit feedback from stakeholders and the general public. These meetings are further outlined in the consultation section below.

A community needs survey was also conducted to solicit input from residents and stakeholders in the City. Respondents were informed that the City was updating the Consolidated Plan for federal funds that primarily serve low- to moderate-income residents and areas. The questionnaire polled respondents about the level of need in their neighborhood for various types of improvements that

can potentially be addressed by the use of CDBG funds. The survey was made available in hard copy format, as well as electronic format via Survey Monkey and Polco. Electronic responses were possible via smartphone, tablet, and web browsers. The survey was available online and offline in English. Somali and Spanish translations were available upon request. The City received 650 survey responses and the responses are included in the Appendix of this document.

To solicit citizen input on the draft Consolidated Plan 2025-2029, the Community Development Department presented at the City Council meeting to open the public comment period on September 23, 2024, to begin to receive comments on priorities, goals, and activities identified in the plan. Additionally, the city held two additional public hearings to receive public comments on the draft document.

5. Summary of public comments

Major needs highlighted during the Public Needs Meetings and stakeholder interviews are as follows:

- **Homelessness Needs**
 - Emergency Shelter
 - Additional need for permanent supportive housing programs
- **Public Service Needs:**
 - Youth programming
 - Community education for those previously incarcerated
 - Better access to services
 - Improve integration without requiring assimilation
 - Economic opportunities for formerly incarcerated
 - Increased access to public services funding
- **Affordable Housing Needs:**
 - Additional affordable housing stock of all types
 - Landlord accountability
 - Low-cost senior housing
 - Access to current housing stock
 - Home Repair Programs to preserve existing housing
- **Other Needs:**
 - Transportation with better coordination to accommodate work schedules and routes in employment centers.

These comments have been incorporated into the City's current Consolidated Plan and will be taken into consideration as a result of funding priorities for the City's future Action Plan activities funded with CDBG dollars.

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

All comments were accepted.

7. Summary

The Proposed Consolidated Plan 2025-2029 established strategic priorities as a product of consultation with community stakeholders, combined with data from the U.S. Census and other sources, which indicate specific housing and community development needs in the City of Rochester, MN. Combined with a needs assessment survey, under the Citizen Participation Plan, the City identified the following strategic priorities to address utilizing CDBG funds in conjunction with leveraging other public and private investments:

1. Access to Affordable Housing
2. Access to Public Services
3. Non-Housing Community Development
4. Affirmatively Furthering Fair Housing
5. Planning and Administration

Over the next five years, the City will continue to focus on developing affordable housing opportunities for low-income families and supporting local efforts to address critical basic needs for families and individuals in need.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	City of Rochester	Community Development

Table 1 – Responsible Agencies

Narrative

The City of Rochester’s Community Development Department is the lead agency for developing, administering, and reviewing the 5-Year Consolidated Plan and Annual Action Plan. Administrative support is provided by Rochester city government on all financial matters, internal controls, and processes to ensure compliance with grant requirements. City staff and its consultants researched and prepared the Plan which provides a comprehensive strategy to address the City’s housing and community development needs with CDBG program funds.

Consolidated Plan Public Contact Information

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

The City of Rochester conducted consultation through interviews and focus groups with citizens, non-profit agencies, public housing agencies, private developers, governmental agencies, and the Continuum of Care in preparing this plan. The City also held two in-person public meetings prior to the development of the plan (April 23, 2024, and April 24, 2024) to solicit feedback from stakeholders and the general public. These meetings are summarized in the sections below.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

Olmsted County HRA is the local public housing agency serving the City of Rochester and was consulted in the preparation of this plan in addition to other local housing providers. These local providers include other City Departments, local educational institutions, the Continuum of Care, employment and training providers, emergency assistance agencies, faith-based organization and programs, and the River Valleys CoC. These agencies provided valuable information that informed priorities included in this plan.

The City’s organizational structure housing related grant funds under the same department allows department staff to coordinate additional services for public housing and housing choice voucher recipients seamlessly. Over the next consolidated plan period, the City intends to maintain this organizational structure to ensure that coordination remains a top priority.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

River Valleys serves as the lead agency for the River Valleys CoC. The CoC includes people and organizations from across the region, and meetings are open to anyone who wants to work together with local organizations to change our system and end homelessness. About 40-50 people gather monthly to collaborate on important local, regional, and statewide initiatives. Anyone who shares the CoC's goals of working collaboratively to end homelessness is welcomed. Since the City does not receive a direct allocation of Emergency Solutions Grant funds, the City coordinates services with the members of the CoC. The City consulted with the CoC before the development of this plan to obtain input from the members and River Valleys staff.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Rochester is not a direct entitlement jurisdiction receiving Emergency Solutions Grant funds from the United States Department of Housing and Urban Development. The City does provide funding to agencies receiving CoC funds and these funds help to supplement the amount of assistance the agency could provide.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Representatives from the broad community, community councils, social service agencies, businesses, housing agencies, community development corporations and other government agencies took the online survey from April 8, 2024, to May 13, 2024. Stakeholder Meetings were also held and included representatives from the following organizations:

1	Agency/Group/Organization	Ability Building Community
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Non-Housing Needs Assessment Services-Persons with Disabilities
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
2	Agency/Group/Organization	Damascus Way Reentry Center
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Anti-Poverty Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
3	Agency/Group/Organization	River Valleys Continuum of Care
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homeless Needs – Unaccompanied Youth Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
4	Agency/Group/Organization	Olmsted County HRA
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs Housing Needs Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
5	Agency/Group/Organization	Hiawatha Homes
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Services – Disabilities

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
6	Agency/Group/Organization	Family Promise
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homeless Needs – Unaccompanied Youth Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
7	Agency/Group/Organization	Boys & Girls Club Rochester
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
8	Agency/Group/Organization	Catholic Charities
	Agency/Group/Organization Type	Non-Profit Agency

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homeless Needs – Unaccompanied Youth Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
9	Agency/Group/Organization	Jeremiah Program
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Non-Homeless Needs Assessment Anti-Poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.
10	Agency/Group/Organization	The Landing MN
	Agency/Group/Organization Type	Non-Profit Agency
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homeless Needs – Unaccompanied Youth Homelessness Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Rochester requested input from this organization regarding services provided, statistical data and/or specific actions currently underway or being implemented as it pertains to the Consolidated Plan.

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

The City did not exclude any agency type or agency during this process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	River Valleys CoC	The Strategic Plan and Continuum of Care do not overlap, but rather complement each other as both seek to identify permanent solutions to the problem of homelessness. The entire continuum of outreach, emergency shelter, transitional housing, rapid re-housing, homeless prevention and permanent housing is supported through collaboration with all of the agencies who have a role in one or more of these strategies.
Comprehensive Plan	City of Rochester	The Comprehensive Plan is another plan that complements the goals of the Consolidated Plan.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

As the City of Rochester implements this 5-Year Consolidated Plan, the City will continue to work with other local public and private entities, regional organizations, Olmsted County, the state of Minnesota, and local educational institutions.

Narrative (optional):

Not Applicable

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

A community needs survey was conducted to solicit input from residents and stakeholders in the City. Respondents were informed that the City was updating the Consolidated Plan for federal funds that primarily serve low- to moderate-income residents and areas. The questionnaire polled respondents about the level of need in their neighborhood for various types of improvements that can potentially be addressed by the use of Consolidated Plan funds. In order to give as many people as possible the chance to voice their opinion, emphasis was placed on making the survey widely available and gathering a large number of responses rather than administering the survey to a controlled, statistically representative pool. Therefore, the survey results should be viewed as an indicator of the opinions of the respondents, but not as representing the opinions of the City population as a group. The survey was distributed through a number of channels in order to gather responses from a broad sample. It was made available in hard copy format, as well as electronic format via Survey Monkey and Polco. Electronic responses were possible via smartphone, tablet, and web browsers. The survey was available online and offline in English. Translations were available upon request.

Public meetings were also held in order to provide forums for residents of the study area and other interested parties to contribute to this Consolidated Plan and Annual Action Plan. Meetings were held in various locations across the City, providing a variety of options for residents and stakeholders to attend. Public notices of the meetings were displayed in local newspapers and through email notifications to stakeholder contacts. Meetings were held at the times and locations shown in the following table throughout the City. A summary of comments received at the meetings is included in the Appendix to this document and a list of meeting times and locations is shown on the next page.

Citizen Participation Outreach

	Field	Description
1	Mode of Outreach	Public Meeting
	Target of Outreach	Non-targeted/broad community
	Summary of Response	Two public meetings were held to receive citizen input from residents on community development, housing, and homeless needs. Community stakeholders, nonprofits, and city departments were

		<p>encouraged to attend the meetings. There was a total of 3 residents including nonprofit stakeholders in attendance for these meetings. The meetings were held as follows:</p> <ul style="list-style-type: none"> • Public Meeting #1 – April 23 at Development Services Infrastructure Center • Public Meeting #2 – April 24 at Rochester Public Library
	Summary of Comments Received	<p>The public was informed of the upcoming needs assessment process to prepare the 5-year consolidated plan, educated on the estimated allocation of funding from HUD and eligible activities. The top needs identified across all districts was that there is a need for more affordable housing needed. Nonprofit agencies stated that improving workforce options for disabled adults was a priority. Reintegrating formerly incarcerated persons back into society was also mentioned as its difficult for these residents to fully integrate in the community due to laws and practices that adversely affect job and housing options. There was support for additional group homes and transportation options for disabled persons. Additionally, there was a need identified for more coordinated collaboration among nonprofits.</p>
	Summary of Comments Not Accepted and Reasons	All comments were accepted.
	URL if Applicable	Not Applicable
2	Mode of Outreach	Public Meeting
	Target of Outreach	Non-targeted/broad community
	Summary of Response	<p>Two public meetings were held to receive citizen input from residents on the draft Consolidated Plan and Action Plan. The total number of residents will be included once the meeting concludes. including nonprofit stakeholders in attendance for these meetings. The meetings were held as follows:</p> <ul style="list-style-type: none"> • Public Meeting #1 – September 23 at City Council Meeting • Public Meeting #2 – September 24 at TBD
	Summary of Comments Received	To be included after the close of the comment period.
	Summary of Comments Not Accepted and Reasons	All comments were accepted.

	URL if Applicable	Not Applicable
3	Mode of Outreach	Surveys
	Target of Outreach	Non-targeted/broad community
	Summary of Response	The survey received about 650 responses.
	Summary of Comments Received	The survey was used to capture comments. The survey analysis is attached.
	Summary of Comments Not Accepted and Reasons	All comments were accepted.
	URL if Applicable	Not Applicable
	4	Mode of Outreach
Target of Outreach		Non-targeted/broad community
Summary of Response		The Co-Design group met three times during the Consolidated Plan Planning period.
Summary of Comments Received		During the continuous feedback from community representatives participating in the Co -Design collaboration model, the following themes were identified as top needs in the community: housing, serving LMI individuals without being cost-burdened, community connections should be strong, culturally connected, and focused on youth. The group also identified access to resources, livable wage jobs with more understanding of unique backgrounds and lived experiences and new community space especially for youth.
Summary of Comments Not Accepted and Reasons		All comments were accepted.
URL if Applicable		Not Applicable

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

A needs assessment helps communities make informed decisions about housing and development, ensuring that resources are used effectively to meet the most pressing needs of residents. The Needs Assessment is based on an analysis of housing problems across Rochester among renters and owners. The following data indicates the number and percentage of renters and homeowners who may be subject to housing problems, based on income level. Assessing the specific housing needs of Rochester is critical to creating a realistic and responsive affordable housing strategy. As such, an assessment of the affordable rental and single-family homes was conducted based on available demographic, economic, and housing data for the city. The assessment utilized HUD's new eCon Planning Suite within the Integrated Disbursement and Information System (IDIS). The eCon Planning Suite pre-populates the most up-to-date housing and economic data available to assist jurisdictions in identifying funding priorities in the Consolidated Plan and Annual Action Plan.

The City of Rochester – Community Development Department facilitates the development and preservation of quality housing, suitable living environments for persons of low and moderate income through the Consolidated Planning process. Comprehensive Housing Affordability Strategy (CHAS) data is used to demonstrate the number of households in need of housing assistance. HUD's CHAS data set is a "special tabulation" of 2016-2020 American Community Survey (ACS) data from the Census Bureau. This "special tabulation" data provides counts of the numbers of households' problems that fit certain combinations of HUD-specified criteria such as housing needs. HUD-defined income limits (primarily 30, 50, and 80% of Area Median Income) and household types of particular interest to planners and policymakers. Since CHAS data requires the Census Bureau to further calculate estimated housing problems at a micro level, CHAS data often lags behind more recent ACS data.

Highlights of the assessment are provided in the sections below.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

A summary of housing needs provides a concise overview of the key requirements and challenges related to housing in a specific community or region. In 2009, Rochester had a population of 110,275 consisting of 43,635 household units with a median income of \$64,554.00 per year. According to the 2016-2020 American Community Survey (ACS), the City of Rochester population grew by 6%; increasing the total population to 117,135 residents consisting of 48,470 households by 2020. The median annual household income increased by 18% to \$76,034.00 annually.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	110,275	117,135	6%
Households	43,635	48,470	11%
Median Income	\$64,554.00	\$76,034.00	18%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

The Household table reflects the total number of households as of the most recent data collection. For the purposes of this plan and HUD's focus on low-income populations, we will focus on families with incomes less than 80% AMFI. The table below describes these households in five separate categories (0-30%HAMFI, >30-50%HAMFI, >50-80% HAMFI, >80-100% HAMFI, >100% HAMFI); however, these families often face similar housing problems such as overcrowding and cost burden. The most common household type in Rochester is small-family households which is defined as a household having at least two non-elderly members up to four members. Small families remain the most common type even when controlled for income. Families with incomes above the median family income ranked the highest in the city, followed by families earning between 50-80% of the Area Median Family Income (AMFI).

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Total Households	6,310	5,810	9,340	5,515	21,490
Small Family Households	1,360	1,265	2,960	1,720	10,800
Large Family Households	240	660	730	460	1,970
Household contains at least one person 62-74 years of age	1,200	1,005	1,695	1,010	4,045
Household contains at least one person age 75 or older	1,070	1,190	1,425	550	1,590

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Households with one or more children 6 years old or younger	905	985	1,235	990	3,310

Table 6 - Total Households Table

Data 2016-2020 CHAS
Source:

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	10	45	90	0	145	30	10	4	0	44
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	35	200	85	10	330	0	20	60	0	80
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	120	205	145	0	470	95	95	50	35	275
Housing cost burden greater than 50% of income (and none of the above problems)	2,480	745	185	85	3,495	1,110	365	130	15	1,620
Housing cost burden greater than 30% of income (and none of the above problems)	605	1,095	750	80	2,530	430	650	875	275	2,230
Zero/negative Income (and none of the above problems)	330	0	0	0	330	100	0	0	0	100

Table 7 – Housing Problems Table

Data Source: 2016-2020 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	2,645	1,190	505	95	4,435	1,235	490	245	50	2,020
Having none of four housing problems	1,645	2,195	3,180	1,545	8,565	790	1,935	5,410	3,825	11,960
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data Source: 2016-2020 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	925	485	180	1,590	245	215	430	890
Large Related	105	235	10	350	25	80	55	160
Elderly	545	685	325	1,555	995	300	280	1,575
Other	1,645	650	450	2,745	320	425	240	985
Total need by income	3,220	2,055	965	6,240	1,585	1,020	1,005	3,610

Table 9 – Cost Burden > 30%

Data Source: 2016-2020 CHAS

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	60	60	220	55	0	275
Large Related	0	0	30	30	15	10	0	25
Elderly	400	465	160	1,025	655	50	50	755
Other	0	1,380	200	1,580	265	0	0	265
Total need by income	400	1,845	450	2,695	1,155	115	50	1,320

Table 10 – Cost Burden > 50%

Data Source: 2016-2020 CHAS

5. Crowding (More than one person per room)

HUD defines overcrowding as homes that have more than one person per room. Additionally, there are classifications of severe overcrowding where there are more than 1.5 persons per room. Cost burden occurs when housing costs, including utilities, cost more than 30% of monthly income. A severe cost burden occurs when monthly housing costs exceed 50% of monthly income.

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	135	315	130	10	590	95	115	95	15	320
Multiple, unrelated family households	20	50	50	0	120	0	0	15	20	35
Other, non-family households	0	30	50	0	80	0	0	0	0	0
Total need by income	155	395	230	10	790	95	115	110	35	355

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	30	135	420	585	240	325	490	1055

Table 12 – Crowding Information – 2/2

Describe the number and type of single person households in need of housing assistance.

Single-person households in need of housing assistance often face specific challenges related to affordability and support. They may require targeted interventions to address their unique needs, including financial assistance, affordable housing options, and supportive services. Such services may include housing repairs, accessibility modifications and tenant-based rental assistance. While the CHAS

data does not estimate the need for housing assistance among single person households, it is likely that single-person households occupied by a person 65 years and older will need housing assistance if the occupant is also cost-burdened and disabled.

What are the most common housing problems?

Housing problems can vary widely depending on geographic location, economic conditions, and individual circumstances. The most common housing problems in Rochester is Cost Burden. Cost burden is when a household pays more than 30% of the household's income for housing and a severe housing cost burden is when a household pay more than 50% for housing costs. According to 2016-2020 CHAS data report, housing cost burden is the most common problem in Rochester, affecting an estimate of 13,865 low- and moderate-income households. Of the 13,865 low-to-moderate income (LMI) households, 64.44% of renters and 35.56% of homeowners are spending more than 30-50% of their income on housing costs. . When considering the total number of low- and moderate-income households who pay more than 30-50% of their total monthly income towards housing, the housing trend reflects renters are much more likely to have housing problems than homeowners and higher income households. This housing problem is experienced by all income levels but is more common among renters.

Are any populations/household types more affected than others by these problems?

