



2019
ANNUAL
REPORT

WWW.CAPHENNEPIN.ORG



Our Roads to Community Action

Strengthening Community

Community is the shared responsibility of individuals, families, and institutions; coming together we create community action.



Eliminating Barriers

Hennepin County residents are able to take actions that impact the quality of their lives.



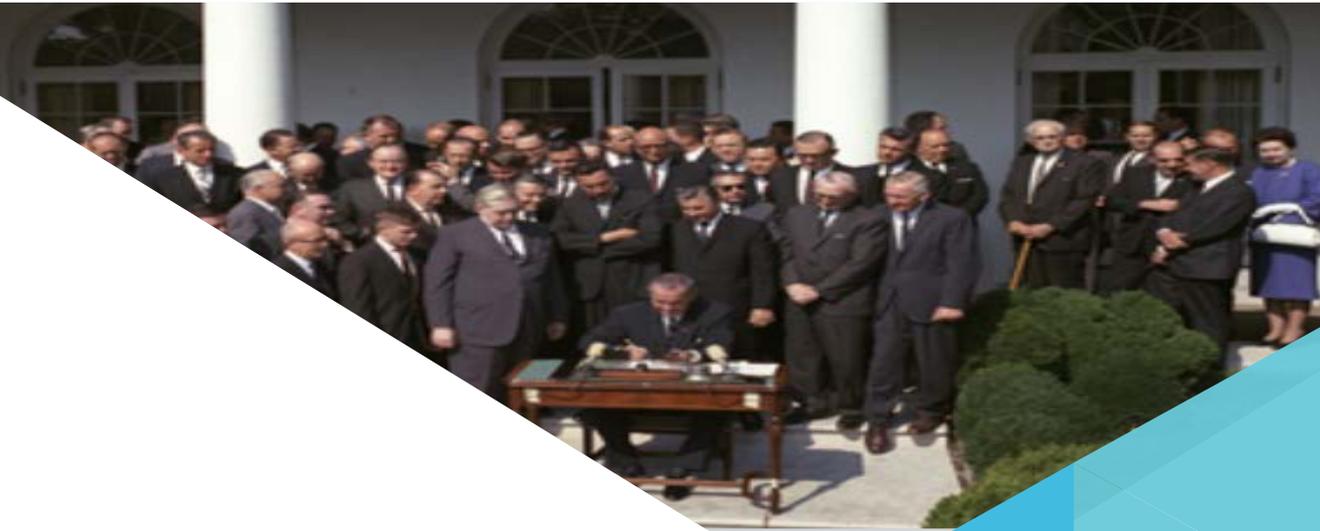
Creating Opportunities

All community members are engaged and active in creating equal access to opportunities in Hennepin County.



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Implementing a national initiative to reduce poverty since 1964

Community Action Partnership of Hennepin County (CAP-HC) formerly known as Community Action Partnership of Suburban Hennepin, works to establish services, programs and partnerships to reduce poverty and increase family and economic stability in Hennepin County.

CAP-HC is a private 501 (c) (3), a non-profit organization established in 1986. Created by the Economic Opportunity Act of 1964, the agency is part of a national network of more than a thousand anti-poverty organizations, that works with low-income citizens on a county by

county basis.

CAP-HC provides a wide range of social and supportive services including Energy and Utility Assistance, Community Development, Family Assets for Independence in Minnesota, Financial Literacy workshops, MNSure assistance, Food Support/SNAP, Foreclosure and Eviction Prevention and Homebuyer Education and Counseling.

With an eye towards 2020, the agency continues its charge to help low-income residents in Hennepin County reduce the effects of poverty.

(Above Photo) President Lyndon B. Johnson signing the Economic Opportunity Act of 1964, authorizing Community Action agencies to address poverty in the United States. Source: Wikipedia

Letter from the Board Chair

Dear Friends and Supporters:
We had a good year in 2019 and we are excited to share this annual report with you, our partners.

The year was transformational for Community Action Partnership of Hennepin County (CAP-HC). Collectively, we took time to evaluate the organization from top to bottom and identified our strengths and areas for improvement. We adjusted our programmatic strategies to meet the changing needs of the communities we serve. I am pleased to report that our agency is well-positioned to build upon its legacy of service. All of us at CAP-HC are grateful and honored to devote ourselves, day in and day out, to the work of reducing the impact of poverty throughout Hennepin County.

Of the many agency accomplishments during the year, several are indeed noteworthy, specifically:

- We achieved compliance in all aspects of board governance, including fulfilling the requirements of a tripartite board.
- We strengthened agency partnerships through contractual relationships with similarly minded organizations such as Beacon Interfaith Housing Collaborative, EMERGE, The Link, Lutheran Social Services, Salvation Army-Twin Cities, Simpson Housing Services, and Volunteers of America. These partnerships led to more than 1,000 households served throughout the community, including:
 - o Nearly 200 families obtaining safe and affordable housing
 - o More than 500 households avoided eviction
 - o Over 40 unemployed individuals gained employment
- Our Energy Assistance Program continued to be an outstanding agency stalwart, serving

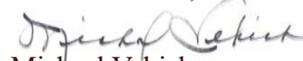
more than 20,000 households by helping to avert utility disconnections. This program continues to serve more participants than any program in the State of Minnesota.

