CITY OF MINNEAPOLIS

Community Action Agency Designation

Minneapolis
City of Lakes

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Historic Overview

- The Economic Opportunity Act of 1964
- 1967 Amendment – Board Composition
- 1998 Requirement to follow Federal reporting procedures.
- Minnesota Legislative Actions
  - 1965 Enabling legislation
  - 1973 Minnesota Community Action Grant
  - 1981 Community Action Legislation
  - 1998 Reporting requirements

Community Action Agencies

- CAAs are non-profit or public organizations.
- Purpose and mission is to assist low-income persons and households to acquire skills and knowledge to achieve self sufficiency.
- CAAs are eligible to receive federal funds from the Community Services Block Grant (CSBG) and Minnesota Community Action (MCA) grant funds.
- CSBG funds are administered by the Minnesota Department of Human Services (DHS): Office of Economic Opportunity.

Community Action Agencies (continued)

- CSBG and MCA funds are distributed by statutory formula.
- Formula provides a “basic” amount to each CAA based on number of low income persons living in the service area and an amount equal to the proportion of low income population in service area compared to the state.
- 2015 CSBG amount is $6.6 million; 2015 MCA amount is $3.7 million.
- Minneapolis amount is $1.377 million.

Community Action Agencies (continued)

- CAAs provide or partner with other agencies to deliver needed services – weatherization, transportation, housing, heating assistance, Head Start, tax preparation and advocacy.
- CAAs leverage other federal and state funds.
- Minnesota has 25 CAAs and 11 Tribal Nations participating in Community Action. Most CAAs are county or multi-county organizations. In the Metro area there are four operating CAAs.
- CAAs focus on engaging low income persons to be actively involved in planning and forging partnerships to implement programs.

State Role in Community Action

- Federal Program administered by State agency by Minnesota Department of Human Services (DHS).
- State contracts with CAAs.
- State submits annual reports to U.S. Department of Health and Human Services.

City Role in Community Action

- Prior to 1994 a City department was CAA.
- In 1994, City designated non-profit Community Action Minneapolis (CAM) to operate as City's CAA.
- DHS terminated CAM contract in 2014 and CAM's appeal was withdrawn in June 2015.
- City's role is to designate a CAA for Minneapolis and appoint public official board members.

Designation

- Definition: the process to select an entity as a service area's exclusive CAA by the governing body after public hearing has been held.
- Governing body may choose a designee in descending order of priority:
  a) An existing community action agency that is located and is providing services in a contiguous area which agrees to expand its program operations into the City.
  b) An existing CAA closest to the service area or an existing CAA within reasonable proximity to the service area which agrees to expand its program operations in the service area, if no existing CAA in a contiguous area agrees to expand its operations.
  c) An entity eligible or potentially eligible to be designation under federal regulations and to be recognized when no CAA accepts the request to operate in the service area.

Designation (continued)

- **Notice of Intent to Designate**: City notifies DHS that a designee meets the eligibility requirements of the CSBG. The notice and supporting documents (articles of incorporation, evidence of tax exempt status, assurance of compliance with federal law) must be submitted to DHS.

Notice of Public Hearing

- After the Intent to Designate has been filed, the City must hold a public hearing
- At least 30 calendar days prior to the hearing, the city must inform DHS of the hearing, and provide all local units of government within the intended service area of a copy of the notice of intent to designate and details of the hearing.
- Within the 30 day period but at least ten calendar days before the hearing DHS must mail notice of the hearing to low income households identified in the service area.

Public Hearing

- Public hearing must be held thirty days before the final designation may occur.
- Public hearing must be conducted by a presiding officer who cannot be a member of the City Council, does not have a vested interest in the outcome and will ensure that all persons are treated fairly.
- The 1994 hearing was conducted by an Administrative Law Judge from the Minnesota Office of Administrative Hearings.

Public Hearing (continued)

- Representative of the Designee shall:
  - Establish designee's qualification's , expertise and experience.
  - Describe its mission statement.
  - Explain the focus and direction of the proposed service area.
  - Outline the goals for outreach to and participation by low income persons.
- A City Representative will address the designee's qualifications.
- Interested persons can speak, ask questions or submit written comments or exhibits at the hearing.

Official Record and Official Resolution

Official Record

- An official record of the hearing, minutes and electronic recording form, must be kept.
- The record must remain open for 20 days after the hearing to receive written comment and exhibits.

Official Resolution

- Once the public record has closed and 30 days have passed since the hearing, the city council may act, by resolution, to designate the Community Action Agency.

Resolution (continued)

- Resolution is adopted if after review of the official record the city council finds that:
  - The opinion of the community was fairly and impartially expressed.
  - The opinion of low income people was encouraged, representatively sampled, and fairly expressed during the process.
  - The designee established the qualifications, expertise, and experience necessary to be an effective community action agency.
  - The proposed mission statement and goals were supported by testimony and written comments as a result of the public hearing.
  - A copy of the resolution and related documents are required to be sent to DHS so the recognition process can begin.

Recognition

- Designated agency must be recognized by the state.
- Recognition is a process that includes DHS review to assure compliance with applicable state and federal law and rules.
- Upon completion of the review DHS can recommend that the Governor approve the recognition.

City Process to Recommend a Designee

- Staff from City Attorney and IGR assigned to develop a plan to continue community action programs in the City.
- City and DHS staff met frequently to develop a path to designate a CAA.
- Request for Qualifications (RFQ) developed. RFQ reflected reporting requirements, financial and organizational standards, planning and evaluation requirements of federal and state laws and rules.

City Process to Recommend a Designee (continued)

- RFQ included the “priority” and requests for budget audits, staffing and documents needed for designation.
- RFQ released June 29, 2015. Pre-submission conference held on July 9. Submissions due August 11, 2015.
- Review team assembled (IGR, City Attorney, City Coordinator, City Council and Mayor’s Office).

City Process and Proposed Designee

- All applicants were interviewed (September 7 and September 9).
- Applicants included 2 contiguous CAAs and 2 non-profits.
- Community Action Partnership of Suburban Hennepin recommended as preliminary designee.

- Thank you and we will stand for questions.