Families at less than 80 percent AMFI are most affected by higher housing expenses and lack of decent affordable housing. These income thresholds tend to coincide within the City's racial and ethnic minority populations.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

In Rochester, MN, homelessness is linked to a shortage of housing for individuals and families with very low- and extremely low-incomes. HUD defines very low-income as 50% of the area median income (AMI) and extremely low-income as 30% AMI. There is a need for more transitional housing, financial assistance, affordable childcare, and other supportive services, especially for the first six months to a year after a person leaves a shelter environment. Additional barriers for housing include:

- Poor credit
- Recent criminal history
- Poor rental history, including prior eviction and money owed to property managers
- Active substance use disorder
- Lack of availability of subsidized housing
- Aging housing stock being converted to higher-end homes
- Rents continuing to rise faster than incomes

These are the key needs for individuals who are currently receiving rapid re-housing and are near termination of housing assistance. The primary need of these individuals, as it is for all very low- to extremely low-income individuals, is an increased supply of affordable housing. These needs are addressed in Rochester's goal to provide support to local organizations that provide emergency housing and supportive services for homeless individuals and families that qualify as homeless or at risk of homelessness. The location of affordable housing is also an important need.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The at-risk population in Rochester, MN, is defined as households with incomes below 30% of the Area Median Income (AMI), individuals experiencing chronic homelessness, and survivors of domestic violence. The definition includes families with children, elderly individuals, and persons with disabilities who face significant barriers to accessing stable housing and essential services. The City pulls data from local organizations, community survey targeting low-income households and homeless individuals, U.S. Census Bureau, local health departments, and housing authorities to generate estimates.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Housing characteristics that contribute to instability and an increased risk of homelessness often involve factors related to the physical condition of the housing, its affordability, and the stability of tenure. When housing costs consume a large portion of a household's income, it can lead to financial strain and instability. Households may struggle to pay for other essential needs, leading to arrears, eviction, or foreclosure. Housing that is poorly maintained or has structural issues (e.g., leaks, mold, pest infestations) can create unsafe living conditions. Poor housing conditions can lead to health problems, which can increase the likelihood of eviction due to inability to maintain the property. Living in neighborhoods with high crime rates or unsafe conditions can contribute to housing instability. Residents may face additional stressors and health risks, leading to a greater likelihood of moving frequently or facing eviction. Strategies to mitigate these risks include improving affordable housing options, ensuring adequate housing quality and maintenance, offering support services to at-risk populations, and implementing policies to protect tenants and enhance housing security.

The CoC, Three Rivers, uses a common assessment process to prioritize and customize assistance to households at greatest risk of becoming homeless. This common assessment is the Minnesota Prevention Assessment Tool (MPAT), developed by Minnesota Housing and a TA provider. Risk factors assessed include current housing status (being doubled-up, not on a lease), criminal history, adverse childhood experiences (homelessness, foster care placement, frequent moves, etc.), domestic violence or other major household trauma or event (death of family member,

separation/divorce, major injury or illness, etc.), recent discharge from an institution, low income, and previous evictions. Discrimination based on race/ethnicity, sexual orientation or gender identity, and familial status are also contributing factors, but are hard to break out from other risk factors. Based on initial analysis, the most significant risk factors across all households are previous history of homelessness and current housing status, while specific barriers to housing such as history of institutionalization affect certain portions of the population. A low income by itself is not a strong predictor of homelessness. (Comparing the number of households who are homeless with the total population of households with very low income, fewer than 1 in 10 households with very low income become homeless.) Instead, when the other risk factors are present, limited income compounds the situation by limiting the household choices available to prevent homelessness.

Discussion

Not Applicable.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The 2016-2020 CHAS data tables below summarize the percentage of each racial and ethnic group experiencing housing problems by HUD Area Median Income (AMI) levels. The tables are separated into four ranges of 0% - 30% of Area Median Income, 30% - 50% of Area Median Income, 50% - 80% of Area Median Income, and 80% - 100% of Area Median Income.

Housing needs are based primarily on the condition of existing homes and on the ability of residents to maintain and repair their homes, as well as on their ability to afford the costs of rental or home mortgage payments. HUD defines disproportionately greater need as persons of racial or ethnic minority groups that have problems at rate of 10% or more of the entire income group. For the purposes of this analysis, HUD’s definition of disproportionately greater need will apply. The four housing problems are as follows:

1. Lacks complete kitchen facilities;
2. Lacks complete plumbing facilities;
3. Overcrowding (more than one person per room); and
4. Cost Burden greater than 30%.

0%-30% of Area Median Income

Table 13 indicates that out of the 4,055 households earning less than 30% of the Area Median Income (AMI), each household faces at least one of four identified housing problems. Among these households with housing issues:

- 68.31% were White
- 19.61% were Black/African American
- 8.75% were Hispanic
- 2.81% were Asian, American Indian, Alaska Native, or Pacific Islander

These figures suggest that White and Black households experience the highest number of housing problems in terms of racial and ethnic distribution.

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,055	810	495

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
White	2,770	695	345
Black / African American	795	0	145
Asian	110	105	4
American Indian, Alaska Native	4	0	0
Pacific Islander	0	0	0
Hispanic	355	4	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Table 14 shows 3,485 households have one or more of the four housing problems with incomes between 30-50%t AMI. Among these households with housing issues:

- 72.45% were White
- 13.63% were Black/African American
- 7.17% were Asian
- 5.74% were Hispanic
- 0.00% American Indian, Alaska Native, or Pacific Islander

Although Whites has the highest percentage (72.45%) demographically of having housing problems; racially, Black, Asian, and Hispanic families have the highest incidence of having housing problems.

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,485	2,385	0
White	2,525	2,060	0
Black / African American	475	135	0
Asian	250	80	0
American Indian, Alaska Native	0	0	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Pacific Islander	0	0	0
Hispanic	200	95	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

The 50%-80% AMI group has the least number of households that are suffering from one of the four housing problems at 2,250. These households have fewer household problems respectively. The demographic breakdown by race is White at 78.00%, Black/African American at 4.89%, Hispanic at 6.55% and Asian, American Indian, Alaska Native, or Pacific Islander households at 5.11%.

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,250	5,735	0
White	1,755	5,000	0
Black / African American	110	225	0
Asian	115	240	0
American Indian, Alaska Native	0	10	0
Pacific Islander	0	0	0
Hispanic	145	205	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

The 80%-100% AMI group is the only group that has more households with no housing problems. A total of 89.57% of all households in this group experience no housing problems. In this income classification, every racial and ethnic demographic group saw a dramatic reduction in the frequency of households experiencing housing problems.

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	520	4,465	0
White	450	4,005	0
Black / African American	0	40	0
Asian	50	185	0
American Indian, Alaska Native	0	15	0
Pacific Islander	0	0	0
Hispanic	10	190	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2016-2020 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

Households at every income level had a high frequency of housing problems across all racial and ethnic groups. Low-income Whites and African Americans in every income category experienced disproportionately greater need in terms of housing problems. This is not just a concern for residents that qualify as low-income. There are many residents qualified as moderate to higher income that still experience housing problems. The four housing problems identified are all major concerns that prevent households from functioning adequately and from providing an affordable residence. The condition and availability of housing within Rochester needs attention as evidenced by the above data. Efforts to reduce the deterioration of housing through repairs to kitchens and plumbing will provide residents with access to basic needs while also helping to lower their cost burden.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

The data in the tables below is based on special tabulations of the Comprehensive Housing Affordability Strategy (CHAS), provided by HUD, and shows that more low-income households are facing housing problems. The Housing Needs Tables below display these numbers on housing problems, income, and race for Rochester, MN. Whites and Black/African Americans are more likely to live in such housing, while elderly persons are also a substantial portion of those suffering from severe housing problems as well.

The data indicate Whites to have a disproportionate number of housing units to have one or more of the four housing problems, followed closely by African Americans. In addition, Whites, who have a cost burden of 50 to 80 percent, are disproportionately represented at higher than the jurisdiction as a whole. Please note, the data represents a small sample of households. As a result, Asians, American Indians, Pacific Islanders, and Hispanics in Rochester, MN are underrepresented.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,165	1,695	495
White	2,110	1,360	345
Black / African American	670	125	145
Asian	60	155	4
American Indian, Alaska Native	4	0	0
Pacific Islander	0	0	0
Hispanic	310	50	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,550	4,325	0
White	980	3,610	0
Black / African American	240	375	0
Asian	145	185	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	155	140	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	540	7,440	0
White	345	6,405	0
Black / African American	55	280	0
Asian	40	315	0
American Indian, Alaska Native	0	10	0
Pacific Islander	0	0	0
Hispanic	90	260	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	185	4,795	0
White	130	4,325	0
Black / African American	0	40	0
Asian	40	195	0
American Indian, Alaska Native	0	15	0
Pacific Islander	0	0	0
Hispanic	10	190	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data Source: 2016-2020 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

Severe housing problems are typically defined as issues that significantly impact the quality and stability of housing. These problems can include extreme cost burdens, overcrowding, or housing quality deficiencies. The ACS based HUD CHAS data points to the fact that housing problems related to overcrowding, severe cost burden, lack of kitchen facilities and lack of complete plumbing are borne by those who are poor and working poor. A disproportionately greater need exists when the percentage of persons in a category of need who are members of a racial or ethnic group is at least 10 percentage points higher than the percentage of persons in the category. The sample size for this data collection is too small to make a finite opinion on those with low to moderate incomes, however; Whites had more severe housing problems as opposed to the African Americans, Hispanics, and Asians.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

Per HUD definitions, a “disproportionate need” exists when any group has a housing need that is 10% or higher than the jurisdiction as a whole. Examination of the given data makes clear that for those at lower incomes (<= 30% MFI) housing cost burden is a major barrier. The data provided below displays household demographics in relation to the number of households that spend 30% or less of their income on housing costs and compares this population to the number of households with increased housing cost burdens over 30% of their income. Many households were faced with a lack of employment, an inability to fill available positions due to lack of education, inappropriate skill set or lack of transportation. In all but one of the income categories, the racial/ethnic group with disproportionately greater need, within the categories of severe housing problems, is Whites.

Although the housing cost burden takes a greater percentage of household income, more White, Asian, and Hispanic households suffer due to this factor. Regular income plays an important role in determining how much money a household needs to budget for housing expenses, such as a mortgage/rent payment and utilities, compared with income the household may need to maintain their individual standard of living. Regular income is also a strong indicator for mortgage lenders and landlords in determining their potential buyers’ or tenants’ capacity to maintain affordability of their future residence. While budgeting priorities are different for each household, a standard of 30% of household income is utilized as a threshold for housing cost burdens that have evolved over time from rent limits originally established in the United States National Housing Act of 1937. After 1937, rent limits for low-income subsidized households were adjusted again by the Brooke Amendment (1969) of the 1968 Housing and Urban Development Act.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income
Jurisdiction as a whole	34,475	5,685	4,400	495
White	29,810	4,445	3,245	345
Black / African American	955	550	710	145
Asian	2,100	385	90	4
American Indian, Alaska Native	65	0	4	0
Pacific Islander	0	0	0	0
Hispanic	1,160	185	325	0

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2016-2020 CHAS
Source:

Discussion:

According to 2016-2020 CHAS data, Rochester, MN has an estimated 75.59% of households that spend 30% or less of their household income toward housing related costs. In conjunction with the previous CHAS analysis, the most economically disadvantaged are also the most vulnerable. An overall assessment shows that all racial or ethnic groups have housing cost burdens in various income levels. Since low-income residents are clearly identified as those most likely to be suffering from housing cost burden; it is difficult for them to afford high priced homes in higher economic opportunity areas or afford rents that go above fair market value. They pay the highest percentage of their income toward housing. People earning the state minimum wage, which is higher than the federal minimum wage have to work 95 hours per week to afford the median rent in their community of residence. This limits housing choice and perpetuates the problems that already exist.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Yes, there can be income categories in which a particular racial or ethnic group experiences a disproportionately greater need compared to the overall needs within that income category. The greatest need is reflected by the cost burden at specific income levels within various demographics. In general, high housing cost burdens have been associated with lower economic income, the prevalence of housing problems, and the concentration of ethnicity, race, and senior residents within the specific locations of Rochester's geography. This disparity in income causes a significantly greater need in housing, transportation, and services for the Whites more than other racial/ethnic groups. Those households with less than 30 percent AMFI are disproportionately represented. Regarding housing, it is again, low-income, very low-income, and extremely low-income households in which at least one of the four housing problems is most likely to occur. Housing problems are tied to ethnic/racial groups, and different groups emerge within different categories of problems, such as cost burden, crowding, and severe housing problems. Understanding these disparities helps the city design more effective housing policies and programs that address the specific needs of the most affected groups, ultimately contributing to more equitable housing outcomes.

If they have needs not identified above, what are those needs?

Households that experience a disproportionately greater need may be faced with other needs such as affordable rentals in areas of opportunity (e.g. in proximity to public transit) and accessible to additional supportive services. Income is the greatest need for low-to-moderate income residents. Additionally, housing problems and severe housing problems can affect persons with disabilities. This group includes people with mental illness, and those with physical, intellectual, and developmental disabilities. These individuals have some of the lowest incomes and worst-case housing needs. Income disparity is also reflected in:

- Children in low-income families
- Individuals with disabilities receiving Supplemental Security Income (SSI)
- Seniors on fixed incomes
- Single parent headed families and households
- Households headed by seasonal or temporary workers
- Individuals with low educational levels
- Individuals with limited English proficiency

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The City of Rochester, MN does not have any specific neighborhoods or areas where racial or ethnic groups are concentrated.

NA-35 Public Housing – 91.205(b)

Introduction

The City of Rochester does not own or manage any public housing units. The Department of Housing and Urban Development Public Housing program is owned and managed by the Olmsted County HRA. All information provided in the Consolidated Plan was obtained from the Olmsted County HRA.

Totals in Use

	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	103	466	0	463	0	2	0

Table 22 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	15,234	14,717	0	14,682	0	22,711
Average length of stay	0	0	4	6	0	6	0	7
Average Household size	0	0	3	3	0	3	0	5
# Homeless at admission	0	0	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	10	80	0	80	0	0
# of Disabled Families	0	0	19	151	0	150	0	0
# of Families requesting accessibility features	0	0	103	466	0	463	0	2
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	36	190	0	188	0	1	0
Black/African American	0	0	55	253	0	252	0	1	0
Asian	0	0	11	19	0	19	0	0	0
American Indian/Alaska Native	0	0	1	3	0	3	0	0	0
Pacific Islander	0	0	0	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	3	9	0	9	0	0	0
Not Hispanic	0	0	100	457	0	454	0	2	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Public housing tenants and applicants on the waiting list for accessible units in Olmsted County often have specific needs that differ from those of the general population. The primary focus is on accessibility features that accommodate individuals with physical disabilities, ensuring that housing units are equipped to meet their daily living requirements.

The most pressing need for these tenants and applicants is housing that is physically accessible. This includes features such as wheelchair ramps, wider doorways, lower countertops, roll-in showers, and accessible bathroom fixtures. These modifications are essential for individuals with mobility impairments to live independently and safely. In addition to physical modifications, many individuals on the waiting list also require supportive services, such as in-home healthcare, assistance with daily living activities, and access to transportation. These services are crucial for maintaining independence and ensuring a good quality of life.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

Residents of public housing and Housing Choice Voucher holders face several immediate needs, many of which overlap with the general population but with added urgency due to their socioeconomic status.

One of the most immediate needs is affordable housing. Many residents are low-income and face significant financial constraints, making it difficult to afford market-rate housing. Ensuring access to affordable, stable housing is critical for this population. For those with disabilities, the need for accessible housing is immediate and pressing. As mentioned, there is often a gap between the demand for and the supply of accessible units. Beyond just housing, residents often need access to supportive services, including healthcare, mental health services, substance abuse treatment, and job training programs. These services help residents maintain their housing stability and improve their overall well-being. Additionally, immediate attention to maintenance and repairs in public housing units is necessary to ensure safe and habitable living conditions. Deferred maintenance can lead to unsafe environments, particularly for vulnerable populations. Last, ensuring the safety and security of residents is another immediate need. This includes not only physical safety but also protection from environmental hazards and ensuring that the housing units meet health and safety standards.

There are currently 79 applicants on the waiting list and the OCHRA is currently managing 691 Housing Choice Vouchers. The needs identified for voucher recipients on a broad scope include the need for a higher number of landlords to accept vouchers, more affordable

housing options (often rents are too high for voucher recipients whose rent is subject to the HCV payment standard). There is also a need for food support, childcare assistance, security deposit assistance, and emergency assistance.

How do these needs compare to the housing needs of the population at large

When comparing the needs of public housing tenants and Housing Choice Voucher holders to the general population, several key differences emerge. The general population has a wider range of income levels, allowing for more flexibility in housing choices. In contrast, public housing tenants and voucher holders are often limited to low-income brackets, making the need for affordable housing more acute. The need for accessible housing is a significant concern for public housing tenants with disabilities, whereas this may not be as urgent for the general population. The general population might seek housing based on location, amenities, or size, but those with disabilities prioritize physical accessibility as a non-negotiable criterion.

While the general population may have access to various services through employment or other means, public housing residents and voucher holders are more likely to depend on publicly funded services. Their need for integrated supportive services, including healthcare, social services, and transportation, is typically higher. The general population might face housing instability due to job loss or market conditions, but public housing residents and voucher holders are often already on the margins, making housing stability a more critical and constant concern.

Discussion

N/A

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

The following section provides a general assessment of the City's homeless population and its needs. The U.S. Department of Housing and Urban Development (HUD) uses the following categories to define homelessness:

- **Literally Homeless:**
 - Sheltered Homeless: lives in emergency shelter, transitional housing for the homeless or a hotel or motel with the stay being paid for by an organization.
 - Unsheltered Homeless: lives in a car, park, abandoned building, encampment, dilapidated building, on the sidewalk, or similar location.
- **Imminently Homeless:** is facing loss of housing within two weeks, has no subsequent residence identified, and lacks the resources or support networks needed to obtain other permanent housing.
- **Other Homeless:** in jail, a hospital, or a detox program, but would otherwise have been homeless.
- **Fleeing/Attempting to Flee Domestic Violence:** Is fleeing, or is attempting to flee, domestic violence; has no other residence; and lacks the resources or support networks to obtain other permanent housing.