- Program referrals throughout the agency were expanded; many who came through our doors for Energy Assistance services were connected to other CAP-HC programs, services or partner agencies to address their unmet needs.
- We commenced a robust community needs assessment and strategic planning process. This process concluded in early 2020 and will provide decisive and impactful direction for the organization through 2022.

As noted in my opening statements, this annual report reviews the 2019 calendar year. However, we publish it as our local community, the nation, and the globe continues to be challenged by the pandemics of COVID-19 and of historical, pervasive, and systemic racism. These conditions serve as an activator that has accelerated the loss of life and disproportionate economic losses to important populations in our local communities and across the country; the devastating effects of these conditions were brought into unequivocal focus by the horrifying death of George Floyd in Minneapolis.

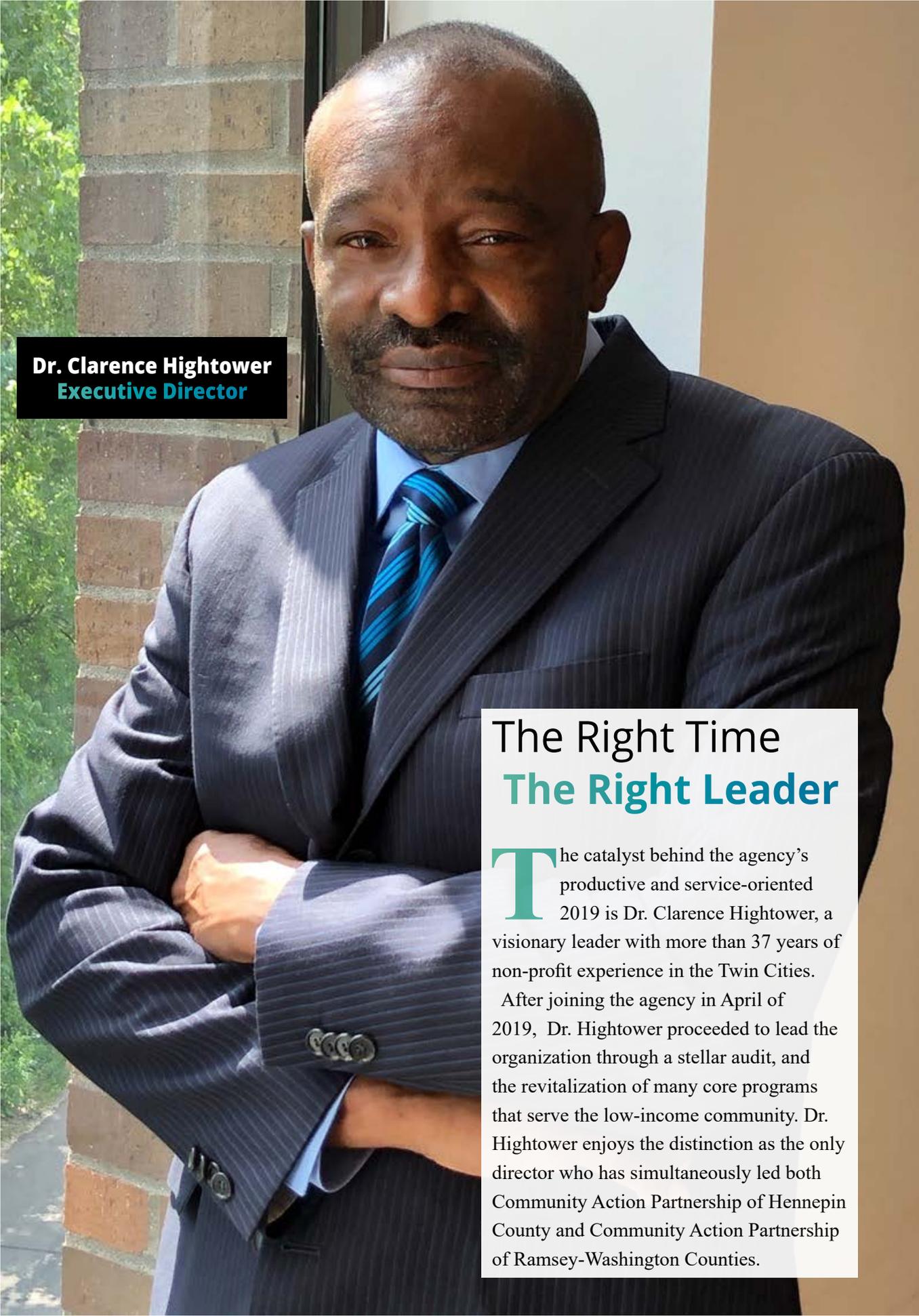
During this important, historic, and challenging time, our agency guideposts will be our organizational values of equity and inclusion, strengthening community, eliminating barriers, creating opportunities, building relationships, and responsible stewardship. We remain steadfastly committed in exemplifying these values as we create our future together in Hennepin County.

