

**Council Agenda Item 25-0446R**



**MEETING DATE:** May 27, 2025

**SUBJECT/TITLE:** RESOLUTION OF SUPPORT FOR THE REQUEST BY UNION GOSPEL MISSION TO THE STATE OF MINNESOTA FOR QUALIFYING MULTIFAMILY FUNDING AND A CONDITIONAL PRE-COMMITMENT OF \$400,000 FISCAL YEAR 2026 FUNDING ALLOCATION TO THE CITY OF DULUTH FROM THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR THE CONSTRUCTION OF THE MISSION HEIGHTS HOUSING PROJECT.

**SUBMITTED BY:** Ben VanTassel – Director, Planning and Economic Development

**RECOMMENDATION:** Approve.

**BOARD/COMMISSION/COMMITTEE RECOMMENDATION:** Community Development Committee voted to approve pre-commitment of HUD 2026 funding. They recommend to approve.

**PREVIOUS COUNCIL ACTION:**

May 12, 2025 – Committee of the Whole presentation on the Minnesota Housing Finance Agency (MHFA) Consolidated Multifamily RFP process and local applicant projects.

**BACKGROUND:**

Each year, local Duluth applicants to the MHFA Consolidated Multifamily RFP request a resolution of support from the City Council to strengthen their applications. Given the program's highly competitive nature, demonstrating local support via a city council resolution can significantly improve the applicant's likelihood of receiving state funding. This year, local applicant Union Gospel Mission is seeking support for its proposed Mission Height Housing project, a 40-unit permanent supportive housing development.

**BUDGET/FISCAL IMPACT:**

Pre-commitment of \$400,000 of Fiscal Year 2026 HUD Funding.

**OPTIONS:**

Approve support of Union Gospel Mission's application for their proposed Mission Height Housing project and approve the Community Development Committee's pre-commitment of \$400,000 of FY 2026 HUD funding or deny support of the application and pre-commitment funding.



**NECESSARY ACTION:**

Approve the Resolution of Support

**ATTACHMENTS:**

Community Development Committee Resolution to Approve Pre-commitment Funding