The City of Rochester is a part of the River Valleys Continuum of Care. The data below was extracted from HUD's 2023 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations report¹. This report is based on point-in-time information provided to HUD by Continuums of Care (CoCs) as part of their CoC Program application process, per the Notice of Funding Availability (NOFA) for the Fiscal Year 2023 Continuum of Care Program Competition. CoCs are required to provide an unduplicated count of homeless persons according to HUD standards (explained in HUD's annual HIC and PIT count notice and HUD's Point-in-Time Count Methodology Guide. HUD has conducted a limited data quality review but has not independently verified all of the information submitted by each CoC. Additionally, a shift in the methodology a CoC uses to count the homeless may cause a change in homeless counts between reporting periods.

¹ Homeless Assistance Programs Homeless Populations and Subpopulations report chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://files.hudexchange.info/reports/published/CoC_PopSub_CoC_MN-502-2023_MN_2023.pdf

Race	Sheltered	Unsheltered
Black or African American	130	11
White	228	65
Asian	4	0
American Indian or Alaska Native	17	4
Native Hawaiian or Pacific Islander	1	0
Multiple Races	34	2
Ethnicity	Sheltered	Unsheltered
Hispanic/Latino	41	9
Non-Hispanic/Non-Latino	373	73

Table 26: HUD 2023 CoC Homeless Assistance Programs Homeless Populations and Subpopulations Report

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Families with children are more likely to be in sheltered situations due to the vulnerability of children. Programs like HUD's Continuum of Care (CoC) often prioritize housing assistance for families with children. Families with children typically need stable, affordable housing, access to education, healthcare, and social services. The demand for housing assistance for these families remains high, particularly in urban areas with high living costs. According to the HUD Homeless Populations and Subpopulations Report, there were 25 households with children and 8 unaccompanied youth under the age of 18 experiencing homelessness. It is estimated that about 33 families with children will need housing assistance.

Veterans, especially those with families, may require specialized housing assistance due to factors such as mental health issues, PTSD, or disabilities related to their service. Veterans' families often require supportive housing, access to healthcare, and job training services. Programs like HUD-VASH (Veterans Affairs Supportive Housing) are critical in meeting these needs. The HUD Homeless Populations and Subpopulations Report showed that there were 27 veterans in homelessness, both sheltered (20) and unsheltered (7). It is estimated that no more than 27 families of veterans will need housing assistance.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The data reveals significant disparities in homelessness across racial and ethnic groups, reflecting broader systemic inequalities. Black or African American individuals are overrepresented in the homeless population, both sheltered and unsheltered, indicating a critical need for targeted interventions that address the root causes of housing instability in this community.

Similarly, the high numbers of White individuals experiencing unsheltered homelessness suggest gaps in the support systems that are supposed to prevent individuals from falling through the cracks. Individuals of multiple races also represent a notable portion of the homeless population (34 sheltered, 2 unsheltered), indicating that multiracial individuals may face unique challenges in

housing stability. The small numbers of Asian and Native Hawaiian or Pacific Islander individuals should not be overlooked; their needs may be less visible but are equally important.

Hispanic/Latino individuals' presence in both sheltered and unsheltered categories underscores the importance of culturally competent services that can overcome barriers such as language and immigration status.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Most of the homeless population is sheltered (e.g., 130 Black or African American, 228 White), indicating that existing programs are reaching many individuals in need. Sheltered homelessness typically includes individuals in emergency shelters, transitional housing, or safe havens. This group is often provided with basic necessities and some level of support services.

Unsheltered individuals (e.g., 65 White, 11 Black or African American) are at higher risk due to exposure to the elements, lack of access to healthcare, and safety concerns. These individuals are typically found in places not meant for habitation, such as streets, parks, or abandoned buildings. Reaching unsheltered individuals with services is more challenging, requiring outreach and engagement strategies that address their immediate needs and work towards long-term housing solutions.

Discussion:

Overall, the nature and extent of homelessness, as shown in the data, demand a multifaceted approach that includes expanding affordable housing, improving access to mental health and addiction services, enhancing job training and employment opportunities, and ensuring that all programs are equitable and accessible to every racial and ethnic group. Addressing these needs requires collaboration across government agencies, non-profits, and the private sector, with a focus on creating sustainable, long-term solutions that prevent homelessness and support those currently experiencing it.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

This section will discuss the characteristics and needs of persons in various subpopulations of Rochester who are not homeless but may require supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with HIV/AIDS and their families, persons with alcohol or drug addiction, and victims of domestic violence, persons with a criminal record, those who have limited English proficiency, and those who are transportation disadvantaged. Persons belonging to this population may have additional needs before, during, and after an incident in functional areas including but not limited to maintaining independence, communication, transportation, supervision, and medical care.

Rochester has a diverse population with various special needs, including individuals with disabilities, chronic illnesses, mental health conditions, and those living with HIV/AIDS. Understanding the characteristics of these populations is essential for determining their housing and supportive service needs.

Describe the characteristics of special needs populations in your community:

Non-homeless special needs populations experience many of the same housing and service needs and barriers that others in the Rochester area experience. In fact, non-homeless special needs populations tend to be those who have extremely low or very low income who are at risk of becoming homeless as described earlier. Characteristics of non-homeless special needs populations include people who:

- Live on fixed income, limited income, or no income
- Lack available affordable housing
- Wait on long waiting lists for subsidized housing
- Lack housing with supportive services
- Lack credit history, have negative credit or rental history, have criminal backgrounds or other factors that affect their ability to find a willing landlord
- Have health issues, such as substance use or mental health disorders
- Lack job opportunities or are unable to work
- Lack dependable transportation

The section below will describe why identifying the characteristics and needs of these subpopulations is essential to the planning process for these federal dollars.

Elderly and Frail Elderly

The elderly and frail elderly are often unable to maintain existing homes or to afford rent. They are often over-housed in homes that have more square footage than the elderly homeowner or renter can maintain on a limited budget. Housing cost burden-related issues are often compounded by the requirement of additional services it takes for elderly and frail-elderly to age in place. These services may include costly medical and other daily living assistance services. Frail and elderly

individuals are in a higher state of vulnerability for adverse health outcomes compared to non-frail elderly individuals, either due to slow declines or terminal illnesses. Disabilities become far more common among older adults. While only **9.6%** of individuals aged 65 to 74 report having a disability, that number rises dramatically to **40.9%** among those 75 and older. This suggests that nearly half of the elderly population in Rochester may need supportive services or interventions related to their disabilities. Ambulatory difficulties and independent living challenges stand out as major issues, particularly among the elderly. More than 27% of those aged 75 and over have mobility challenges, and nearly 24% face independent living difficulties. Cognitive and self-care difficulties are also prominent concerns, with nearly 12% of those aged 75 and over facing self-care challenges, potentially indicating a need for increased dementia care and support services.

Persons with Physical Disability

ACS defines ambulatory difficulties as seriously affecting motility and the ability to walk or climb stairs. Finding housing that is both affordable and accessible is a basic challenge for persons with physical disabilities.

The 2022 ACS five-year estimate reports there were approximately 11,944 persons with a disability in Rochester representing about 10% of the population. Of this total, 5,548 were elderly disabled, representing 64.9% of the disabled population. There were 5,445 disabled adults ages 18-64, or 14.50% of the population. Ambulatory difficulties represent 4.3% of the population, consume a small portion of the disabled population.

Persons with Developmental Disabilities

Persons with developmental disabilities are individuals with mental or physical disabilities or a combination of mental and physical conditions resulting in significant impairments to daily functioning, including mental retardation, autism, traumatic brain injury, fetal neurological disorders, epilepsy and cerebral palsy. The disability's origin is in the brain and is usually established early in life and the disability must be expected to last indefinitely. Persons living with developmental disabilities in Rochester include individuals who have hearing, vision, cognitive, developmental, ambulatory, self-care, or independent living difficulties, and many individuals have multiple difficulties.

The 2022 ACS five-year estimate reports 4.5% of the disabled population is identified as have cognitive difficulty. Additional services to help developmentally disabled persons stay with their families as well as additional housing and residential facilities would be welcomed. Other needed services include vocational services, social and community involvement, and transportation.

Domestic Violence

Domestic violence affects families and communities. The Bureau of Justice Statistics defines domestic violence as victimizations committed by intimate partners (current or former spouses, boyfriends, or girlfriends), immediate family members (parents, children, or siblings), and other relatives. Local data is limited but reporting but according to the Olmsted County Sheriff's Office, there was an uptick in domestic violence related calls from 95 in 2022 to 117 in 2023.

What are the housing and supportive service needs of these populations and how are these needs determined?

The primary housing and supportive needs of these subpopulations include affordable, safe housing opportunities in areas with access to transportation, social services, and for education regarding fair housing rights and actions that can be taken in the event those rights are violated. Persons with disabilities often require accessible features and ground floor housing units. Victims of domestic violence need safe housing, removal of barriers to relocation, and for perpetrators to be held accountable. Supportive services of these populations include senior services; congregate meals and food supplanting services and other public service programs that support low-income households. Many of the supportive needs of these subpopulations are available through existing nongovernmental organizations. However, there is a strong need for greater collaboration and education among local government agencies and nonprofits to serve the various special needs subpopulations more efficiently and comprehensively.

Olmsted County has 233 facilities that serve persons with disabilities licensed with the Minnesota Department of Human Services. Adult foster care provides the greatest amount of housing for persons with disabilities in Olmsted County. There are 215 adult foster care units Olmsted County. These homes serve individuals with a variety of needs/disabilities including developmental disabilities, mental health issues, various medical and other issues (which would include brain injury), or our aging population. There are 148 Community Residential Services (corporate group homes), 101 Adult Family Foster Care homes, totaling 259 foster homes in Olmsted County.

These needs were determined by input from both service providers and the public through the Needs Assessment survey, public meetings, and stakeholder interviews.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Individuals living with HIV/AIDS often face health challenges that require consistent medical care, including access to antiretroviral therapy (ART). Stable housing is crucial for maintaining health, as it ensures a safe environment to manage medication and attend medical appointments. People with HIV/AIDS also face stigma and discrimination, making it harder to secure housing. Supportive services need to include not only healthcare but also legal and advocacy support to protect their rights. The Minnesota Health Department reports that there are about 188 people in Rochester living with HIV.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

The City will not establish a TBRA program during this Consolidated Plan period and does not provide housing and supportive housing for Non-Homeless Special Needs populations.

Discussion:

Not Applicable.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

HUD identifies publicly owned facilities and infrastructure such as streets, playgrounds, and underground utilities, and buildings owned by non-profits that are open to the public, as Public Facilities and Improvements under the CDBG program.

Publicly owned community facilities include a wide range of recreational uses, including recreation and aquatic centers, senior centers, libraries, specialty parks, and event plazas. These facilities offer a specific stand-alone use, though they can be located within or adjacent to public parks sharing facilities to integrate related programming. Each community facility has location and service levels that need to be evaluated based on land area required, demographics of residents it serves and relationship to other city facilities and parks.

The Community Co-Design process indicated that community spaces were needed particularly for youth. The continued growth in the elderly population also mandates the need for additional public facilities to meet the needs of the increased senior population.

How were these needs determined?

Several sources were considered to determine these public facilities' needs. In preparing the Consolidated Plan, the City consulted with the public, other City departments, and county, and private service agencies. To solicit online feedback from stakeholders regarding the Consolidated Plan, the city conducted a resident needs survey in the second quarter of 2024 through two survey platforms, SurveyMonkey and Polco. These platforms were selected because they are mobile-friendly to allow stakeholders to easily access the survey from a computer or any type of mobile device, including a cell phone. The survey was made available in both English and Spanish. Additionally, the City developed a Community co-design working group that works to gain continuous feedback on needs in the community. The Community co-design group was able to gather information from residents who were not represented at any of the formal meetings.

Describe the jurisdiction's need for Public Improvements:

Rochester is committed to fostering a suitable living environment that enhances the quality of life for individuals and communities. This can be achieved by making neighborhoods more livable through various measures. These include eliminating blight, increasing access to high-quality facilities and services, restoring and preserving properties with historic, architectural, or aesthetic significance, and conserving energy resources. All these efforts contribute to the overall improvement of quality of life. In collaboration with the public and other stakeholders, and drawing on past successes, the City plans to address public infrastructure needs by making necessary improvements.

Street, road, and sidewalk improvements were top needs identified in the community survey on needs followed by waste/sewer improvements and drainage improvements.

How were these needs determined?

Several sources were considered to determine these public facilities' needs. In preparing the Consolidated Plan, the City consulted with the public, other City departments, and county, and private service agencies. To solicit online feedback from stakeholders regarding the Consolidated Plan, the city conducted a resident needs survey in the second quarter of 2024 through two survey platforms, SurveyMonkey and Polco. These platforms were selected because they are mobile-friendly to allow stakeholders to easily access the survey from a computer or any type of mobile device, including a cell phone. The survey was made available in both English and Spanish. Additionally, the City developed a Community co-design working group that works to gain continuous feedback on needs in the community. The Community co-design group was able to gather information from residents who were not represented at any of the formal meetings.

Describe the jurisdiction's need for Public Services:

The City of Rochester is committed to serving the needs of low-income and special needs populations with various community services that aid families in participating fully in the community. These families include those at or below poverty levels, at risk of homelessness, unemployed or underemployed, physically challenged, aging, lacking access to health care, or lacking education or literacy skills.

Housing and housing related services were identified as one of the top needs in the community. Residents also identified youth programs, access to resources, and other services for low income as a need. It was also stated that these services should take careful consideration to ensure these programs are offered in a culturally appropriate competent manner. Given the diversity of the community, it was also important to the group to encourage integration without requiring assimilation.

How were these needs determined?

Several sources were considered to determine these public facilities' needs. In preparing the Consolidated Plan, the City consulted with the public, other City departments, and county, and private service agencies. To solicit online feedback from stakeholders regarding the Consolidated Plan, the city conducted a resident needs survey in the second quarter of 2024 through two survey platforms, SurveyMonkey and Polco. These platforms were selected because they are mobile-friendly to allow stakeholders to easily access the survey from a computer or any type of mobile device, including a cell phone. The survey was made available in both English and Spanish. Additionally, the City developed a Community co-design working group that works to gain continuous feedback on needs in the community. The Community co-design group was able to gather information from residents who were not represented at any of the formal meetings.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The purpose of the Market Analysis is to provide a clear picture of the environment in which the jurisdiction must administer its programs over the course of the Consolidated Plan. The Rochester housing market continues to see significant growth in development, which is a sure sign of economic growth. The City is home to the world-renowned Mayo Clinic and the City has launched Destination Medical Center (DMC), which is a unique 20-year economic development initiative that will impact the local housing market and housing needs.

In conjunction with the Needs Assessment, the Market Analysis will provide the basis for the Strategic Plan and the programs and projects to be administered.

The Housing Market Analysis provides information on:

- Significant characteristics of Rochester's housing market in general, including the supply, demand, and condition and cost of housing
- Housing stock available to serve persons with disabilities and other special needs
- Condition and need of public and assisted housing
- Brief inventory of facilities, housing, and services to meet the needs of homeless persons
- Regulatory barriers to affordable housing
- Significant characteristics of the jurisdiction's economy

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

This section discusses the supply of housing in Rochester. Data provided by the 2018-2022 ACS, as shown in Table 27, shows that overall, most of the housing units are one-unit, detached structures. The remaining housing stock was in a variety of multi-family configurations, ranging from 2-4-unit structures to structures with 5-19 units.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	30,691	67%
1-unit, attached structure	4,365	4%
2-4 units	755	9%
5-19 units	2,824	10%
20 or more units	1,565	8%
Mobile Home, boat, RV, van, etc	9,345	3%
Total	50,236	100%

Table 27 – Residential Properties by Unit Number

Data Source: 2018-2022 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	15	0%	1,050	7%
1 bedroom	375	1%	4,985	31%
2 bedrooms	5,485	17%	6,905	43%
3 or more bedrooms	26,650	82%	3,000	19%
Total	32,525	100%	15,940	100%

Table 28 – Unit Size by Tenure

Data Source: 2016-2020 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The City uses its federal and local funds through the tax increment financing to assist housing developers in developing affordable housing units.

The City of Rochester has used tax increment financing to assist affordable housing developer to the tune of 2,766 affordable units, 273 townhomes and 369 single-family homes, amounting to \$36,399,484 of assistance since 1999.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The City does not expect to lose any affordable housing units from its inventory.

Does the availability of housing units meet the needs of the population?

The availability of housing units does not fully meet the needs of the population since there is an inadequate supply of affordable housing units which drives up the cost of housing making it difficult for low-income and even moderate-income households to find affordable housing. There is a shortage of units for people earning less than \$20,000 annually. Given the high area median income of the City, there is also a limited supply of higher-end luxury units for residents who can afford alternative options. This practice limits the supply of housing at certain income intervals since higher earning residents can choose housing from any category.

As reported in the Comprehensive Housing Needs Assessment for Olmsted County (which includes the City of Rochester), completed in 2020, the general occupancy demand for housing is projected to be an estimated 18,144 housing units for the Olmsted County area between 2020-2030. The City of Rochester is projected to account for 78% (6,018) of the for sale units and 90% (4,525) of the rental unit demand. To date, Rochester has built 2,765 rental units, which is 61% of the projected need of rental units by 2030. To date, Rochester has built 1,024 single-family homes, which is 17% of the overall for sale goal for the year 2030.