Yours in service,



Michael Vekich

Board Chair

A portrait of Dr. Clarence Hightower, Executive Director. He is a Black man with a short haircut and a beard, wearing a dark blue pinstriped suit jacket, a light blue shirt, and a blue and black striped tie. He is standing in front of a brick wall and a window, with his arms crossed. The background shows green foliage outside the window.

Dr. Clarence Hightower
Executive Director

The Right Time The Right Leader

The catalyst behind the agency's productive and service-oriented 2019 is Dr. Clarence Hightower, a visionary leader with more than 37 years of non-profit experience in the Twin Cities.

After joining the agency in April of 2019, Dr. Hightower proceeded to lead the organization through a stellar audit, and the revitalization of many core programs that serve the low-income community. Dr. Hightower enjoys the distinction as the only director who has simultaneously led both Community Action Partnership of Hennepin County and Community Action Partnership of Ramsey-Washington Counties.

Community Spotlight

A Difference Made

Nakeda Frazier, a single mother of two, was struggling to make ends meet when she enrolled in CAP-HC's Energy Assistance Program (EAP) to help with her utility bills. She grew up in a large family that struggled with finances and addictions, subsequently prompting her to leave home at an early age.

After coming to Minnesota for a fresh start, Nakeda took out many student loans, saying, "I made poor financial choices and got over my head in debt. After having my children, I decided to create a different direction for my family, so that they would not grow up thinking they needed to live in poverty."

The first-time HomeBuyers' Workshop caught Nakeda's eye. She enrolled, and quickly learned that owning a home would not be an expedited process. Through the homebuyer's program, she learned the home-buying process, financial and credit requirements, and how to qualify for a loan. She was then assigned a housing counselor who assessed her mortgage readiness and identified barriers to saving and becoming a homeowner.

Through hard work, she has improved her credit score to 750, enabling her to qualify for a home loan and more. Nakeda was then introduced and enrolled in the FAIM (Family Assets for Independence) program, which helped build her savings with the goal of homeownership with the least amount of debt.

Nakeda proudly explains the difference CAP-HC has made in her life. "I am very grateful for all the assistance I've received from CAP-HC and the wonderful staff who helped me along my journey to financial wellness. The program has taught me

the power of choices at an early age and how they impact your financial health in the long term. I've learned patience and that change doesn't happen overnight, but through positivity and perseverance you can achieve your financial goals."



Nakeda Frazier, (shown here with her daughter) is now on the pathway to homeownership. The proud mother of two attributes the First-Time Homebuyers Workshop, and the Family Assets for Independence Program, to her success.

ENERGY ASSISTANCE PROGRAM



Each day many low-income residents of Hennepin County are faced with the choice of buying food and medicine or paying a utility bill. The Energy Assistance Program (EAP) is often the last line of defense before a significant setback cripples their families. Losing heat, electricity, water, or a broken furnace can be especially devastating if you have children or caring for an elderly loved one with medical needs. The program runs from October 1 through May 31st. Both homeowners and renters may be eligible. The amount of an energy assistance grant is determined by income, household size, dwelling type, and energy consumption. Household income must be at or below 50% of the state median income guidelines.

Community Action Partnership of Hennepin County

(CAP-HC) is the largest EAP provider in the state. In program year 2019, CAP-HC served more than 20,000 low-income residents of Hennepin County with an average grant per household of \$404. Qualified applicants are served on a first-come-first-serve basis while funds last. Seniors, people with disabilities, and families with young children are specifically encouraged to apply. Approximately 5,900 homes received additional assistance to help avert utility disconnection.

During the heating season, the Energy-Related Repair Program (ERR) assisted 340 households in need of emergency repair or replacement of their heating unit. In total, more than \$12.5 million in LIHEAP funds were disbursed by CAP-HC on behalf of low-income households in Hennepin County in 2019.



20,366

The Energy Assistance Program served more than 20,000 households and 53,198 individuals throughout Hennepin County in 2019.

Household Grant Average

\$404

73% are renters

42% are children

20% are seniors

10% are disabled



51%

Of those served by EAP reside in **Suburban Hennepin County.**

49%

of those served by EAP reside in **Minneapolis.**

Client Services by the Numbers

Our program strengths range from core housing and financial wellness, to car repair and food support. In addition, many households were also served by our partnerships including: Beacon Interfaith Housing Collaborative, Emerge, The Link, Lutheran Social Services, Salvation Army, Simpson Housing Services, and Volunteers of America. Listed below are numeric outcomes from Client Services and its subgrantee partners.




459
Hours of Financial & Asset Counseling

Financial Literacy & FAIM: Families are provided financial education and counseling to gain the tools they need to become financially secure. FAIM helps low-wage earners save money.



