

Council Agenda Item 26-0461R



MEETING DATE: May 26, 2026

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 2027 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 the pre-commitment of HUD 2027 funding on April 21, 2026. They recommend approval.

PREVIOUS COUNCIL ACTION:

May 11, 2026 – Committee of the Whole presentation on the Minnesota Housing Finance Agency (MHFA) Consolidated Multifamily RFP process and local applicant projects.

BACKGROUND:

Every year, local Duluth applicants applying for funding through the annual 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 and demonstrating local investment 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 and a precommitment of \$400,000 of fiscal year 2027 HUD funds for their Mission Height Housing project, a 40-unit permanent supportive housing development.

BUDGET/FISCAL IMPACT:

Pre-commitment of \$400,000 of Fiscal Year 2027 city-allocated HUD Funding

OPTIONS:

Approve support of Union Gospel Mission’s application to MHFA for their proposed Mission Height Housing project and approve the Community Development Committee’s pre-commitment of \$400,000 of FY 2027 HUD funding or deny support of the application and pre-commitment of HUD funding.

NECESSARY ACTION:

Approve or deny the Resolution of Support

ATTACHMENTS:

Community Development Committee Resolution to Approve Pre-commitment of Funding