Describe the need for specific types of housing:

Consultations with housing service providers and community meetings revealed that there is a lack of affordable units for seniors and those with extremely low-income and low-income. Renters with low-incomes or who need three or more bedrooms, low-moderate income families seeking affordable homeownership opportunities, elderly, and disabled households are likely to find more limited options. Rent has significantly increased as home values have increased but incomes have not drastically increased further widening the gap between low-income wage earners and affordable units.

As reported in the Comprehensive Housing Needs Assessment for Olmsted County (which includes the City of Rochester), completed in 2020, the general occupancy demand for housing is projected to be an estimated 18,144 housing units for the Olmsted County area between 2020-2030. The City of Rochester is projected to account for 78% (6,018) of the for sale units and 90% (4,525) of the rental unit demand. Of the 4,525 rental demand for Rochester for years 2020-2030, 2,715 is projected to the market rate, 1,131 of the units considered to be affordable and 679 of the units to be subsidized. To date, Rochester has built 2,765 rental units, which is 61% of the projected need of rental units by 2030. To date, Rochester has built 1,024 single-family homes, which is 17% of the overall for sale goal for the year 2030.

Discussion

Not Applicable.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

The section below contains pre-populated tables that provide an overview of the cost of housing and affordability for homeowners and renters in Rochester based on the most currently available census data. This section addresses housing cost starting with an overview of how housing costs have changed, examines Fair Market Rents relative to market rents, and summarizes top needs based on the gaps analysis, resident surveys, and stakeholder consultation. The limited stock of affordable housing creates barriers to available homeownership and rental opportunities for low- and moderate-income households. Rapidly rising home sales prices and steadily increasing rents are issues that will negatively affect the ability of low- and moderate-income residents to secure affordable housing. While rising home sales prices benefit existing homeowners who choose to sell their homes, these higher sales prices prevent low- and moderate-income homebuyers from being able to purchase a home. In recent years there has been a significant uptick in housing prices that is not captured in this data but is important to note as we assess cost of housing for this Consolidated Plan period.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	164,900	219,400	33%
Median Contract Rent	733	926	26%

Table 29 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	1,970	12.4%
\$500-999	6,890	43.2%
\$1,000-1,499	5,040	31.6%
\$1,500-1,999	1,205	7.6%
\$2,000 or more	830	5.2%
Total	15,935	100.0%

Table 30 - Rent Paid

Data Source: 2016-2020 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	1,615	No Data
50% HAMFI	6,275	2,955

Number of Units affordable to Households earning	Renter	Owner
80% HAMFI	11,145	9,245
100% HAMFI	No Data	13,545
Total	19,035	25,745

Table 31 – Housing Affordability

Data Source: 2016-2020 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$814	\$927	\$1,148	\$1,618	\$1,948
High HOME Rent	\$814	\$927	\$1,148	\$1,618	\$1,948
Low HOME Rent	\$814	\$927	\$1,148	\$1,534	\$1,711

Table 32 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

According to the 2018-2022 ACS, there is sufficient housing for households earning more than \$20,000. There is a shortage of units for households earning less than \$20,000 annually. It is important to note that some of the units identified as affordable to people of a particular income level may in fact be occupied by households with higher incomes, reducing the stock available for lower income households.

How is affordability of housing likely to change considering changes to home values and/or rents?

Rents are rising faster than incomes in Rochester and nationally, leading to decreased affordability. The monthly median rent in Rochester rose from \$777 in 2012 to \$1,218 in 2022 (growth of 56.8%). During this same period, the annual median family income in Rochester rose from \$81,036 to \$108,759 (growth of 34.2%).

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The Area Median Rent, shown as Median Contract Rent in Table 29, in Rochester is \$926, which is consistent with the Fair Market Rents, which range from \$814 for studios to \$1,618 for 3 bedrooms. The Median Contract Rent is relatively equal to the Fair Market Rent for a studio and 1-bedroom unit at \$814 and \$927 respectively. This indicates that rents are currently reasonable in Rochester. However, this does present financial challenges for renters earning less than 30% AMI. This is also especially challenging for larger families who need 2+ bedroom units and earn lower wages. Renters earning between 30-50% AMI also face challenges to remain under 30% cost burden,

especially for larger families who need 2+ bedroom units, where rents may be higher than the families 30% threshold. Although there are fewer larger families than there are small families and single-person households, there still is a need to preserve affordable family units. The same challenges also impact housing units for persons with disabilities and single-person households, especially senior citizens highlighting the need for more inventory of small units to accommodate these populations.

Discussion

As the growth of housing costs outpaces the growth of household incomes, more households are spending a greater percentage of their incomes on housing. The median contract rent increased 26.33% and home values increase 33.05% between 2012 and 2022. These cost burdens over time may become a greater issue for the household, causing them to have to choose between paying rent/mortgage or other necessities. Households with substantial cost burdens are at a higher risk of becoming homeless if they cannot cover the cost of housing.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

This section discusses housing condition. It begins by addressing the new HUD requirement for assessing natural disaster risks; describes challenges in housing condition from the perspective of residents; and concludes with an assessment of lead-based paint risk. The age and condition of housing units in Rochester are also important variables in assessing the overall characteristics of the local housing market. This section will review data to assess important factors that affect the city's housing stock. For the purposes of this analysis, property located in low-income neighborhoods that are more than 30 years old is considered "older housing stock".

The tables below we will compare the condition of homeowner- and renter- occupied units in Rochester, evaluate the age differences between homeowner- and renter- occupied units, and compare the number of vacant units to the number of units that are at risk of having lead-based paint.

Definitions

Cost Burden: is when a household has expended more than 30% of the gross household income on housing costs (rent or mortgage) that include utilities (electricity, gas, sewer, and water). Cost burdened households will find it difficult to meet all household needs; severely cost burdened households may be in danger of homelessness.

Housing Conditions: (1) lacks complete plumbing facilities, (2) lacks complete kitchen facilities, (3) more than one person per room (overcrowding), and (4) cost burden greater than 30%.

Complete Kitchen Facilities: A housing unit is considered to have "complete kitchen facilities" if it has a sink with a faucet, a stove or range, and a refrigerator.

Overcrowding: is defined by HUD as 1.01 to 1.50 persons per room, while severe overcrowding is 1.51 or more persons per room.

Substandard Unit: A housing unit that does not meet local housing building codes and/or does not meet HUD Housing Quality Standards (HQS).

Substandard condition but suitable for rehabilitation: A substandard unit that based on reasonable cost of rehabilitation or historical significance, should be saved and rehabilitated

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	4,930	15%	6,730	42%
With two selected Conditions	45	0%	435	3%
With three selected Conditions	15	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	27,540	85%	8,775	55%
Total	32,530	100%	15,940	100%

Table 33 - Condition of Units

Data Source: 2016-2020 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	9,105	28%	4,630	29%
1980-1999	9,475	29%	4,110	26%
1950-1979	10,435	32%	5,415	34%
Before 1950	3,510	11%	1,780	11%
Total	32,525	100%	15,935	100%

Table 34 – Year Unit Built

Data 2016-2020 CHAS
Source:

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	13,945	43%	7,195	45%
Housing Units build before 1980 with children present	5,250	16%	4,040	25%

Table 35 – Risk of Lead-Based Paint

Data 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)
Source:

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	N/A	N/A	3,306
Abandoned Vacant Units	N/A	N/A	N/A
REO Properties	N/A	N/A	N/A
Abandoned REO Properties	N/A	N/A	N/A

Table 36 - Vacant Units

Need for Owner and Rental Rehabilitation

The age of a dwelling unit is a factor used to evaluate the structural quality of the unit. The average industry standard for the life span of a single-family dwelling is generally 50 years. However, this typical life span often depends on the quality of the original construction and continued maintenance of the unit. Using this standard, some homes found within the City constructed prior to 1970 may be approaching the end of their useful lifespan. According to the 2018-2022 ACS², about 40% of the City's housing units have reached their useful life amplifying the need for more homeowner and rental rehabilitation.

² Housing Unit Data, US Census, 2022 American Community Survey 5-Year Estimates

The City is taking an active approach to ensuring that residential units remain structurally safe for its residents. The City of Rochester has an adopted Housing Code, which is enforced through the City of Rochester Community Development Department. Rental units are scored upon inspection, and result in a subsequent inspection in one, two, three-, or four-years dependent on the condition of the last inspection. The City also administers homeowner and rental housing rehabilitation programs for Rochester residents. The County also offers a similar homeowner rehabilitation program that is available to Rochester residents.

Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

Lead was banned from residential paint in 1978, prior to which it was a major ingredient in most interior and exterior oil-based house paint. Housing built before 1978, therefore, may present a lead hazard if any coat of paint contains lead. Unfortunately, measuring the exact number of housing units with lead-based paint hazards is difficult. In most circumstances, low-income households that earn between 0 to 50% Median Family Income (MFI) are least able to afford well-maintained housing and, therefore, are often at greater risk of lead poisoning. The potential health hazards of living in a home built prior to 1978 and being exposed to lead-based paint are more likely to have harmful effects on children.

Based on the 2016-2020 CHAS data there is approximately 13,945 housing units that could have an LBP hazard impact and approximately 5,250 with children present. Lead is a highly toxic metal that can cause a range of health problems for individuals, and especially children. The major source of lead exposure comes from lead-contaminated dust found in deteriorating homes and buildings. HUD regulations regarding lead-based paint apply to all federally assisted housing. Exposure to lead-based paint represents one of the most significant environmental threats from a housing perspective.

Discussion

Since 2021, Rochester has partnered with Olmsted County and the Minnesota Department of Health (MDH) to administer the Lead Hazard Reduction & Healthy Homes Program to Rochester residents. The program offers grant funding to address lead-based paint hazards in both homeowner and renter housing units. Rochester's agreement with MDH expires at the end of 2024, but MDH will continue to offer the grant program to residents throughout southeast Minnesota.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

The City of Rochester does not own or manage any public housing units. The Olmsted County HRA owns and manages all public housing units within the City of Rochester.

Totals Number of Units

	Program Type						Vouchers		
	Certificate	Mod-Rehab	Public Housing	Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available			110	522			0	19	0
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 37 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

According to HUD’s Public Housing Dashboard, Olmsted HRA is currently at 100 percent occupancy. The County has 1 housing development with 90 units and all units are currently leased. The County also manages a total of 522 vouchers in addition to 19 special use vouchers.

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

The Olmsted HRA owns 110 Public Housing units – 90 multi-family units and 20 single-family units. The scattered site single family homes have been repositioned through the Section 18 repositioning process.

Public Housing Condition

Public Housing Development	Average Inspection Score
Olmsted County HRA	91

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

The Olmsted County HRA has not identified any restoration or revitalization needs in their current annual plan.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The PHA continuously makes improvements to the public housing units with its administration of the Capital Fund program. In 2023, the PHA completed the \$1.3 million dollar Publicly Owned Housing Program renovations to replace roofs, windows, siding, and install air conditioning sleeves on the second-floor units of sixty Public Housing town homes.

Discussion:

Not Applicable.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

The City of Rochester has a variety of housing options for homeless individuals ranging from emergency shelter to permanent supportive housing. There are about a dozen homeless service providers in Rochester who provide housing, services, or both. The City, as a member of the Continuum of Care, has access to all of these providers and their services. Data on the homeless population is collected through the Homeless Management Information System, managed by River Valleys COC.

Over the next year, the City of Rochester will continue to have a role in Any Path Home, a multi-agency coalition whose shared vision is to ensure every person in Olmsted County has a home. Any Path Home is in its infancy stage and plans to implement a homeless response system building off Housing First and Built for Zero models. The agencies include local agencies represented in the CoC.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	171	0	156	663	0
Households with Only Adults	146	0	68	700	0
Households with Children Only	14	0	0	10	0
Chronically Homeless Households	0	57	0	256	0
Veterans	5	0	0	65	0
Unaccompanied Youth	35	0	32	48	0

Table 39 - Facilities and Housing Targeted to Homeless Households

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of Rochester coordinates integrated grant funded programs with mainstream services for which people that are homeless or at-risk of homelessness may be eligible. Mainstream services include housing programs, health programs, social services, employment programs, education programs and youth programs. Employment programs are a pivotal part in self-sufficiency and long-term housing sustainability. Shelters and human service providers will not be effective in resolving the problem of homelessness unless the issues of causation are addressed.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Responsible Entity	Services Provided
Lutheran Social Services of MN	Emergency Shelter and Supportive Services
MN Department of Corrections	Prison Reentry and Supportive Services
Salvation Army	Emergency Shelter and Supportive Services
Women’s Shelter	Emergency Shelter and Supportive Services
Dorothy Day House	Emergency Shelter and Supportive Services
Olmsted County HRA Silver Creek Corners	Permanent Housing Support
Damascus Way	Prison Reentry and Supportive Services
Next Chapter Ministries	Prison Reentry and Supportive Services
The Landing MN	Day Shelter; Supportive Services
Family Promise Rochester	Emergency Shelter; Supportive Services
Catholic Charities	Emergency Shelter; Supportive Services

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

The City of Rochester does not directly provide any services that address the needs people with special needs. The city has a network of providers that deliver housing and supportive services to people who are elderly or frail elderly, people with mental, physical and/or developmental disabilities, and people with substance abuse addictions.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The elderly and frail elderly have physical, medical, maintenance, social, emotional, and financial needs. The elderly and frail elderly are often unable to maintain existing homes or to afford rent. Housing cost burden related issues are often compounded by the requirement of additional services it takes for elderly and frail elderly to age in place. These services may include costly medical and other daily living assistance services. As the population continues to age, the need for age-related services increases. Housing assistance caseworkers are reliant upon frequent professional assessments, often by a primary care physician, to fully understand and reciprocate an appropriate action and accommodations. Access is particularly important for the physically handicapped. Physically handicapped people often require specially designed dwellings to permit access both within the unit, as well as to and from the site.

Persons with mental and developmental disabilities often need alternative living arrangements that may include supervision, in-home support services, respite services, transportation services, day program services, educational services, and supported employment services.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The following agencies provide programs for persons returning from mental health and physical health institutions receiving appropriate supportive housing:

- Salvation Army
- Olmsted County Community Services
- Zumbro Valley Mental Health Center

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Over the next year, the City of Rochester will continue to work with local agencies represented on the CoC, to enhance the coordination of resources for non-homeless populations with special needs. Specifically, the City will fund Ability Building Community and the Hiawatha Homes Foundation to support the needs of disabled adults.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not Applicable.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Public policies can have significant impacts—both positive and negative—on affordable housing and residential investment. When policies are not well-designed or implemented, they can inadvertently create barriers or disincentives that affect the availability and quality of affordable housing and influence residential investment patterns. During this Consolidated Planning process, Rochester is also undertaking an Analysis of Impediments to Fair Housing Choice (AI). This document will identify all of the barriers that currently exist in the City of Rochester, MN for fair housing purposes. Due to this ongoing analysis the following list of factors cannot be considered exhaustive but outlines some of the important obstacles to providing affordable housing in the city.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

Non-housing community development assets are essential elements that contribute to the overall quality of life in a community, beyond just the housing sector. These assets support economic growth, social well-being, and environmental sustainability. In determining priorities for the allocation of federal funds, the City of Rochester has recognized the need to foster a competitive local economy that expands economic opportunities for present and future residents. This section describes the local workforce, the nature of current employment, and activities that coordinate economic development activities across local and regional agencies.

Economic Development Market Analysis

The Economic development market analysis is a comprehensive evaluation that identifies opportunities, challenges, and trends that can influence growth and development. For Rochester, MN, this analysis will focus on various aspects of the local economy to guide strategic planning and investment decisions. By focusing on labor market trends, industry performance, competitive analysis, infrastructure needs, and community engagement, the analysis helps guide strategic planning and investment decisions to foster sustainable economic growth and enhance the quality of life in the region.

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %
Agriculture, Mining, Oil & Gas Extraction	208	36	0	0
Arts, Entertainment, Accommodations	5,202	7,495	10	9
Construction	1,799	2,423	3	3
Education and Health Care Services	24,577	44,390	46	54
Finance, Insurance, and Real Estate	1,394	1,638	3	2
Information	957	1,492	2	2
Manufacturing	5,558	6,469	10	8
Other Services	1,497	2,131	3	3
Professional, Scientific, Management Services	2,135	2,082	4	3
Public Administration	0	0	0	0
Retail Trade	5,757	8,250	11	10

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %
Transportation and Warehousing	1,011	1,129	2	1
Wholesale Trade	1,229	963	2	1
Total	51,324	78,498	--	--

Table 40 - Business Activity

Data 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)
Source:

Labor Force

Total Population in the Civilian Labor Force	65,665
Civilian Employed Population 16 years and over	63,085
Unemployment Rate	3.93
Unemployment Rate for Ages 16-24	19.43
Unemployment Rate for Ages 25-65	2.50

Table 41 - Labor Force

Data Source: 2016-2020 ACS

Occupations by Sector	Number of People
Management, business and financial	18,555
Farming, fisheries and forestry occupations	1,645
Service	7,500
Sales and office	10,080
Construction, extraction, maintenance and repair	3,270
Production, transportation and material moving	2,545

Table 42 – Occupations by Sector

Data Source: 2016-2020 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	50,287	88%
30-59 Minutes	5,131	9%
60 or More Minutes	2,040	4%
Total	57,458	100%

Table 43 - Travel Time

Data Source: 2016-2020 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		
	Civilian Employed	Unemployed	Not in Labor Force
Less than high school graduate	2,295	260	975
High school graduate (includes equivalency)	7,470	250	2,160
Some college or Associate's degree	14,180	510	2,410
Bachelor's degree or higher	27,080	520	3,375

Table 44 - Educational Attainment by Employment Status

Data 2016-2020 ACS
Source:

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	125	405	520	735	760
9th to 12th grade, no diploma	830	465	805	600	555
High school graduate, GED, or alternative	2,985	2,685	1,750	5,455	4,420
Some college, no degree	2,575	2,850	2,045	4,820	3,225
Associate's degree	680	1,660	2,240	3,495	1,670
Bachelor's degree	2,270	6,875	3,725	6,935	3,880
Graduate or professional degree	190	3,985	4,480	4,985	3,165

Table 45 - Educational Attainment by Age

Data 2016-2020 ACS
Source:

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	21,818
High school graduate (includes equivalency)	30,647
Some college or Associate's degree	41,333
Bachelor's degree	60,329
Graduate or professional degree	75,364

Table 46 – Median Earnings in the Past 12 Months

Data 2016-2020 ACS
Source:

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The largest sector of the workforce in Rochester, MN is educational services and health care, making up 56.55% of the total workforce. The second largest percentage of the workforce is retail trade at 10.51%, followed by Arts, Entertainment, Accommodations at 9.55%, Manufacturing at 8.24%. A detailed account of the workforce is included in the tables above

Describe the workforce and infrastructure needs of the business community:

In Rochester, MN, the business community's workforce and infrastructure needs are critical for supporting local economic growth and maintaining a competitive edge. Many businesses in Rochester, particularly in sectors such as healthcare, technology, and manufacturing, require workers with specialized skills and qualifications. Medical professionals, including nurses,

physicians, and technicians, are in high demand due to Rochester's status as a healthcare hub, home to the Mayo Clinic. Skilled IT professionals and software developers are needed to support the growth of tech companies and innovation in the area. Workers with expertise in advanced manufacturing technologies and processes are essential for maintaining competitiveness.