600
Hours of Homeownership Services

Emphasis on Homeownership: Programs such as mortgage counseling and homebuyer education workshops were designed to create well-informed prospective homeowners.



134
Vehicles Repaired for Income-eligible Residents

Vehicle Repair Program: Provides up to \$1,200 for car repairs to assist those working to maintain employment, thus preventing economic gaps in family sustainability.



174
Tenants Attended a Housing Workshop

Homebuyer and Renter Workshops: Monthly interactive workshops provide education on renter rights and the responsibilities of owning a home.



411
MNSure/SNAP Applications Completed

Application Navigators: Provides application assistance with MNSure to determine medical assistance options.



531
Families Received Water Assistance

Water Assistance Program: Both homeowners and renters may be eligible to receive water assistance.



Responsible Stewardship

Community Action Partnership of Hennepin County is governed by a diverse tripartite board, encompassing stewardship from the community, private and public sectors. Working closely with the executive director, the Directors bring unique perspectives, backgrounds, and expertise to a single mission - to effectively guide this agency to a future that witnesses the effective short-and long-term reduction of poverty in Hennepin County.

The Board leads the agency at a strategic level and sets the tone of compliance, ethics, and duty to mission to ensure the agency and its executive director are equipped with resources and support to diminish the crippling effects of poverty in the lives of those we serve.

Board of Directors 2019

PRIVATE SECTOR

Michael Vekich
Board Chair

Kevin Myren
Treasurer

Marvin Johnson

Justin Gillette

PUBLIC SECTOR

David Asp
Vice Chair

Alysen Nesse

Josh Schaffer

Karin Keitel
Secretary

Sherrie Pugh

COMMUNITY SECTOR

Angela Wade

Eric Totten

Tyanna Bryant

Solomon Ogunyemi

Nelson Morocho Cuvi





Volunteer Spotlight

The Linus Project: Blankets that warm the heart

According to the Corporation for National and Community Service, Minnesota has a rich history of community service and is currently ranked second in the nation in the rate of volunteering. Minneapolis leads metropolitan cities with the highest rate of volunteering at 45%. Since our inception as a Community Action organization, volunteers have been vital in our efforts to build self-sufficient, healthy, and vibrant communities, while fulfilling our mission of reducing poverty in Hennepin County.

CAP-HC thanks its volunteers for their service and contributions. Their efforts have resulted in many positive outcomes for families in Hennepin County.

The Linus Project is a volunteer organization that has been a partner for more than ten years. Their volunteers, known as “blanketeers,” provides comfort and a sense of security through hand-made blankets to children who are seriously ill or have experienced trauma. Volunteers across Hennepin

County produce fleece hand-tied or knitted quilts.

In 2019, volunteers contributed 527 colorful blankets to children in need through CAP-HC’s housing stabilization program. The quilts were distributed to families through our homeless outreach and rapid rehousing program, with an emphasis on reaching those in a growing tent encampment in Minneapolis along Franklin Avenue and Hiawatha.

Karen Daloia, the Twin Cities Coordinator for the Linus Project, started making blankets to provide comfort to cancer patients. “I feel very fortunate to do something I love, providing warm blankets to children in need,” she said. “The greatest reward I get is hearing from parents, and how the simple gift of a blanket has provided security and comfort to children experiencing a crisis.”

CAP-HC honors the service and commitment of the Linus Project that have supported the families we serve.

“ I feel very fortunate to do something I love, providing warm blankets to children in need... ”

Karen Daloia

Partner Spotlight

Minnesota Mechanical Contractors Association



The Energy Assistance Program (EAP) partners annually with the Minnesota Mechanical Contractors Association (MMCA) to deliver their Project Heats ON and Water's Off programs. EAP identifies eligible community members and schedule the appointments for the free services.

Project Heat's On

Project Heat's On is a volunteer effort that was started in 1986 to service and repair the furnaces of elderly, disabled, and low-income homeowners. For 30 years, hundreds of volunteer pipefitters from St. Paul Local #455, Minneapolis Local #539, and Rochester Local #6 has work with members of the Minnesota Mechanical Contractors Association (MMCA) to provide the needy with furnace repairs. Project Heat's On helps community members reduce the cost for government programs and since its beginning, pipefitters and contractors in Minnesota have volunteered over 32,098 hours, helped 7,447 homeowners at an estimated value of \$3,438,200.

Water's Off

In 1994, a group of plumbers wanted to implement a program to raise awareness for homeowners of the importance of water conservation. After further research, it was learned that the economically challenged homeowners were generating the largest water bills. The unions and contractors partnered and developed the Water's Off program to help homeowners in need, while also raising awareness of the importance of water conservation attained through proper plumbing maintenance and repair.

