

**RESOLUTION APPROVING A PRE-COMMITMENT OF \$300,000  
FY 2023 FUNDING ALLOCATION TO THE CITY OF DULUTH FROM  
THE HOUSING & URBAN DEVELOPMENT (HUD) DEPARTMENT FOR THE  
CONSTRUCTION OF THE 60 UNIT WADENA WEST PROJECT**

RESOLVED, that the CD Committee hereby approves a pre-commitment of Fiscal Year 2023 funds to be received by the City of Duluth as allocated by the federal Housing and Urban Development Department for the construction of the 60 unit Wadena West project ("Wadena West"). The award of the \$300,000 will be contingent upon the developer, Center City Housing Corporation, successfully securing major funding support from the State of Minnesota's Housing Finance Agency and other funding sources to enable construction to begin next year. The development of Wadena West will contribute to achieving of housing goals in the 2020-2024 City of Duluth Consolidated Plan and the Continuum of Care's 10 Year Plan to End Homeless.

Approved at the April 13, 2022 Meeting:

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*Pat Sterner*

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Pat Sterner, Chair of the Community Development Committee  
City of Duluth

STATEMENT OF PURPOSE:

This resolution provides for a pre-commitment of the City's FY 2023 HUD allocation for the construction of Wadena West. Center City Housing Corporation is the developer and will be owner. The building will be located in the Spirit Valley neighborhood of Duluth near the intersection of Wadena Street and 53<sup>rd</sup> Avenue West. Construction of this 60-unit multifamily apartment will provide rental opportunities for single adults experiencing or at risk of experiencing homelessness. The units will be income restricted for individuals earning 60% or less of Area Median Income.

The total estimated cost of the project is \$15,354,452. In June 2022, Center City Housing Corporation will be submitting an application to Minnesota Housing for the majority of the funds needed to construct the building. This pre-commitment of funds is evidence of the Community Development Committee's support for the project. Depending on the type of housing requests received this summer for FY 2023 funds, the actual award of \$300,000 could be either Community Development Block Grant (CDBG) or HOME Program dollars.