To address the skills gap and prepare individuals for the evolving job market, there is a need for comprehensive workforce development programs that provide hands-on experience and certifications in trades and technical fields. Implementing policies and practices that promote diversity in hiring and career advancement and creating an inclusive workplace culture that supports all employees is important for fostering innovation and reflecting the community. By focusing on workforce development, talent attraction, transportation, technology infrastructure, and reliable utilities, Rochester can support its growing business sector and enhance its economic vitality.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Rochester is home to the Mayo Clinic, a major healthcare provider that is continually expanding its facilities and services. The Mayo Clinic has announced a \$5 billion dollar commitment to expanding its Rochester campus as part of the Bold. Forward. Unbound project. Significant investments are planned to enhance its campus and integrate new technologies. This expansion will likely create numerous jobs in healthcare, research, and support services. It will also stimulate growth in related sectors such as real estate, retail, and hospitality. Investments in technology and innovation hubs are planned to foster the growth of tech startups and research initiatives. These include the development of tech parks and innovation centers. This initiative will boost job creation in technology and related fields, attract new businesses, and enhance Rochester's reputation as a tech-savvy city. Rochester, MN has planned improvements to transportation infrastructure, including road expansions, public transit enhancements, and new bike and pedestrian pathways. This improvement will facilitate easier access to businesses and residential areas, enhance connectivity, and potentially spur economic development in previously underserved areas.

The Destination Medical Center (DMC) is a 20-year economic development initiative that is positioned to make Rochester a global destination for health and wellness. The initiative started in 2015 and is projected to bring 35,000 to 45,000 new jobs to the community over the 20 years and over \$5 billion in private investments.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

In Rochester, MN, there is a strong correlation between the skills and education of the current workforce and the available employment opportunities across various sectors. The healthcare sector is particularly well-aligned with high levels of specialized education and training, while the

technology and manufacturing sectors are evolving, necessitating continuous skill development. The education and retail/service sectors are aligned with the workforce's general education and skills, though ongoing training and professional development are essential to meet emerging demands.

Rochester is known for its robust healthcare sector, primarily driven by the Mayo Clinic. The workforce includes a significant number of professionals with advanced degrees in medical fields, including physicians, nurses, and specialized technicians. The demand for healthcare professionals continues to grow due to ongoing expansions at healthcare facilities and an aging population. The skills and education of the local workforce are well-aligned with these opportunities, though continuous professional development and training are necessary to keep up with evolving medical technologies and practices.

Manufacturing in Rochester includes advanced manufacturing and precision machining. The workforce often has vocational training, technical certifications, and experience in operating complex machinery. The sector is evolving with increased automation and advanced manufacturing technologies. The current workforce has a strong foundation, but there is a growing need for skills related to automation, robotics, and advanced manufacturing processes. Workforce development programs may need to address these emerging needs.

The retail and service sector offers numerous entry-level positions and opportunities for advancement in management and specialized roles. This sector includes a wide range of jobs in customer service, sales, and hospitality. The workforce often has high school diplomas or some college education. The existing workforce is well-suited for these roles, though there is always a need for ongoing customer service training and management skills development.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

To optimize workforce alignment, ongoing collaboration between educational institutions, industry employers, and workforce development programs is crucial. This ensures that training and educational programs are responsive to the changing needs of the job market and that the workforce remains adaptable and competitive. During the next Consolidated Plan period, the City will continue to partner with Rochester Area Economic Development, Inc. (RAEDI) programs to help job seekers access employment, education, training, and support services to succeed in the labor market and match employers with the skilled workers they need to be competitive in the global economy. RAEDI has updated the Rochester Area Journey to Growth Plan, a comprehensive five-year strategy plan coordinated by RAEDI and the Rochester Area Chamber of Commerce to effectively grow and diversify the economy of the Rochester area.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDs)?

The City of Rochester, MN does not participate in a Comprehensive Economic Development Strategy.

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Not Applicable

Discussion

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

There are no areas where households with multiple housing problems exist in Rochester. Units are scattered throughout the city. However, cost burdened households are concentrated in census tracts 1, 2, 3, 11, 14.01, and 17.02.

Definition of "Concentration": Concentration refers to the spatial clustering or accumulation of a particular phenomenon—in this case, households facing multiple housing problems—within a specific geographic area. It implies that these issues are not evenly distributed but are found in higher density or frequency within certain neighborhoods or regions.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

There are no areas of ethnic or minority concentration in Rochester, MN based on the HUD's definition on concentration. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-white population of 50 percent or more. Regarding the poverty threshold, Wilson (1980)³ defines neighborhoods of extreme poverty as census tracts with 40 percent or more of individuals living at or below the poverty line.

Definition of " Area of Racial or Ethnic Concentration": HUD defines an area of racial or ethnic concentration as one in which the minority population share is 20% higher than the group's countywide average.

Definition of "Concentration": Concentration refers to the spatial clustering or accumulation of a particular phenomenon—in this case, households facing multiple housing problems—within a specific geographic area. It implies that these issues are not evenly distributed but are found in higher density or frequency within certain neighborhoods or regions.

What are the characteristics of the market in these areas/neighborhoods?

The characteristics in these neighborhoods, as well as others identified in SP-10, are the age of housing, lack of funds for investment in rehabilitation, old infrastructures, and the concentration of the population with supportive social service needs. These areas are served by numerous social services programs, many of which receive CDBG funding.

Are there any community assets in these areas/neighborhoods?

Although there are no concentrations of racial or ethnic minorities or low-income families, Rochester, MN has several community assets that contribute to developing the overall quality of life in the area. Residents of Rochester, MN enjoy safe neighborhoods, high-quality healthcare, and

³ Wilson, William J. (1980). *The Declining Significance of Race: Blacks and Changing American Institutions*. Chicago: University of Chicago Press.

excellent schools. The scenic landscape is a natural match for outdoor recreation, and the historic downtown offers the infrastructure for a bustling downtown area to support shopping, dining, and entertainment options.

Are there other strategic opportunities in any of these areas?

There are no strategic opportunities in any of these areas.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

The need for broadband wiring and connections is increasingly critical for households across all income levels, including low- and moderate-income households and neighborhoods. Access to reliable and high-speed internet is essential for various aspects of modern life, including education, employment, health care, and social connectivity. The rise of remote work and telecommuting requires stable and high-speed internet connections. Low- and moderate-income households, often with less access to such infrastructure, may face challenges in securing or maintaining remote employment. The shift towards online and hybrid learning models in schools and universities necessitates reliable internet access. Internet access is essential for completing assignments, conducting research, and engaging in educational enrichment activities. Lack of access can hinder academic performance and limit educational opportunities.

Some low- and moderate-income neighborhoods may lack the necessary broadband wiring or infrastructure, leading to limited or no access to high-speed internet. Even where infrastructure exists, service providers may not offer affordable plans or high-speed options in economically disadvantaged areas. Expanding broadband wiring and upgrading infrastructure to reach underserved neighborhoods is critical. Public-private partnerships and government programs can play a role in facilitating these investments. Programs offering discounted or subsidized broadband plans for low-income households can help reduce cost barriers and increase accessibility. Addressing the digital divide through infrastructure investments, affordability programs, and digital literacy initiatives is essential to ensuring equitable access and bridging the gap in broadband access across different income levels.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

For low- and moderate-income households, the presence of multiple ISPs can enhance access to affordable and reliable broadband, bridging the digital divide and supporting broader economic and educational opportunities. Encouraging competition through regulatory measures, infrastructure investments, and support for community networks is essential to achieving these benefits and ensuring equitable access to high-quality internet services. Competition encourages ISPs to improve their service quality, offering faster speeds, better reliability, and more robust infrastructure to attract and retain customers.

Competition for broadband service already exists in Rochester, as there are at least 6 internet service providers that provide services that allow for download speeds of up to 1000 MBS, according to www.highspeedinternet.com.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Rochester, MN, like many other cities, faces increased natural hazard risks associated with climate change. These risks are driven by changes in weather patterns, increasing frequency and intensity of extreme weather events, and shifting environmental conditions. Rochester faces a range of increased natural hazard risks due to climate change, including more frequent flooding, extreme heat events, severe winter weather, and changes in air quality. Proactive measures to adapt and mitigate these risks are crucial to protect public health, infrastructure, and the environment, ensuring the community's resilience in the face of a changing climate.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Low- and moderate-income households are particularly vulnerable to the increased natural hazard risks associated with climate change due to a variety of socio-economic and physical factors. Low- and moderate-income households often spend a higher proportion of their income on housing. This leaves them with fewer resources for other necessities, including disaster preparedness and response. These households may not be able to afford comprehensive insurance coverage, including flood or earthquake insurance, which increases their risk of financial loss during natural disasters. Many low- and moderate-income households live in older or poorly maintained properties that may be more susceptible to damage from flooding, extreme weather, or other hazards. Homes in these communities may lack modern infrastructure improvements, such as updated drainage systems or storm-proofing, increasing their vulnerability to natural hazards.

Residents in low- and moderate-income households may have higher rates of health conditions that are exacerbated by extreme weather events, such as respiratory issues during heatwaves or chronic illnesses that require stable housing conditions. Individuals with disabilities or mobility issues, who are more likely to be found in low-income households, face additional challenges during evacuations or in accessing safe shelter. Low-income housing may be less secure against natural hazards, with inadequate structural resilience and less capacity to handle extreme weather or flooding. Addressing these vulnerabilities requires targeted interventions, including improved housing quality, better access to disaster preparedness resources, and enhanced support for communities in high-risk areas. By focusing on these areas, policymakers and community organizations can help mitigate the impacts of natural hazards on vulnerable populations.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The strategic plan is a five-year strategy of the Consolidated Plan that sets general priorities for allocating investment within the jurisdiction and details priority needs. It describes the basis for assigning the priority given to each category of need. It also identifies any obstacles to meeting underserved populations. The strategic plan outlines accomplishments that the City of Rochester expects to achieve over the next five years, FY 2025-2029.

- **Geographic Priorities:** Program resources are allocated Citywide based on low-mod areas often coinciding with areas of minority concentration. The general priorities and needs are affordable housing and public services that meet the needs of the City's very low-, low- and moderate-income residents.
- **Priority Needs:** The City has identified affordable housing, public services, public facilities and infrastructure improvements, fair housing education, and planning as priority needs for the next five years.
- **Influence of Market Conditions:** Cost burden (paying more than 30 percent of household income for housing) is the housing problem faced by many of the city's low and moderate-income renters.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Federal CDBG funds are intended to provide low and moderate income (LMI) households with viable communities, including decent housing, a suitable living environment and expanded economic opportunities. Eligible activities include community facilities and improvements, housing rehabilitation and preservation, affordable housing development activities, public services, economic development, planning, and administration. The system for establishing the priority for the selection of these projects is predicated upon the following criteria:

- Meeting the statutory requirements of the CDBG program
- Meeting the needs of LMI residents
- Focusing on LMI areas or neighborhoods
- Coordination and leveraging of resources
- Response to expressed needs
- Sustainability and/or long-term impact
- The ability to demonstrate measurable progress and success

Priority CDBG funding areas include areas where the percentage of LMI persons is 51% or higher.

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City does not allocate resources based on geography.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

1	Priority Need Name	Access to Affordable Housing
	Priority Level	High
	Population	Extremely Low-Income Households Low-Income Households Moderate-Income Households Large Families Families with Children Elderly Public Housing Residents Frail Elderly
	Geographic Areas Affected	Citywide
	Associated Goals	Home Repair for Homeowners Rental Rehab Homeownership Assistance
	Description	Support the provision of affordable housing rehabilitation and financial assistance to homebuyers, homeowners, and renters.
	Basis for Relative Priority	Priority based on feedback through community meetings and agency interviews as well review of demographic information for the City resulted in this activity having the highest priority need. The city recognizes that as housing ages and the cost of housing increases, maintaining existing housing allows affordability to remain paramount. Additionally, income disparities are a major factor in selecting this priority basis. The research shows that new housing added by developers is out of reach for residents who earn low wages rendering them unable to live in the community in which they work.
2	Priority Need Name	Access to Public Services
	Priority Level	High

	Population	Chronic Homelessness Veterans Extremely Low Income Victims of Domestic Violence Families with Children Persons with Developmental Disabilities Persons with Mental Disabilities Victims of Domestic Violence Individuals Low Income Persons with Alcohol or Other Addictions	Elderly Chronic Substance Abuse Non-housing Community Development Persons with Physical Disabilities Elderly Unaccompanied Youth Large Families Families with Children Moderate Income
	Geographic Areas Affected	Citywide	
	Associated Goals	Homeless Services and Operations Youth Services Transportation Workforce Development Disability Services	
	Description	Support the provision of public services to provide services for low- and moderate-income households.	
	Basis for Relative Priority	Priority based on feedback through community meetings and agency interviews as well review of demographic information for the City resulted in this activity having a high priority need.	
3	Priority Need Name	Non-Housing Community Development	
	Priority Level	High	
	Population	Low Income Residents	Moderate Income
	Geographic Areas Affected	Citywide	
	Associated Goals	Infrastructure Improvements Facility acquisition or rehabilitation	
	Description	Support the provision of services to develop or rehabilitate public facility or infrastructure projects throughout the City.	

	Basis for Relative Priority	Priority based on feedback through community meetings and agency interviews as well review of demographic information for the City resulted in this activity having the highest priority need. The City recognizes that as housing costs rise, wages remain flat, and housing production slows, the homeless population grows. This is evidenced by the growing number wage-earners who are also unhoused, the rising number of seniors on fixed incomes who lack sufficient resources to maintain housing, and the lack of housing production to keep pace with the growing need.
4	Priority Need Name	Affirmatively Furthering Fair Housing
	Priority Level	Low
	Population	Extremely Low-Income Households Low-Income Households Moderate-Income Households Large Families Families with Children
	Geographic Areas Affected	Citywide
	Associated Goals	Affirmatively Furthering Fair Housing Activities
	Description	Support the provision fair housing activities to affirmatively further fair housing.
	Basis for Relative Priority	Priority based on feedback through community meetings and agency interviews as well review of demographic information for the City resulted in this activity having a high priority need.
	5	Priority Need Name
Priority Level		High
Population		Extremely Low-Income Households Low-Income Households Moderate-Income Households
Geographic Areas Affected		Citywide
Associated Goals		Program Administration
Description		Program Administration, Fair Housing, Oversight & Compliance

	<p>Basis for Relative Priority</p>	<p>Provides administration oversight of Consolidated Plan grant funded projects and ensures timely implementation in a manner that promotes compliance with established rules, policies, and guidelines.</p>
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Table 47 – Priority Needs Summary

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	The cost of housing is increasing at a faster rate than income, which contributes to unaffordable rent for people with low-income. Also, the demand for rental housing across all income levels limits the availability of housing at levels that is affordable for low-income families. TBRA is an important tool for families to maintain affordable housing. Severe cost burden is the greatest predictor of homelessness risk, with populations paying more than 50% of their income towards housing costs or having incomes at or below 50% AMI at greatest risk of becoming homeless.
TBRA for Non-Homeless Special Needs	Lack of units with supportive services influences this program. Based upon consultations with homeless housing and social service agencies, a need for supportive housing has been identified as a priority. The special needs households include those with disabilities as well as dysfunctional households facing a variety of issues. Market characteristics impacting this priority relate to the shortage of privately-owned housing units which are available to provide supportive housing programs. This problem is intensified by the lack of public funds.
New Unit Production	The increasing demand for affordable housing, coupled with the increasing demand for market rate housing, places pressure on property owners to sell to purchasers that will develop higher end (through demolition/rehabilitation) rather than affordable units. This continues to put pressure on the two primary problems affecting the housing market, cost burden and overcrowding. Rents will not Financially Support the Cost of New Unit Production. A shortage of affordable, decent housing units is an identified need. The market characteristics influencing this priority include the age and condition of the existing housing stock without the rent levels to support rehabilitation. New construction faces the same market conditions.
Rehabilitation	There is high demand in the rental market, which further drives up the cost burden for housing. The aging housing stock in the City make the rehabilitation of existing housing stock a priority. Rents will not financially support the cost of major rehabilitation projects similar to the new unit production priority discussed above, the achievable rents and income levels in the City often result in rehabilitation in the private marketplace to be financially infeasible.
Acquisition, including preservation	<p>There may be a high demand in the rental market due to an improved economy, low percentage of vacant units, and the establishment of the Destination Medical Center driving up the cost burden for affordable housing.</p> <p>The increasing demand continues to put pressure on the two primary problems affecting the housing market, cost burden and availability.</p>

Table 48 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City of Rochester expects to receive approximately \$672,000 in CDBG entitlement funding and the Community Development Department administers the funding for the City. The City of Rochester has not yet received funding allocations for Fiscal Year (PY) 2025 and is estimating the anticipated resources in the tables below on the FY24 funding allocations in the amount of: \$672,785 in CDBG funds. The City expects to receive approximately the same amount for its FY2025 allocations.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation:	Program Income:	Prior Year Resources:	Total:		
CDBG	Public - Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$672,000	\$100,000	\$0.00	\$772,000	\$3,088,000	The primary objective of the CDBG program is to provide decent housing, a suitable living environment, and expanded economic opportunities principally for low- and moderate-income persons and neighborhoods. All prior year funds are currently committed to active projects.