Volunteers from St. Paul and Mankato Local 34, Minneapolis Plumbers Local 15, and Rochester Plumbers Local 6 donate their time one Saturday morning each spring to provide the labor. Union contractors from the Minnesota Mechanical Contractors and the Metro Plumbing Heating Cooling Contractors Associations provide vehicles, gas, tools, and parts. There is no cost to the homeowners. On average, 130 volunteers participate and about 100 homes are serviced throughout the state on Water's Off day with an estimated donated value of \$62,000.

FINANCIAL SUMMARY

Consolidated Statement of Financial Position

Year Ended December 31, 2019

Assets

Cash	\$	685,401	49.0%
Receivables		593,187	42.4%
Prepaid Expenses		71,152	5.1%
Property & Equipment, Net		48,601	3.5%
Total Assets	\$	1,398,341	100.0%

Liabilities & Net Assets

Payables	\$	624,892	44.7%
Accrued Expenses		100,996	7.2%
Grant Advances		291,542	20.8%
Assets Without Donor Restrictions		267,139	19.1%
Assets With Donor Restrictions		113,772	8.2%
Total Liabilities & Net Assets	\$	1,398,341	100.0%

Consolidated Statement of Activities

Year Ended December 31, 2019

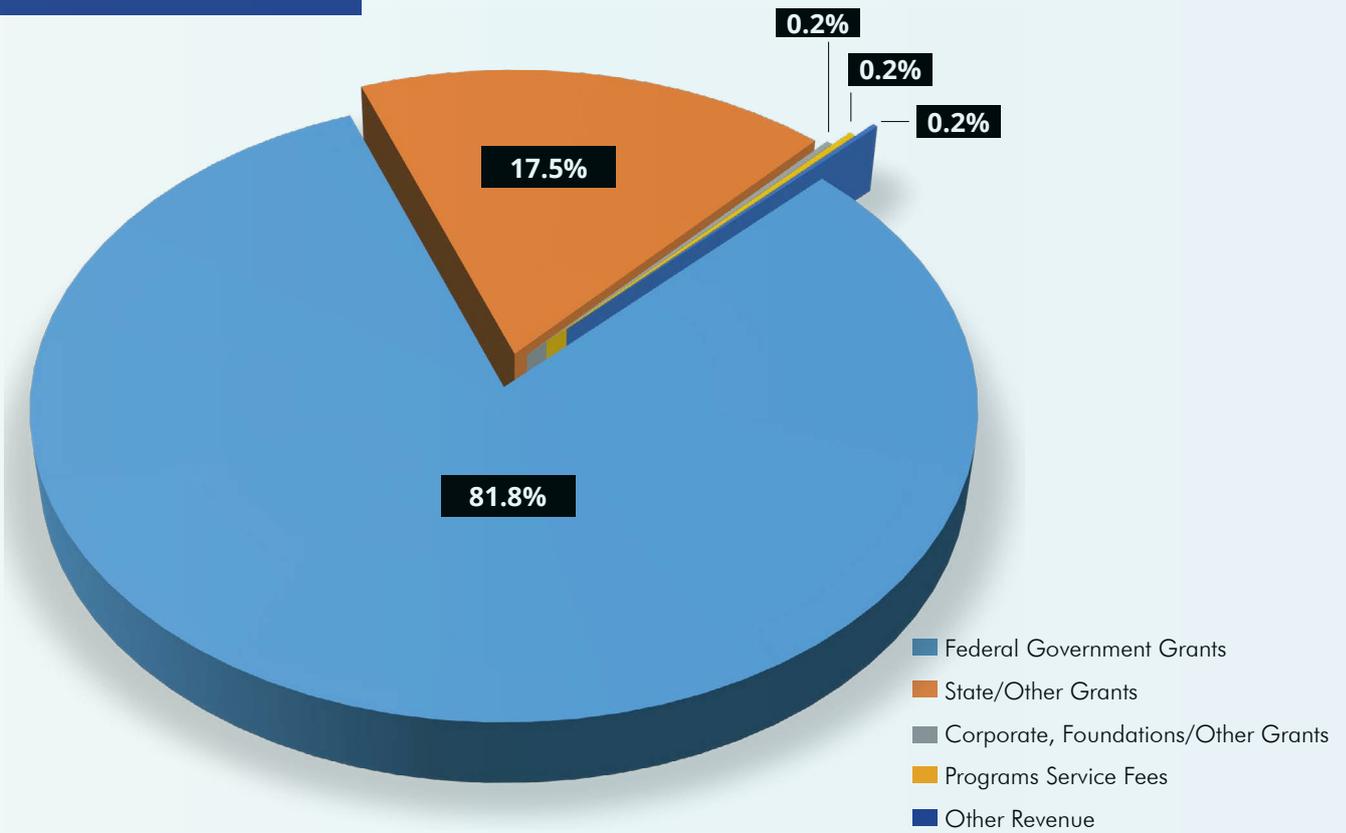
Revenue

Federal Government Grants		5,613,316	81.8%
State and Other Government Grants		1,200,439	17.5%
Corporate, Foundations, and Other Grants		16,208	0.2%
Program Service Fees		16,979	0.2%
Other Revenue		13,496	0.2%
Total Revenue		6,860,438	100.0%

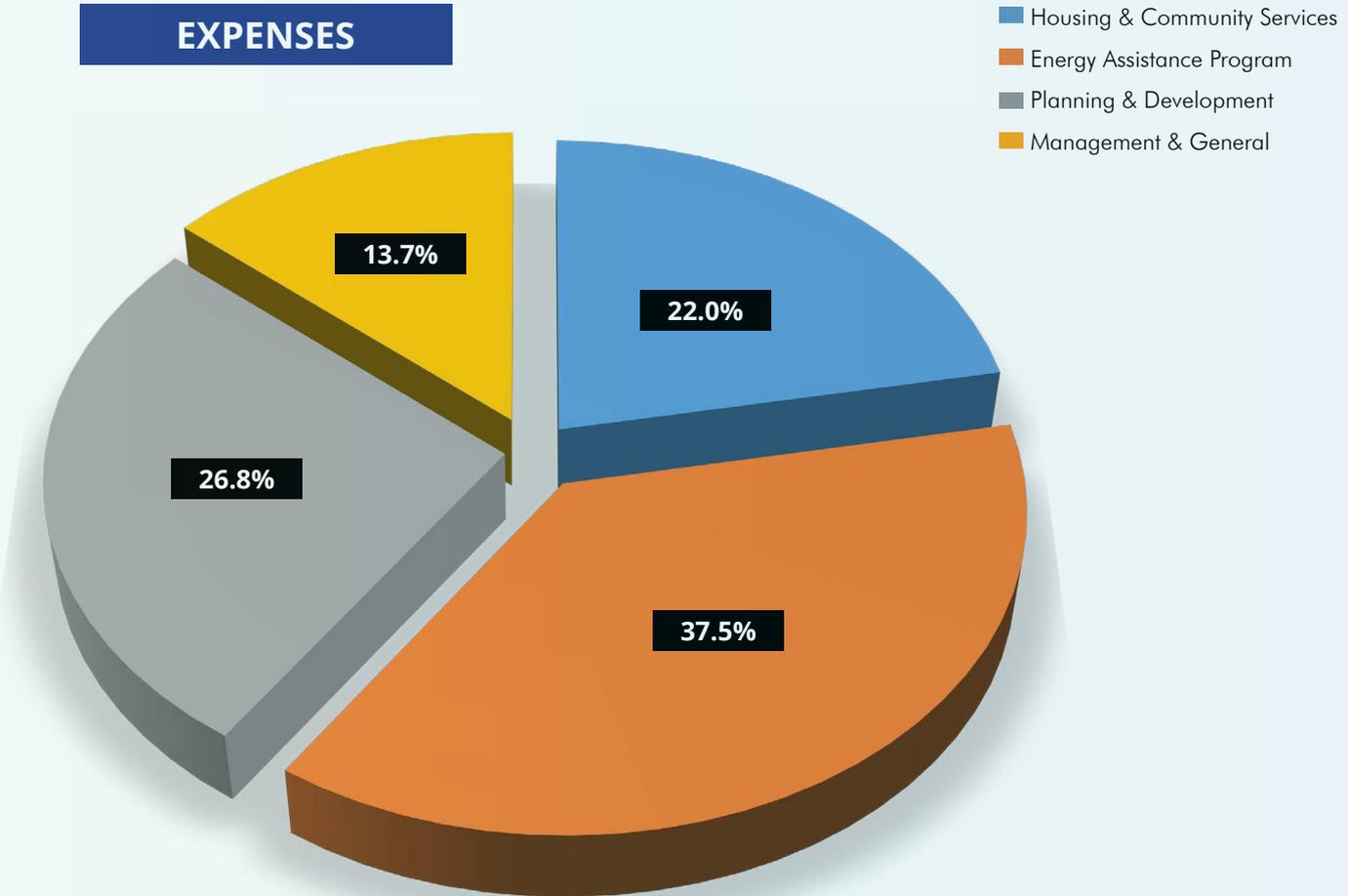
Expenses

Housing & Community Services		1,491,684	22.0%
Energy Assistance Program		2,537,866	37.5%
Planning & Development		1,812,993	26.8%
Management & General		929,621	13.7%
Total Expenses		6,772,164	100.0%
Change in Net Assets		88,274	