Table 49 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Rochester will use a combination of public and private funding to carry out activities identified in this plan. Internally, the City

plans to leverage local options sales tax funding recently approved to support Economic Vitality activities in the community. The City plans to expanding our existing rehab programs during the term of this Consolidated Plan by leveraging Economic Vitality and CDBG funds. During this Consolidated Plan period, the City will research opportunities to apply for additional funding streams which are consistent with the goals of the Consolidated Plan. The city will continue to leverage additional financial resources including state and local funds as well as investigate other sources of funding that are consistent with the goals of the 2025-2029 Consolidated Plan. The City will collaborate by working with community partners and non-profit organizations to encourage leveraging of available funding sources and strengthen capacity building. The City will also continue collaborate with Olmsted County in its efforts to provide additional housing rehabilitation loans in the City to complement the City's housing rehab program.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City manages a list of City-owned properties that are routinely reviewed to determine the best use for the property with the primary goal of meeting housing needs in the community.

Discussion

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

The successful delivery of affordable housing relies on the strength of key players across the public sector, private industry, and non-profit housing organizations. An effective affordable housing strategy depends on productive collaboration between these various partners. The private sector often requires public sector gap financing to make affordable housing development viable, while the public sector needs access to private resources to leverage more abundant private funding. Public sector partners often need information and connections to provide a comprehensive range of services for their clients. Similarly, non-profit partners require administrative funds and consistent resources to concentrate on neighborhood-based services. Additionally, affordable housing development necessitates coordinated efforts and partnerships between the public and private sectors.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Catholic Charities	Non-Profit Organization	Public Services	Citywide
Family Promise of Rochester	Non-Profit Organization	Public Services	Citywide
Demascus Way Reentry Center	Non-Profit Organization	Public Services	Citywide
The Landing MN	Non-Profit Organization	Public Services	Citywide
Boys & Girls Clubs Rochester	Non-Profit Organization	Public Services	Citywide
Jeremiah Program	Non-Profit Organization	Public Services	Citywide
ABC	Non-Profit Organization	Public Services	Citywide
Hiawatha Homes Foundation	Non-Profit Organization	Public Services	Citywide
Olmsted County	Government	Housing Rehab	Countywide
River Valleys CoC	Non-Profit Organizations	CoC/HMIS Coordination	Citywide Regional
Olmsted County HRA	PHA	Public Housing Rental Housing	Countywide
United Way of Olmsted County	Non-Profit Organization	Public Services	Countywide

Table 50 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The City relies on a network of public sector, private sector, and non-profit organizations to implement the strategic plan. Over the next five years, the City expects to overcome gaps in the

institutional structure and delivery system by building capacity for non-profit organizations, monitoring to improve program performance, and encouraging collaboration among agencies.

The City of Rochester works collaboratively with partners throughout the community and maintains strong communication and partnerships with many local organizations including state and local government agencies, as well as other service providers to coordinate the delivery of services to City residents. The Community Development Department consulted with various housing, social services, elderly, and disability agencies to gather data and identify service gaps. Organizations noted the following strengths and gaps in the City’s institutional delivery system:

Strengths:

- High level of coordination among partner agencies. Although no formalized process exists, agencies are willing to work together to achieve desired outcomes.
- Services are welcoming and inclusive
- Any Path Home is a newly established network of homeless services providers.

Gaps:

- Limited housing services available to meet the growing demand for housing assistance
- Lacking a centralized emergency shelter
- Limited-service hours for service providers. Clients can’t receive services when facing a housing crisis.
- Limited funding to address high priority needs.
- Landlords not accepting rental vouchers and denying clients based on source of income
- Reentry services are lacking.
- Not enough wrap-around services

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	-
Legal Assistance	X	X	-
Mortgage Assistance	X	-	-
Rental Assistance	X	-	-
Utilities Assistance	X	-	-
Street Outreach Services			
Law Enforcement	X	X	-
Mobile Clinics	X	X	-
Other Street Outreach Services	X	X	-

Supportive Services			
Alcohol & Drug Abuse	X	X	-
Child Care	X	-	-
Education	X	-	-
Employment and Training	X	X	-
Healthcare	X	X	-
HIV/AIDS	X		X
Life Skills	X	X	-
Mental Health Counseling	X	X	-
Transportation	X	-	-
Other			
Other	-	-	-

Table 51 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

As a member of the River Valleys CoC, the City of Rochester coordinates with CoC providers to meet the needs of the homeless within the community. There is a growing population of homeless people and limited resources and networks to serve its population. The City is still making progress in reducing its overall daily homeless population.

The City of Rochester does not provide these services directly, but coordinates with providers to meet the needs of the homeless within the community. Services targeting homeless persons are provided by the following agencies:

The Women’s Shelter provides short-term, temporary, emergency housing for women and children seeking safety from domestic abuse at their Regional Shelter, International Shelter, and Transition House.

Silver Creek Corners is a 40 bed supportive housing facility, which houses homeless individuals who are chronic inebriates. This project is a collaboration between the Olmsted County HRA, Center City Housing Corporation and Olmsted County Adult and Family Services. Olmsted County Adult Services provides housing support and case management to the individuals residing there.

The Francis provides permanent supportive housing to 17 homeless individuals. Olmsted County Community Services provide support services.

Olmsted County provides the following programs: Emergency Assistance Program and Emergency General Assistance Program both short-term assistance for a current shelter/utility crisis (one issuance in a 12-month period) that eligible households cannot meet with their own resources. Funded through the MFIP consolidated fund, allocated through the State of Minnesota and are limited. Transitional Living Center serves to prevent homelessness and improve the chance that offenders can integrate back into the community successfully by providing short term housing for

ex-offenders being released from prison or the local detention center. Maximum stay is limited to 90 days.

Inter Faith Hospitality Network (IHN). Has 15 sites and 40 additional faith communities assist with the mission providing nightly housing, meals and support. More than half of these families found permanent housing and employment and remain in the Rochester Area. About 40 percent of the families are from Olmsted County. Guests must be referred to IHN from a social service agency.

Salvation Army provides the following programs for homeless persons: Supplemental Food Shelf – satellite food bank, Emergency Assistance offering basic needs including showers, toiletries, utility assistance and transportation needs. Free Lunch program and Bread Distribution baked goods collected from local grocers and bakeries. Transitional Housing providing affordable housing to at-risk families needing assistance with basic living skills, Permanent Housing at their Castleview Apartments a permanent, supportive housing complex for adults and families, chronically homeless or disabled.

Zumbro Valley Mental Health Center provides Housing Options, Housing Options Subsidy Program, Transitional Housing Program and Northgate Community Housing. These programs offer housing or housing assistance to persons that are homeless or at risk of homeless.

Over the next year, the City of Rochester will continue to have a role in Any Path Home, a multi-agency coalition whose shared vision is to ensure every person in Olmsted County has a home. Any Path Home is in its infancy stage and plans to implement a homeless response system building off Housing First and Built for Zero models. The agencies includes local agencies represented on the CoC.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Services are provided to homeless people, including chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth through a cooperative and collaborative network of service providers. The City provides Community Development Block Grant (CDBG) funding for essential services and operations to emergency shelters and transitional housing facilities. These facilities provide shelter and services including day services to citizens of Rochester to include chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth.

Strengths and gaps in the service delivery system for special needs population and persons experiencing homelessness. These strengths and gaps are identified below:

Strengths

- High level of coordination among partner agencies.
- Services are welcoming and inclusive

- Any Path Home is a newly established network of homeless services providers.

Gaps:

- Limited housing services available to meet the growing demand for housing assistance
- Limited-service hours for service providers. Clients can't receive services when facing a housing crisis.
- Limited funding to address high priority needs.
- Landlords not accepting rental vouchers and denying clients based on source of income
- Reentry services are lacking.
- Not enough wrap-around services

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The City of Rochester will continue to collaborate with agencies work towards overcoming the gaps in the institutional structure and service delivery system to address priority needs.

Any Path Home is tasked with improving our community's homeless response system. As this group is established, next steps include expanding our outreach to involve more community members and people with lived experiences, refining our data collection processes, and continuing to build and strengthen partnerships among organizations. We will also focus on addressing any gaps in our support system and finding innovative solutions to overcome challenges.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation	2025	2029	Affordable Housing	Citywide	Increase Access to Affordable Housing	\$1,250,000.00	Homeowner housing rehabilitated: Households Assisted: 50
2	Rental Housing Rehabilitation	2025	2029	Affordable Housing	Citywide	Increase Access to Affordable Housing	\$750,000.00	Rental housing rehabilitated: Households Assisted: 30
4	Infrastructure Improvements	2025	2029	Non-Housing Community Development	Citywide	Non-Housing Community Development	\$500,000.00	Public facility or infrastructure activities other than low-/moderate-income housing benefit: Persons Assisted: 2,000
6	Homeless Services and Operations	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$320,250	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 2,500

7	Youth Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$35,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 1,500
8	General Public Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$76,500	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 2,250
9	Workforce Development	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$70,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 200
10	Disability Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$35,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 385
11	Fair Housing Education	2025	2029	Non-Housing Community Development	Citywide	Affirmatively Further Fair Housing Choice	\$10,000.00	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 100

12	Admin	2025	2029	Planning & Administration	Citywide	Planning and Administration	\$481,000	Other: 1
13	Rehab Admin	2025	2029	Affordable Housing	Citywide	Planning and Administration	\$375,000	Other: 1

Table 52 – Goals Summary

Goal Description

Sort Order	Goal Name	Goal Description
1	Housing Rehabilitation	Provide financial assistance for LMI homeowners with critical home repairs to stabilize homeowners within their primary unit of residence.
2	Rental Housing Rehabilitation	Provide financial assistance for landlords/property owners with critical home repairs to improve rental housing conditions for LMI renters.
3	Homeownership	Provide financial assistance for down payment and closing costs for first-time homebuyers.
4	Infrastructure Improvements	Provide financial assistance for CDBG eligible public infrastructure projects, including but not limited to parks, bus shelters, sidewalks, street paving, and/or storm water sewer drainage projects.
5	Facility acquisition or rehabilitation	Provide financial assistance to acquire public facilities to benefit LMI clientele.
6	Homeless Services and Operations	Provide financial assistance to supports homelessness assistance programs including shelters and homeless prevention.
7	Youth Services	Provide financial assistance to supports youth service programs.
8	Transportation	Provide financial assistance to carry out activities to benefit LMI persons with transportation options.
9	Workforce Development	Provide financial assistance to carry out workforce development activities to benefit LMI persons.
10	Disability Services	Provide financial assistance to carry out disability services activities to benefit LMI persons.
11	Fair Housing Education for the public	Provide financial assistance for program management activities related to affirmatively furthering fair housing for the public.
12	Landlord Rights and Responsibilities	Provide financial assistance for program management activities related to affirmatively furthering fair housing for landlord and property owners.
13	Tenant Rights and Responsibilities	Provide financial assistance for program management activities related to affirmatively furthering fair housing for tenants.
14	Administration	Provide administrative oversight for CDBG indirect costs and program management activities to ensure compliance.
15	Rehab Administration	Provide administrative oversight for CDBG housing rehabilitation program to ensure compliance.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

An estimated 80 extremely low-income and moderate-income families will be provided affordable housing during five-year period 2025-2029 of the City's Consolidated Plan.

SP-50 Public Housing Accessibility and Involvement – 91.215(c) Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Olmsted County HRA is not under a voluntary Section 504 Compliance Agreement.

Activities to Increase Resident Involvements

The Olmsted HRA has made community outreach and tenant engagement a top priority by installing a community garden and bike rack at the three public housing townhome properties using Statewide Health Improvement Partnership (SHIP) grants. The HRA also continued collaboration with the Rochester Public Schools to provide engagement dinners at the public housing townhome communities to engage parents and students with school personnel. Partnered with the Rochester Public Library to install mini-libraries at the three public housing town home properties that are being utilized by tenants and others in the neighborhood. The HRA also partnered with the Community Engagement Response Team to offer neighborhood mediation and engagement activities for our public housing tenants and neighbors. Lastly, the HRA created a Resident Advisory Board to get continuous feedback from residents.

Is the public housing agency designated as troubled under 24 CFR part 902?

The Olmsted County HRA is not designated as troubled and scored a 91 making it a high performer.

Plan to remove the ‘troubled’ designation

Not Applicable.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

Barriers to affordable housing are obstacles that prevent individuals and families from accessing or maintaining housing that is affordable, safe, and adequate. These barriers can be complex and multifaceted, impacting various aspects of the housing market and individual circumstances. This section of the plan explains whether the cost of housing or the incentives to develop, maintain, or improve affordable housing is affected by policies that may affect land and other property, zoning ordinances, building codes, growth limits, and policies that affect the return on residential investment. These issues are presented based on programmatic experience, previous analyses, and were explored as part of the City of Rochester's Analysis of Impediments to Fair Housing Choice.

The City of Rochester most recent Analysis of Impediments did not identify any institutional barriers to affordable housing in Rochester, MN. The city is growing in population and the demand for more affordable units is increasing. The City is committed to maintaining and enhancing policies that increase equal opportunity for housing for low-income families and minorities.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

To maintain the City of Rochester commitment to prevent barriers to affordable housing, during this Consolidated Plan period the city will continue to:

- Promote the efforts of the Economic vitality fund. The City has approved a half percent sales tax up to \$50 million to be used toward addressing the robust shortages of middle- and low-income housing, preserving existing affordable housing options in our neighborhoods, and developing workforce programs that will help create more job opportunities for residents.
- Conduct public outreach regarding availability of housing & housing assistance including ensuring that programs are culturally competent and translation of housing application materials into multiple languages & maintains bi-lingual staff to assist applicants & clients who are not English-proficient.
- Maintain flexibility in zoning & building requirements when appropriate to allow for infill housing development.
- Maintain an Affirmative Marketing Plan to directly market newly developed City-assisted housing units to minority groups least likely to apply to homeownership programs.
- Meet with local lenders & home builders to encourage the use of non-traditional client loan qualifying & loan products to better serve the needs of homebuyer households with challenges that preclude conventional qualification.

- Support local Continuum of Care efforts for homeless populations & provides ongoing support & technical assistance.
- Work with local agencies that provide financial case management & credit counseling.
- Review and, when applicable, revise the Fair Housing ordinance which ensures that fair housing options are available to its citizens.
- Monitor city-sponsored projects for equal access & compliance of the Fair Housing Act.
- Hold periodic Public Hearings providing information & requesting public comment on affordable and fair housing issues.
- Work with local housing service providers to conduct homeowner education.

SP-60 Homelessness Strategy – 91.215(d)

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

The primary funding for homelessness programs and services in the City of Rochester comes from River Valleys Continuum of Care. Local organizations receiving this funding will persist in their efforts to reach out to individuals experiencing homelessness, assess their needs, and provide information about available resources. Although the City of Rochester does not receive Emergency Solutions Grant (ESG) funds, it will continue to support homelessness initiatives using its Community Development Block Grant (CDBG) resources.

Addressing the emergency and transitional housing needs of homeless persons

There are various emergency shelters and transitional housing options and resources for individuals experiencing homelessness in Rochester, MN. Local organizations and programs work together to offer temporary relief and long-term solutions to help individuals achieve housing stability and improve their overall quality of life. Olmsted County Housing and Redevelopment Authority (HRA) provides temporary housing for individuals and families experiencing homelessness. They may offer access to basic needs such as food, clothing, and personal hygiene supplies. Women’s Shelter and Support Center is a local organization that offers emergency shelter specifically for women and their children. It provides a safe space and supportive services to help individuals stabilize their situation. The Salvation Army – Rochester offers emergency shelter for men, providing a safe and supportive environment. They also offer meals and other supportive services. Olmsted County provides transitional housing options for families and individuals. These programs aim to bridge the gap between homelessness and permanent housing. Olmsted County Housing and Redevelopment Authority offers permanent supportive housing options for low-income and disabled individuals, with access to supportive services to help maintain housing stability.

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.

Although the City of Rochester is not a recipient of ESG funds, the City does support and collaborate with local organizations and programs that provide services for chronically homeless individuals and families throughout Rochester.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The primary need for the City of Rochester is to link people with available housing opportunities as quickly as possible and support them in accessing housing long-term. The City's local organizations coordinate with hospitals, courts and other institutions to coordinate and plan the discharge of persons experiencing homelessness. Some organizations also offer primary care, behavioral health, career and other services for persons experiencing homelessness.

During the next year, the city will continue to:

- Improve coordination between mental health, physical health, and criminal justice systems to identify people at risk of homelessness and link them with support to prevent them from becoming literally homeless after discharge.
- Work with the local and state agencies and support them in their effort to expand services for youth existing foster care.
- Assist in the identification of available prevention programs and development of a gaps analysis that allows us to create a homeless prevention plan in the coming years.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

Lead-based paint (LBP) hazards pose significant health risks, particularly to young children, pregnant women, and individuals with compromised immune systems. Addressing these hazards and increasing access to housing without LBP hazards are crucial for improving public health and ensuring safe living environments. During this 5-year Consolidated Plan period the City of Rochester, MN will ensure that homes assisted through the City's CDBG Single Family Rehabilitation program that were built prior to 1978 are assessed for potential lead-based paint hazards. The City will continue to implement countermeasures to minimize exposure of lead-based paint hazards found in existing housing built prior to 1978. According to the 2022 Census ACS estimates, a total of 32,178 homes (32%) of the City's housing stock was built prior to 1978 that may have the potential to contain lead-based paint.