REVENUES



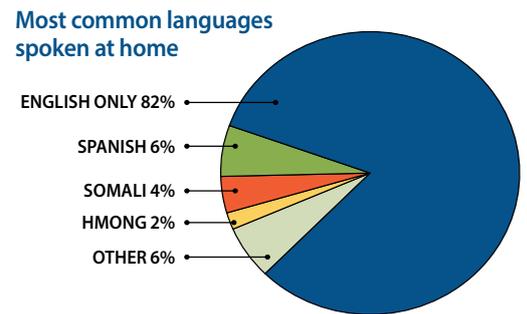
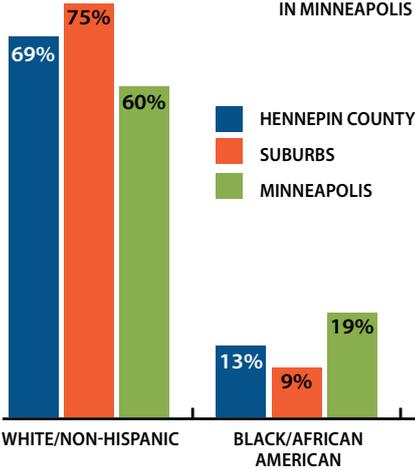
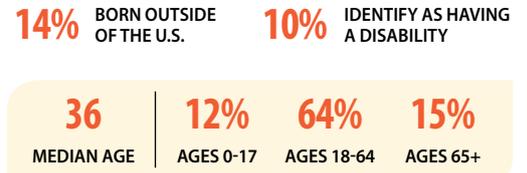
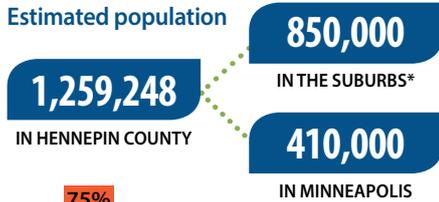
EXPENSES



HENNEPIN COUNTY COMMUNITY PROFILE

This community profile provides an overview of data regarding Hennepin County, Hennepin County Suburbs, and Minneapolis.

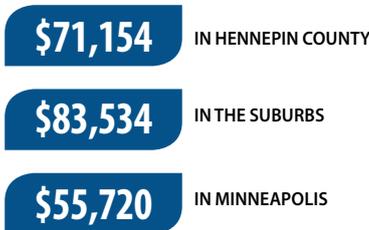
Population Characteristics



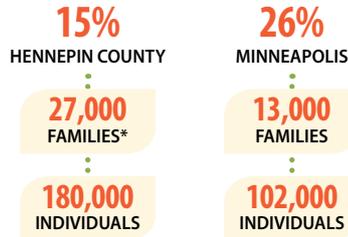
SOURCE: Population estimate based on 2018 ACS 1-year estimate, U.S. Census Bureau; race/ethnicity data compiled by MN Compass based on 1-year ACS data population estimate of 1,252,024; language data sourced directly from 2017 ACS 5-year estimates, U.S. Census Bureau

Income & Poverty

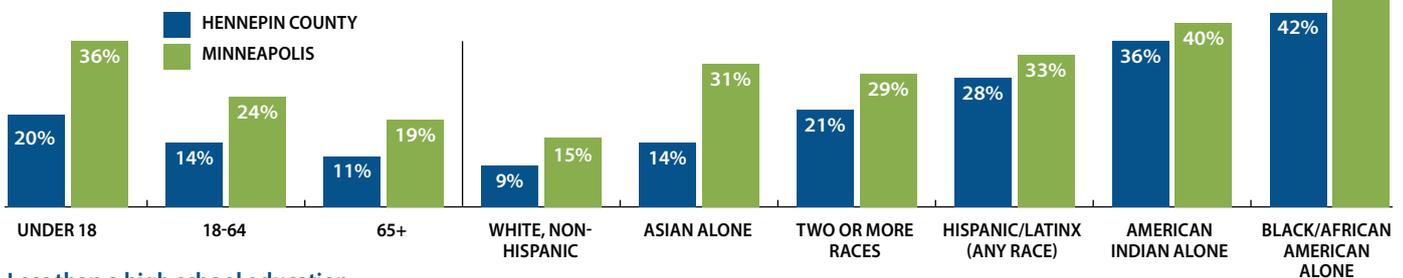
Median household income



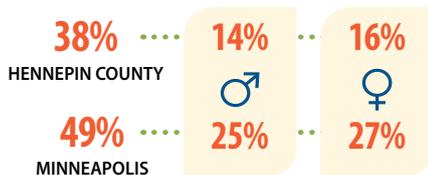
Living below 125% poverty level



Percent of the following population groups living under 125% of the poverty level



Less than a high school education



Living with a disability



Born outside of the U.S.



SOURCE: 2017 ACS 5-year estimates, U.S. Census Bureau; MN DEED, LAUS for October 2019

* Hennepin County Suburbs consist of 44 cities in Hennepin County, aggregated by MN Compass. "Families" as defined by the Census Bureau are two or more people who live in the same household and are related by birth, marriage, or adoption. For households living under 125% poverty, the threshold for a family of four is \$32,188.