How are the actions listed above related to the extent of lead poisoning and hazards?

Lead poisoning remains the most significant environmental hazard for children, leading to severe and often irreversible health issues. The primary source of lead poisoning is exposure to dust from deteriorating lead-based paint in homes built before 1978, when lead content in paint was prevalent, especially in homes constructed before 1950. Houses from this era, particularly those occupied by lower-income families with children, face heightened risks often due to deferred maintenance. It is the deterioration of this paint, rather than the paint itself, that creates hazards by releasing lead-contaminated dust and flakes that can be ingested or inhaled by young children. Lead hazard abatement is supported under the CDBG program, which fund projects for housing repair or rehabilitation. This program provides detailed guidelines for evaluating, addressing, mitigating, and abating lead hazards, including safe work practices and notification procedures. Additionally, all household members benefiting from repair or rehabilitation must read and sign lead hazard notifications and disclosures.

How are the actions listed above integrated into housing policies and procedures?

The City annually reviews and updates its policies for the City's CDBG Single Family Rehabilitation program to ensure that all housing built before 1978 is evaluated for lead-based paint. Lead-Based paint testing and inspections will occur prior to disturbing any surfaces. The City also provides Lead-Based Paint Disclosures for all participants and will conduct abatement of lead, if necessary,

prior to repair or rehab.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The City of Rochester, MN anti-poverty strategy focuses on helping all low-income households improve their economic status and remain above poverty levels. The City of Rochester acknowledges that the major obstacle to meeting underserved needs is the lack of funding and recognizes the need for such programs by supporting agencies that work with state and federal sources on obtaining financing for their programs. This may include, but is not limited to, funding essential services such as rent, utility and food assistance for those in poverty to prevent homelessness. The City will continue to utilize CDBG grant funds to support its public service programs and activities to increase affordable housing opportunities to address poverty by creating housing opportunities for low-income households. Without these housing opportunities, many low-income households would not be able to afford housing rehabilitation costs.

The City will also continue its collaborative efforts with local nonprofits to fund public service activities to address housing stability which may consist of childcare subsidies, youth tutoring programs, and counseling programs. In addition, the City of Rochester will also maintain compliance with program and comprehensive planning requirements.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The City will strive to increase its efforts in assisting low-income households with housing rehabilitation and renovation of affordable housing to decrease the financial burden on low-to-moderate-income residents. The goal of providing home rehabilitation and emergency repair to low-income households would allow these families to re-allocate money that would otherwise be spent on maintenance to secure housing. Additionally, making needed home repairs will lower utility costs and help maintain the existing housing stock for future generations. By addressing risks posed by lead-based paint using HUD-funded programs, health care risks, particularly risks for young children, will be reduced. The City will continue to increase its efforts to implement anti-poverty strategies for the citizens of the City over the next five years.

SP-80 Monitoring – 91.230

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

All recipients of Community Development Block Grant (CDBG) Program funds are required to complete an agreement with the City of Rochester. This agreement specifies the amount of CDBG funding received and what regulations the recipient must meet to spend the funding. The agreement also includes a description of their CDBG funding activity, national objective that is being met and performance measurement objective/outcome/statement.

The CDBG Administrator addresses the required environmental issues for each activity that receives CDBG funding.

The CDBG Administrator monitors all recipients of CDBG funding either at the time of spending or during completion of the CAPER reporting. The monitoring may consist of reviewing the year-end independent audit, required to be completed by each recipient receiving over \$25,000 of CDBG funding, record keeping requirements, including any program income. For program eligibility, the City's Five-Year Consolidated Plan requirements and performance measurement objective/outcome/statement activities are reviewed at the time of application for CDBG funding.

The City of Rochester does not release CDBG funding to a recipient, prior to use. The CDBG Administrator and the City's Community Development Department reviews each payment request individually and approve payments as the recipient submits a request for payment. When submitting a payment request, the recipient must include supporting documentation or provide staff access to files that present evidence that the activity meets a National Objective and the record keeping requirements.

All activities are required to report information required for IDIS reporting, allowing the City of Rochester to complete its Consolidated Annual Performance and Evaluation Report (CAPER) to the US Department of Housing and Urban Development.

The City of Rochester, as required by HUD, has an annual independent audit completed. To date, there have been no findings regarding the use of CDBG funding or the City's procedure in monitoring the activities of CDBG funding.

The CDBG Administrator provides technical assistance to citizen and/or groups as requested.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Rochester expects to receive approximately \$672,000 in CDBG entitlement funding and the Community Development Department administers the funding for the City. The City of Rochester has not yet received funding allocations for Fiscal Year (FY) 2025 and is estimating the anticipated resources in the tables below on the FY24 funding allocations in the amount of: \$672,785 in CDBG funds. The City expects to receive approximately the same amount for its FY2025 allocations.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of Con Plan	Narrative Description
			Annual Allocation:	Program Income:	Prior Year Resources:	Total:		
CDBG	Public - Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$672,000	\$100,000	\$0.00	\$772,000	\$3,088,000	The primary objective of the CDBG program is to provide decent housing, a suitable living environment, and expanded economic opportunities principally for low- and moderate-income persons and neighborhoods. All prior year funds are currently committed to active projects.

Table 53 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Rochester will use a combination of public and private funding to carry out activities identified in this plan. During this Consolidated Plan period, the City will research opportunities to apply for additional funding streams which are consistent

with the goals of the Consolidated Plan. The city will continue to leverage additional financial resources including state and local funds as well as investigate other sources of funding that are consistent with the goals of the 2025-2029 Consolidated Plan. The City will collaborate by working with community partners and non-profit organizations to encourage leveraging of available funding sources and strengthen capacity building. The City will also continue collaborate with Olmsted County in its efforts to provide additional housing rehabilitation loans in the City to compliment the City's housing rehab program.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City manages a list of City-owned properties that are routinely reviewed to determine the best use for the property with the primary goal of meeting housing needs in the community.

Discussion

Not Applicable.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation	2025	2029	Affordable Housing	Citywide	Increase Access to Affordable Housing	\$250,000.00	Homeowner housing rehabilitated: Households Assisted: 10
2	Rental Housing Rehabilitation	2025	2029	Affordable Housing	Citywide	Increase Access to Affordable Housing	\$150,000.00	Homeowner housing rehabilitated: Households Assisted: 6
4	Infrastructure Improvements	2025	2029	Non-Housing Community Development	Citywide	Non-Housing Community Development	\$100,000.00	Public facility or infrastructure activities other than low-/moderate-income housing benefit: Persons Assisted: 500
6	Homeless Services and Operations	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$57,500	Public service activities other than low-/moderate-income housing benefit:

7	Youth Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$7,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 300
8	General Public Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$15,300	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 450
9	Workforce Development	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$14,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 50
10	Disability Services	2025	2029	Non-Housing Community Development	Citywide	Increase Access to Public Services	\$7,000	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 77
11	Fair Housing Education	2025	2029	Non-Housing Community Development	Citywide	Affirmatively Further Fair Housing Choice	\$0	Public service activities other than low-/moderate-income housing benefit: Persons Assisted: 0
14	Admin	2025	2029	Planning & Administration	Citywide	Planning and Administration	\$96,200	Other: 1
15	Rehab Admin	2025	2029	Affordable Housing	Citywide	Planning and Administration	\$75,000	Other: 1

Table 54 – Goals Summary

Goal Descriptions

Sort Order	Goal Name	Goal Description
1	Housing Rehabilitation	Provide financial assistance for LMI homeowners with critical home repairs to stabilize homeowners within their primary unit of residence.
2	Rental Housing Rehabilitation	Provide financial assistance for landlords/property owners with critical home repairs to improve rental housing conditions for LMI renters.
3	Homeownership	Provide financial assistance for down payment and closing costs for first-time homebuyers.
4	Infrastructure Improvements	Provide financial assistance for CDBG eligible public infrastructure projects, including but not limited to parks, bus shelters, sidewalks, street paving, and/or storm water sewer drainage projects.
5	Facility acquisition or rehabilitation	Provide financial assistance to acquire public facilities to benefit LMI clientele.
6	Homeless Services and Operations	Provide financial assistance to supports homelessness assistance programs including shelters and homeless prevention.
7	Youth Services	Provide financial assistance to supports youth service programs.
8	Transportation	Provide financial assistance to carry out activities to benefit LMI persons with transportation options.
9	Workforce Development	Provide financial assistance to carry out workforce development activities to benefit LMI persons.
10	Disability Services	Provide financial assistance to carry out disability services activities to benefit LMI persons.
11	Fair Housing Education for the public	Provide financial assistance for program management activities related to affirmatively furthering fair housing for the public.
12	Landlord Rights and Responsibilities	Provide financial assistance for program management activities related to affirmatively furthering fair housing for landlord and property owners.
13	Tenant Rights and Responsibilities	Provide financial assistance for program management activities related to affirmatively furthering fair housing for tenants.
14	Administration	Provide administrative oversight for CDBG indirect costs and program management activities to ensure compliance.
15	Rehab Administration	Provide administrative oversight for CDBG housing rehabilitation program to ensure compliance.

Projects

AP-35 Projects – 91.220(d)

Introduction

The projects summarized in the table below were selected for the 2025 program year. Full details for each project is provided in AP-38.

Projects

#	Project Name
1	Ability Building Community (ABC)
2	Boys & Girls Club Rochester
3	Catholic Charities
4	Damascus Way Reentry Center
5	Family Promise Rochester
6	Hiawatha Homes Foundation
7	Jeremiah Program
8	The Landing MN
9	CDBG Planning and Administration
10	Rehab Administration
11	Homeowner Housing Rehabilitation
12	Rental Housing Rehabilitation
13	Sidewalk Infrastructure

Table 55 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City has allocated priorities based on community needs as well as programs that have been successful in the past. Many of the priorities are focused on programs and projects that can be leveraged with other funds, including private and public funds, as well as programs and projects that have positive impacts beyond the scope of the individual activity. The selected projects cover a wide range of needs throughout the community. The biggest obstacle to addressing some of the underserved needs is the limited financial allocations that the City receives.

AP-38 Project Summary

Project Summary Information

1	Project Name	Ability Building Community (ABC)
	Target Area	Citywide
	Goals Supported	Disability Services
	Needs Addressed	Increase Access to Public Services
	Funding	\$8,750.00
	Description	Provide financial assistance to carry out disability services activities to benefit LMI persons.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	390 Persons Assisted
	Location Description	1911 14th St NW, Rochester, MN 55901
	Planned Activities	The city will use CDBG funding support recreation, leisure, wellness, and job seeking activities.
2	Project Name	Boys & Girls Club Rochester
	Target Area	Citywide
	Goals Supported	Youth Services
	Needs Addressed	
	Funding	\$7,000.00
	Description	
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	300 Persons Assisted
	Location Description	1026 E Center St, Rochester, MN 55904
	Planned Activities	The city will use CDBG funding to expand youth development programs to 2 new sites at Gage Elementary and Riverside Central Elementary - after-school and summer programming
3	Project Name	Catholic Charities
	Target Area	Citywide
	Goals Supported	Homeless Services and Operations
	Needs Addressed	Increase Access to Public Services
	Funding	\$17,500.00

	Description	Provide financial assistance to supports homelessness assistance programs including shelters and homeless prevention.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	75 Persons Served
	Location Description	200 4 th Street SE, Rochester, MN 55904
	Planned Activities	The city will use CDBG funding to support a low barrier emergency shelter for adults experiencing homelessness. Funds used to help cover the cost of laundering linens, evening and morning meals, hygiene and cleaning supplies and personnel overseeing the warming center
4	Project Name	Damascus Way Reentry Center
	Target Area	Citywide
	Goals Supported	Homeless Services and Operations
	Needs Addressed	Increase Access to Public Services
	Funding	\$6,550.00
	Description	Provide programming to support men transitioning from the correctional system to public life. .
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	60 Persons Assisted
	Location Description	2118 Campus Drive SE, Rochester, MN 55904
Planned Activities	The city will use CDBG funding to support Destiny Services focusing on father and youth programming. The goal is to prevent and reduce reentry, promote positive youth development and provide programming. Serves individuals coming out of incarceration	
5	Project Name	Family Promise Rochester
	Target Area	Citywide
	Goals Supported	Homeless Services and Operations
	Needs Addressed	Increase Access to Public Services
	Funding	\$20,000.00
	Description	Provide financial assistance to supports homelessness assistance programs including shelters and homeless prevention.
	Target Date	12/31/2025

	Estimate the number and type of families that will benefit from the proposed activities	40 Persons Assisted
	Location Description	1621 10 th Street SE, Rochester, MN 55904
	Planned Activities	The city will use CDBG funding to fund operation costs for a shelter for families experiencing homelessness
6	Project Name	Hiawatha Homes Foundation
	Target Area	Citywide
	Goals Supported	Disability Services
	Needs Addressed	Increase Access to Public Services
	Funding	\$7,000.00
	Description	Provide financial assistance to carry out disability services activities to benefit LMI persons.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	77 Persons Assisted
	Location Description	1820 Valkyrie Dr NW, Rochester, MN 55901
	Planned Activities	The City will use CDBG funds to purchase and convert an accessible van.
7	Project Name	Jeremiah Program
	Target Area	Citywide
	Goals Supported	Workforce Development
	Needs Addressed	Increase Access to Public Services
	Funding	\$14,000.00
	Description	
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	50 Persons Assisted
	Location Description	2915 Jeremiah Lane NW, Rochester, MN 55901
	Planned Activities	The City will use CDBG funds to support the one-on-one family coaching with funding covering salaries. The program would be able to increase the hours and intensity of workforce development training provided for moms
8	Project Name	The Landing MN
	Target Area	Citywide

	Goals Supported	Homeless Services and Operations
	Needs Addressed	Increase Access to Public Services
	Funding	\$20,000.00
	Description	Provide financial assistance to supports homelessness assistance programs including shelters and homeless prevention.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	1,550 Persons Assisted
	Location Description	426 3rd Ave SE, Rochester, MN 55904
	Planned Activities	The City will use CDBG funds to support staffing and resource costs of operating a day shelter of individuals experiencing homelessness
9	Project Name	CDBG Planning and Administration
	Target Area	Citywide
	Goals Supported	Planning & Administration
	Needs Addressed	Planning & Administration
	Funding	\$96,200.00
	Description	Overall program management, coordination, monitoring and evaluation of the CDBG program for the City of Rochester
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Funds to assist with the overall program, management, coordination, monitoring and evaluation of the CDBG program for the City of Rochester. Staffing is provided by the Rochester Community Development Department.
10	Project Name	Rehab Administration
	Target Area	Citywide
	Goals Supported	Planning & Administration
	Needs Addressed	Planning & Administration
	Description	Overall program management related housing rehab activities for the City of Rochester CDBG program.

	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	The City will use CDBG funds to assist with the overall program management related housing rehab activities for the City of Rochester CDBG program.
11	Project Name	Homeowner Housing Rehabilitation
	Target Area	Citywide
	Goals Supported	Homeowner Housing Rehabilitation
	Needs Addressed	Increase Access to Affordable Housing
	Funding	\$250,000.00
	Description	Provide financial assistance for LMI homeowners with critical home repairs to stabilize homeowners within their primary unit of residence.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	10 Homeowner Houses Rehabilitated
	Location Description	TBD
	Planned Activities	The City will use CDBG funds to support the Single-Family Rehab program, which provides an interest free deferred loan to low-moderate income owner occupants for rehabilitation of substandard single-family structures. These interest-free loans must be repaid when the property is sold or transferred or if the property ceases to be the owner's principal place of residence. Program income is factored into the total dollars for the activity. If less program income is received, the dollars allocated to the City's single family rehab loan program will be reduced. If more program income is received than planned, the dollars will be allocated to the City's single family rehab loan program.
12	Project Name	Rental Housing Rehabilitation
	Target Area	Citywide
	Goals Supported	Provide financial assistance for landlords/property owners with critical home repairs to improve rental housing conditions for LMI renters.
	Needs Addressed	Increase Access to Affordable Housing
	Funding	\$150,000.00

	Description	Provide financial assistance for landlords/property owners with critical home repairs to improve rental housing conditions for LMI renters.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	6 Rental Units Rehabilitated
	Location Description	TBD
	Planned Activities	The City will use CDBG funds to support the rental rehab program that offers up to \$25,000 per rental unit in the form of a 10-year forgivable loan to support the rehabilitation of renter-occupied housing.
13	Project Name	Sidewalk Infrastructure
	Target Area	Citywide
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Non-Housing Community Development
	Funding	\$100,000.00
	Description	Provide financial assistance for CDBG eligible public infrastructure projects, including but not limited to parks, bus shelters, sidewalks, street paving, and/or storm water sewer drainage projects.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	500 Persons Assisted
	Location Description	TBD
	Planned Activities	The City will use CDBG funds to address sidewalk safety defects and upgrade pedestrian curb ramps to meet Americans with Disabilities Act standards.

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Rochester receives entitlement program funds directly from HUD. Program resources are allocated citywide based on low-mod areas which can coincide with areas of minority concentration. The City relies on widely accepted data such as American Community Survey (ACS), HUD low- and moderate-income summary data, and Federal Financial Institutions Examinations Council (FFIEC) data to determine areas throughout the community with concentrations of low- and moderate-income communities.

Over the next five years, the City intends to use its resources in the geographical boundaries of the City. The City has not selected any target areas for this Consolidated Plan period.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	80%

Table 56 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

To generate the greatest impacts, the City will focus efforts citywide in low-income areas. The general priorities and needs are public services, affordable housing and public facilities & infrastructure that meet the needs of the City's low- and moderate-income residents.