Housing & Transportation

Homeownership

39% POBI **22%** BLACK **75%** WHITE

\$245,000 MEDIAN HOUSING VALUE

\$1,031 MEDIAN GROSS RENT



1 in 3

HOUSEHOLDS THAT ARE COST-BURDENED, OR SPEND MORE THAN 30% OF THEIR HOUSEHOLD INCOME ON HOUSING

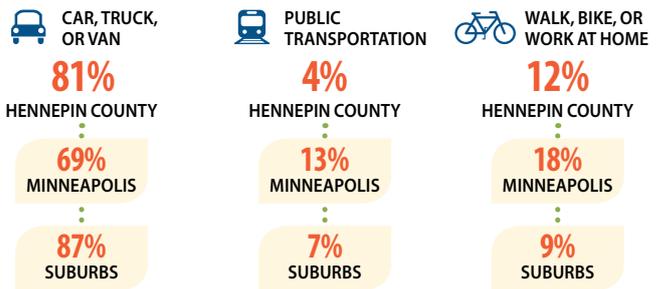
47% COST-BURDENED RENTERS

21% COST-BURDENED HOMEOWNERS

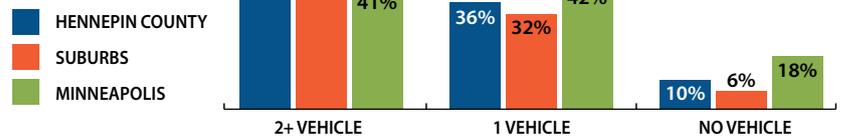
Number of people experiencing homelessness

~4,100
3,300 IN SHELTERS
800 NOT IN SHELTERS

Transportation to work—ages 16+



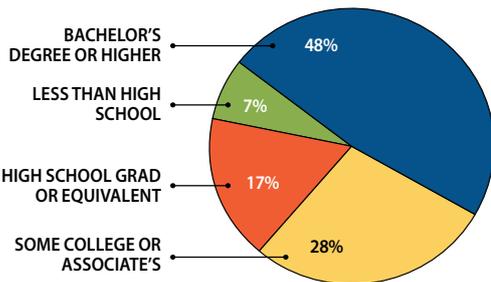
Vehicles available per household



SOURCE: MN Compass, 2017 ACS 5-Year Estimates, U.S. Census Bureau

Education

Educational attainment for those age 25+, Hennepin County



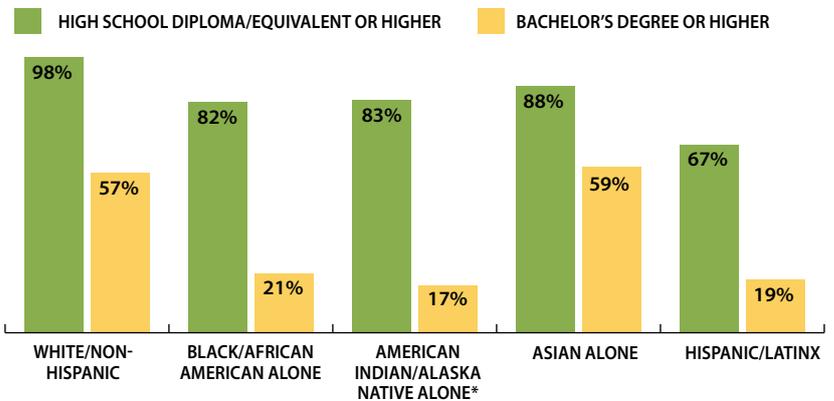
3 in 10 HENNEPIN COUNTY RESIDENTS AGE 25+ WITH LESS THAN A HIGH SCHOOL DEGREE EXPERIENCE POVERTY



Academic performance

55% PROFICIENT IN READING BY 3RD GRADE **56%** PROFICIENT IN MATH BY 8TH GRADE **78%** GRADUATED HIGH SCHOOL ON TIME

Educational attainment—age 25+, by race/ethnicity



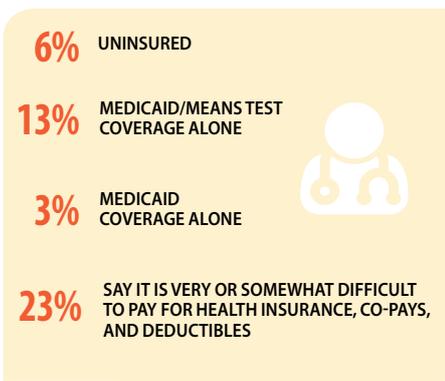
* Margin of error is at least 10% of the total value. Be cautious with this estimate.

SOURCE: 2017 MCA, MN Dept of Education, compiled by MN Compass; 2018 ACS 1-Year Estimates, U.S. Census Bureau

Health



U.S. HEALTH RESOURCES AND SERVICE ADMINISTRATION IDENTIFIED THESE AREAS IN HENNEPIN COUNTY AS BEING MEDICALLY UNDERSERVED—HAVING TOO FEW PRIMARY CARE PROVIDERS, HIGH INFANT MORTALITY, HIGH POVERTY OR A HIGH ELDERLY POPULATION.



47,000

HOUSEHOLDS RECEIVE SNAP BENEFITS

SOURCE: 2018 Metro Shape Survey



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