Federal CDBG funds are intended to provide low and moderate income (LMI) households with viable communities, including decent housing, a suitable living environment and expanded economic opportunities. Eligible activities include community facility acquisition or community facility improvements, housing rehabilitation and preservation, affordable housing development activities, public services, planning, and administration. The system for establishing the priority for the selection of these projects is predicated upon the following criteria:

- Meeting the statutory requirements of the CDBG program
- Meeting the needs of LMI residents
- Focusing on LMI areas or neighborhoods
- Coordination and leveraging of resources
- Response to expressed needs
- Sustainability and/or long-term impact
- The ability to demonstrate measurable progress and success

Public facilities and infrastructure activities will be provided for areas where the percentage of LMI persons is 51% or higher. CDBG will also be used for beneficiaries that meet criteria under limited clientele beneficiary, such as the elderly, persons with disabilities, the homeless, etc. It is also

expected that funding will be provided to assist low- and moderate- income homeowners.

Discussion

Not Applicable

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Rochester, MN will continue its priority of serving low-income families and underserved populations such as veteran families, single parent head of households, seniors, homelessness, and near-homeless populations within the City of Rochester, MN. The City will also continue to fund CDBG public service activities specific to housing and supportive housing needs of homeless and near homeless populations.

The following Tables show specific one-year goals for the number of homeless, non-homeless, and special needs households that will be provided affordable housing during the first-year action plan. Also shown is the number of affordable housing units that will be assisted with CDBG funds.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	16
Special-Needs	0
Total	16

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	6
Acquisition of Existing Units	0
Total	16

Table 58 - One Year Goals for Affordable Housing by Support Type

Discussion

Rochester anticipates a growing shortage of housing as the population expands. Affordable housing remains a top priority for the City of Rochester. The city has actively promoted affordable housing initiatives and continues to explore additional measures to address housing needs. Currently, there is an observable trend toward increased development of rental properties, both new and existing, which is expected to become a larger portion of the future housing supply. Meanwhile, the market for single-family homes is experiencing a shortage, with available units selling quickly.

AP-60 Public Housing – 91.220(h)

Introduction

The Olmsted County Housing & Redevelopment Authority (OCHRA) in Rochester, MN aims to provide affordable, quality housing options to low- and moderate-income individuals and families in Rochester. It works to ensure that residents have access to safe, stable, and supportive living environments. OCHRA manages public housing units that provide affordable rental options for eligible low-income households. These units are designed to offer safe and stable housing at reduced rents. Tenant eligibility is determined based on income, family size, and other criteria. Households must meet income limits and other program requirements.

The OCHRA currently manages 110 public housing units, Housing Choice Vouchers, Project Based Vouchers, Permanent Supportive Housing, and Special purpose vouchers. These programs assist very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market.

Actions planned during the next year to address the needs to public housing

The City of Rochester, MN will continue to support the efforts of the OCHRA in addressing the needs of public housing residents by offering collaborating with the agency to ensure that low-income residents, seniors, and disabled families can access services. OCHRA collaborates with local organizations to provide support services that enhance residents' quality of life. This includes access to educational programs, job training, and other community resources.

The OCHRA continues to coordinate with Rochester Public Utilities and MN Energy to improve the energy efficiency of all public housing units by replacing bulbs with LED bulbs, installing low-flow aerators on the faucets and showers, and replacing appliances with Energy Star models. Other energy efficiency measures including sealing the building envelopes and replacing old boilers with new, energy efficient models are being undertaken on an ongoing basis.

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

The OCHRA has programs designed to help low-income families transition from renting to owning their homes. This includes down payment assistance, homebuyer education, and other support services. Participants must meet program requirements and demonstrate the ability to sustain homeownership.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable; According to HUD's Public Housing Agency Score (PHAS), the OCHRA is not

considered by HUD to be troubled or poorly performing.

Discussion

The OCHRA is a key player in providing affordable housing and related services to low- and moderate-income households in Rochester, MN. Through its various programs and initiatives, RHA aims to enhance housing stability and support community development, ensuring that residents have access to safe, affordable, and supportive housing options.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

This section describes the one-year goals and activities for the City of Rochester, MN in assessing and serving the needs for homeless persons and special needs populations. The City's homeless strategy collaboratively addresses the essential needs for homeless and other special needs populations. The goal is to invest in activities that lead people experiencing homelessness to permanent housing as quickly as possible while offering a variety of intervention options that provide options to address the different needs. Such interventions include rapid rehousing, permanent supportive housing, immediate access to low-barrier emergency shelter; intensive service-focused recovery housing programs; transitional housing options for special needs populations (especially households fleeing domestic violence, youth and youth adults, and people with substance use issues); diversion programs. The City of Rochester collaborates with various organizations to strengthen the homeless governance structure and ensure services are provided to these populations.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

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

The City of Rochester does not receive Emergency Solutions Grant (ESG) funds; however, it will continue to support homelessness initiatives using its Community Development Block Grant (CDBG) resources. While most homeless providers have some outreach services, there is not an agency that exclusively provides outreach services.

Addressing the emergency shelter and transitional housing needs of homeless persons

There are various emergency shelters and transitional housing options and resources for individuals experiencing homelessness in Rochester, MN. Local organizations and programs work together to offer temporary relief and long-term solutions to help individuals achieve housing stability and improve their overall quality of life. Olmsted County Community Services Provides temporary housing for individuals and families experiencing homelessness. They may offer access to basic needs such as food, clothing, and personal hygiene supplies. The Rochester Community Warming Center (RCWC) provides emergency shelter for Rochester, MN area adults, 18 and older, experiencing homelessness. The Dorothy Day Hospitality House is a temporary homeless shelter conveniently located in downtown Rochester, Minnesota within walking distance to Mayo Clinic, buses, and community resources. Mary's Place is a local organization that offers emergency shelter specifically for refugee families. It provides a safe space and supportive services to help individuals stabilize their situation. The Salvation Army – Rochester offers emergency shelter for men, providing a safe and supportive environment. They also offer meals and other supportive services. Olmsted Housing and Redevelopment Authority (OCHRA) provides transitional housing options for

families and individuals. These programs aim to bridge the gap between homelessness and permanent housing.

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

Although the City of Rochester is not a recipient of ESG funds, the City does support and collaborate with local organizations and programs which provides services social services for chronically homeless individuals and families throughout Rochester, MN that supports nonprofit agencies that provide homelessness prevention services.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The primary need for the City of Rochester, MN is to link people with available housing opportunities as quickly as possible and support them in accessing subsidies and increasing their income to help them sustain their housing long-term. The City's local organizations coordinate with hospitals, courts and other institutions to coordinate and plan the discharge of persons experiencing homelessness. Some organizations also offer primary care, behavioral health, career and other services for persons experiencing homelessness. Specifically, the River Valleys Continuum of Care, utilizes and prioritizes the use of coordinated entry for entry into programs funding by CoC/McKinney-Vento dollars, as well as several programs addressing homelessness. Coordinated Entry is utilized to assess the needs of homeless families and individuals and better match them with appropriate services. Individuals/families who are experiencing homelessness can take the VI-SPDAT assessment to put their name on the coordinated entry list for all agencies in the County. Providers throughout the region share the same message and resources with individuals and families experiencing homelessness, so that everyone is receiving the same message and access to services. Families who are struggling to find housing or facing a loss in housing may receive assistance to prevent housing loss at the Empowering Connections and Housing Outreach Center (ECHO). On the periphery, Rochester Public Utilities offers utility assistance which assists in preventing housing loss.

During this program year, the city will continue to:

- Improve coordination between mental health, physical health, and criminal justice systems to identify people at risk of homelessness and link them with support to prevent them from becoming literally homeless after discharge.
- Work with the local and state agencies and support them in their effort to expand services for youth exiting foster care.
- Assist in the identification of available prevention programs and development of a gaps analysis that allows us to create a homeless prevention plan in the coming years.

Discussion

Not Applicable

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City of Rochester most recent Analysis of Impediments did not identify any institutional barriers to affordable housing in Rochester, MN. The city is growing in population and the demand for more affordable units is increasing. The City is committed to maintaining and enhancing policies that increase equal opportunity for housing for low-income families and minorities. Barriers to affordable housing are obstacles that prevent individuals and families from accessing or maintaining housing that is affordable, safe, and adequate. These barriers can be complex and multifaceted, impacting various aspects of the housing market and individual circumstances. This section of the plan explains whether the cost of housing or the incentives to develop, maintain, or improve affordable housing is affected by policies that may affect land and other property, zoning ordinances, building codes, growth limits, and policies that affect the return on residential investment. These issues are presented based on programmatic experience, previous analyses, and were explored as part of the City of Rochester's Analysis of Impediments to Fair Housing Choice.

Actions it planned 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

In recent years, the City of Rochester has made extraordinary efforts to aid with increased affordable housing development. These efforts have improved to some degree the availability of affordable housing, but do not put a substantial dent in the overall problem. In the most recent Comprehensive Plan, the City outlines ways to support a wide range of policies aimed at revitalization and inclusionary zoning. Over the next Consolidated Plan period, the City of Rochester will continue to analyze its Comprehensive Plan to seek to support a variety of housing options. The provision of adequate and affordable housing for all residents is an important goal for the City, but many factors constrain the development, maintenance, and improvement of the housing stock. These factors as discussed in the City's AI impact the cost and amount of housing produced, thereby disproportionately affecting the LMI community.

Discussion:

In its first year of the Consolidated Plan, the City of Rochester, MN will continue its efforts to remove barriers to affordable housing by supporting a variety of activities in different parts of the City to redirect the redevelopment efforts towards a revitalization outcome. The revitalization efforts will aim to establish smart growth land use policies and green development to provide zoning incentives to promote mixed uses and sustainable affordable housing. The plans also promote revitalization of the neighborhoods through equitable, affordable housing, support of existing communities, and coordinated policies that leverage public investment through an integrated approach to planning. These activities collectively are expected to ensure a healthy return on residential investment in the city. These efforts could result in redevelopment of several existing

vacant lands and promote diversity of mixed use and mixed income communities.

AP-85 Other Actions – 91.220(k)

Introduction:

This section details the City's actions planned to ensure safe and affordable housing for its residents, along with plans to meet underserved needs, reduce poverty, develop institutional structure, and enhance coordination between public and private sector housing and community development agencies. The Consolidated Plan addresses the issue of meeting underserved needs of Rochester residents through a variety of initiatives. Several of these initiatives are proposed for funding in this Annual Action Plan. As has been the situation in the past and most likely in the future, the primary obstacle to these actions is a lack of funding. The City is committed to overcoming barriers that hinder the ability to meet the needs of underserved populations and ensure equitable access to housing, services, and opportunities.

Actions planned to address obstacles to meeting underserved needs

The primary obstacle to meeting underserved needs of low- and moderate-income populations in Rochester continues to be the magnitude of the needs and availability of funds to address them. Organizations serving these populations continue to experience reductions in funding from both governmental and private sources. The City of Rochester, MN will continue to work with its community partners to assist low- and moderate-income residents in meeting underserved needs consisting of employment services, childcare, health services, substance abuse counseling and treatment, education programs, services for senior citizens, services for people experiencing homelessness, and fair housing training.

Actions planned to foster and maintain affordable housing

During the next Consolidated Plan period, the city will continue to administer the Single Family and Rental Rehab Program which provides affordable housing sustainability for the City's low to moderate-income residents. The City is also The City of Rochester will also expand its efforts to actively pursue other funding mechanisms and partnerships for the development of affordable housing to leverage limited public dollars.

Additionally, the City of Rochester will continue to work with the Olmsted County Housing & Redevelopment Authority (OCHRA) Housing Rehabilitation Program. This program provides financial assistance to qualifying low and moderate-income homeowners to assist in maintaining, repairing, and improving the safety, livability, and energy efficiency of their homes. The City will also continue to support OCHRA in their efforts to administer the Section 8 Homeownership Program.

The City will also continue providing Tax Increment Financing Assistance to developers as warranted based upon existing housing market conditions. The City is also encourages landlords to apply for a variance to the City of Rochester's Housing Code, requesting approval for additional persons in a rental unit for lease to families needing 3+ bedrooms. The procedure for applying for a variance is provided by the Olmsted County HRA when a client of the Section 8 Program is over-

occupying a unit.

Actions planned to reduce lead-based paint hazards

Rochester will implement strategies to mitigate lead-based paint hazards in housing, particularly in homes occupied by vulnerable populations, and ensure a safe living environment. The City will continue to implement counter-measures to minimize exposure of lead-based paint hazards found in existing housing built prior to 1978. The City provides lead-based paint disclosure for participants that receive assistance from CDBG funds for Single Family or Rental Rehab programs to educate residents on the hazards of lead-based paint and protecting children. Each property will be assessed, and lead clearance will be performed by a certified risk assessor, certified lead-based paint inspector or clearance technician before the rehabilitation project can be completed. In addition to actions planned with HUD CBDG funding, the City also partners with the State of Minnesota under the lead remediation grant program.

Actions planned to reduce the number of poverty-level families

All activities described in this Plan are designed with poverty reduction in mind. To decrease the incidence of poverty among families, Rochester will implement strategies that enhance economic stability, improve access to resources, and create opportunities for upward mobility. Collaboration with organizations that administer programs to prevent and end homelessness helps bring people and households out of poverty and into self-sufficiency. Rental assistance helps stabilize households and allows them to build savings, gain skills, and engage in other positive behaviors associated with a rise out of poverty. Rochester, MN has an economic mix that includes manufacturing, customer service centers, healthcare, education, retail and tourism.

Actions planned to develop institutional structure

During the next Consolidated Plan period, the Rochester's Community Development Department will continue to assist nonprofit/social service providers, and various other community-based organizations to provide training and technical assistance to subrecipients. City staff works throughout the year to increase institutional structure, both within the city and throughout our partner agencies. This is accomplished through providing technical assistance on federal grant management requirements, such as growing their knowledge of Davis-Bacon requirements, financial management and other grant management procedures. Staff maintain contact with partner agencies throughout the year, offering referrals for funding and training opportunities where appropriate.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Rochester works with a number of public and private agencies addressing the needs of low-moderate income people, including but not limited to, affordable housing issues. The City is heavily invested in collaborations throughout the community and has successfully paired with multiple service providers to achieve its goal of providing affordable, safe and decent housing. This

collaboration has allowed the city, public agencies, and service providers to better serve the needs of underserved residents. Rochester will continue to work with a broad cross-section of public, private, faith-based, and community organizations to identify the needs of its citizens. The city will also continue to further its initiative to leverage funding to increase opportunities for low- and moderate- income residents to receive necessary services and have access to affordable housing options.

Discussion:

Not applicable

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(I)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

Community Development Block Grant Program (CDBG) Program Income	
1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$100,000.00
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	\$0.00
3. The amount of surplus funds from urban renewal settlements	\$0.00
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	\$0.00
5. The amount of income from float-funded activities	
Total Program Income	\$100,000.00

Other CDBG Requirements

1. The amount of urgent need activities	\$0.00
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

Appendix - Alternate/Local Data Sources

1	Data Source Name Community Needs Assessment
	List the name of the organization or individual who originated the data set. City of Rochester BluLynx Solutions, LLC
	Provide a brief summary of the data set. Survey was submitted on two platforms (Survey Monkey and Polco). The survey was made available through direct email and on the City's website. There were 650 responses received.
	What was the purpose for developing this data set? To identify the needs of the community.
	Provide the year (and optionally month, or month and day) for when the data was collected. May 2024
	Briefly describe the methodology for the data collection. Survey
	Describe the total population from which the sample was taken. Agencies that work with low-moderate income persons in Rochester, MN. General citizens of Rochester, MN.
	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. Not applicable
	2
Data Source Name Rochester's Comprehensive Plan 2040	
List the name of the organization or individual who originated the data set. Rochester Planning and Zoning Commission Hoisington Koegler Group, Inc. (HKGi)	

	<p>Provide a brief summary of the data set.</p> <p>The purpose of the comprehensive plan is to develop a vision, guiding principles, policies and actions to chart Rochester’s course for the future. By identifying issues, staying ahead of trends, and providing an opportunity to consider the future implications of today’s decisions, the comprehensive plan can help ensure that growth makes our community better.</p> <p>The plan measures economic, transportation, housing needs and supply, land use, and infrastructure data.</p>
	<p>What was the purpose for developing this data set?</p> <p>Rochester is a growing community and that growth is anticipated to continue. Growth and change presents both opportunities and challenges. Long-range planning is needed to position the City to address its long-term needs; to be resilient; to support changing demographics; and to address housing demand, multi-modal transportation needs, growth in jobs and visitors, and more; while working with finite resources. Thus, the City updated their Comprehensive Plan to plan for the future.</p>
	<p>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</p> <p>City of Rochester</p>
	<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>Studied data from 2017 with projects to 2040</p>
	<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>Complete</p>
<p>3</p>	<p>Data Source Name</p> <p>Olmsted County Hazard Mitigation Plan</p> <hr/> <p>List the name of the organization or individual who originated the data set.</p> <ul style="list-style-type: none"> • Olmsted County Emergency Preparedness & Management • U-Spatial Research and Innovation Office (RIO), University of Minnesota <hr/> <p>Provide a brief summary of the data set.</p> <ul style="list-style-type: none"> • Hazard Mitigation Grant Program (HMGP) • Pre-Di saster Mitigation (PDM) • Flood Mitigation Assistance (FMA) • Severe Repetitive Loss (SRL)

<p>What was the purpose for developing this data set?</p> <p>Local government is charged with the protection of the health, safety, and welfare of their residents and visitors. Hazard mitigation reduces disaster damages by proactively reducing or eliminating long-term risk to life and property from weather, geologic, and human threats. Events such as tornadoes, hazardous chemical spills, and terrorist attacks may result in the loss of life, property, infrastructure, and income. The ability of a community to prepare, respond, mitigate, and recover when confronted by these threats, however, may mean the difference between long-term devastation and systemic resilience.</p>
<p>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</p> <p>This data covers Olmsted County including Rochester, MN.</p>
<p>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</p> <p>This was reviewed in 2024.</p>
<p>What is the status of the data set (complete, in progress, or planned)?</p> <p>This is complete and under public comment.</p>