

City of Duluth Minnesota

FY 2026 ACTION PLAN

Consolidated Plan for Housing and Community Development FY 2025 – 2029

FY 2026 Action Plan:
Consolidated Plan for
Housing and Community Development
FY 2025 - 2029
for the
City of Duluth, Minnesota

Community Development Committee (CD Committee)

Steven Wick
Patrice Critchley-Menor
Will Wilson
Annie Schwartz
Shannon Laing

The preparation of this document was financed through a Community Development Block Grant from the Department of Housing and Urban Development through the Housing and Community Development Act of 1974 as amended.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

For the 2026 Program Year, the City of Duluth expects to receive about \$3 million in funds from the U.S. Department of Housing and Urban Development (HUD). HUD provides three types of funds: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG). CDBG funds support community development projects including affordable housing, public services, public facilities, and economic development. HOME funds support programs that create affordable housing for low-income households. ESG funds support projects that offer basic needs and housing stabilization services to community members experiencing or at risk of experiencing homelessness. Local organizations apply to the Community Development Program requesting these HUD funds for their projects.

The Community Development Committee reviews the applications and recommends funding amounts for the Community Development Program. The CD Committee holds public input sessions and comment periods regarding the funding recommendations and then makes its final funding recommendations to the City Council.

If there is a difference between the HUD allocated amounts and the estimations made during the allocation planning process, the CD Committee adopted this following Contingency Plan:

If there should be a higher level of funding allocated to the city for FY 2026 than estimated, such funding shall be distributed proportionally to previously recommended projects that were not recommended to receive full funding, up to 3% of the final allocation, and if less funding is allocated, all projects shall be reduced proportionally up to 3% of the final allocation. If the final allocated amount varies by more than 3% of the estimated amount, then the Community Development Committee shall

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Through the needs assessment and market analysis, citizen participation process, and agency consultation, the City of Duluth Community Development Committee (CDC), a citizen-led group established the 2025-2029 Consolidated Plan Goals that are to be met during the next five years. Each goal is associated with an expected achievement number and expected total funding allocation for the entire five years. The City of Duluth expects to receive \$11,500,000 in CDBG funds, \$2,75,000 in HOME Funds, and \$1,050,000 in ESG funds during these 5 years. Each year the Action Plan works to address these 5 year goals, this is the second Action Plan in this process.

Affordable Housing: Increase the number and condition of affordable housing units for low to moderate income (LMI) people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. The estimated 5-year allocation is \$6,675,000, which will provide:

300 homeowner housing units to be rehabilitated

250 rental units to be rehabilitated

50 homeowner housing units to be added

250 rental units to be added

Community Development Facilities are buildings or structures or items that meet a priority need, are open to the public and benefit low-income households, example of these facilities include Homeless Facilities, Transportation Facilities, or Recreation Facilities. Address vacant, condemned, blighted and/or deteriorated properties. Provide updated infrastructure, including pedestrian improvements and/or downtown improvements. Improve or provide essential services to LMI HH. The estimated 5-year allocation is \$1,500,000 and will provide a benefit to 350,000 people.

Basic needs: Provide services to LMI people that fulfill basic needs including food, health services, child care, prevent evictions, and address other needs such as tax preparation. The estimated 5-year allocation is \$2,000,000 and will provide a benefit to 350,000 people.

Create Living Wage Jobs: Create jobs by providing assistance/incentives to businesses to grow and hire LMI people. Provide job training and skill development to assist people who are LMI in accessing living wage jobs. Job training should include collaboration with the CareerForce Center and ensure a focus on needed job sectors. Assist LMI people to grow/start their business and grow their income. The estimated 5-year allocation is \$1,000,000 and will provide job training to 15,000 people and assist 60 businesses.

Homelessness: Provide shelter, services, outreach and rental assistance to people who are homeless or in danger of becoming homeless or have been homeless. The estimated 5-year cost is \$1,721,250 and will provide assistance to 24,150 people.

The City of Duluth will use HUD funds as leverage to increase funding for these goals, and perhaps, exceed the number of people receiving these services in a coordinate effort.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each program that is funded with CDBG, HOME and ESG funding is monitored annually to make sure that the number of people who were going to be served for a specific need were met. If not, then that program is evaluated to determine whether the need for the program is still a priority or if that need is being met elsewhere due to other new funding sources or if the community dynamics have changed and the demand for a specific need has decreased. This information is presented in a document described as the Consolidated Annual Performance and Evaluation Report (CAPER).

The most recent CAPER was submitted for the 2024 program year, which was for the previous consolidated plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The citizen participation process outlined in the 2020 Citizen Participation Plan was integral in goal-setting and developing strategies in the plan. The City used a combination of a public hearing, newspaper outreach, and surveys (both online and in person) to identify needs in Duluth. The Citizen Participation Plan lists the public process that the Planning & Development Division utilizes throughout the year. The plan includes the process for the development of the Consolidated Plan. The Citizen Participation Plan can be found online at: <https://duluthmn.gov/planning-development>

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

in process

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were accepted.

7. Summary

Comments supported recommendations, as displayed in the meeting minutes.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	DULUTH	Planning and Development Division
HOME Administrator	DULUTH	Planning and Development Division
ESG Administrator	DULUTH	Planning and Development Division

Table 1 – Responsible Agencies

Narrative (optional)

On behalf of the City of Duluth, the Planning and Development Division within the Department of Planning and Economic Development is the lead agency responsible for formulating plans and strategies for housing and community development efforts. The Division is directly responsible for administering and developing the Consolidated Plan, which outlines the community's goals and investment strategies for the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME) and Emergency Solution Grant Program (HESG). Also, the Community Development Division works with other City departments, the Housing and Redevelopment Authority of Duluth (HRA), neighborhood and citywide non-profit groups to implement the Community Development program.

Consolidated Plan Public Contact Information

Planning and Development

411 West First Street City Hall, Room 160, Duluth, MN 55802

Email: duluthcommdev@duluthmn.gov Phone: 218-730-5580

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City of Duluth is dedicated to developing a Consolidated Plan that is effective in meeting the needs of low-income people within the city. The Community Development Division spent nine months developing this plan which included outreach to the public and a variety of stakeholders.

An advisory group of citizens assists with reviewing community development strategies by providing direct citizen input into the planning and prioritization process. That group is the Community Development Committee (CD Committee). The CD Committee is made up of nine communitywide representatives. The CD Committee is advisory to the City Administration and the City Council.

The participation process for the Community Development Program is detailed in the City of Duluth Citizen Participation Plan, 2020 publication. In general terms, the process consists of two tiers. The CD Committee helps to provide community perspectives on the Community Development Program and oversee the funding process. Secondly, the city uses a public hearing and community needs survey.

The Community Development Division, as the lead entity, strives to involve many partners in addressing community development needs and issues. There are many other participants involved with housing and community development issues and programs in Duluth. As the lead agency, the Division strives to achieve close cooperation among these other entities.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The Planning and Development Division works closely with the Housing and Redevelopment Authority of Duluth (Duluth HRA) which is the local public housing administrator for Duluth. The City participates in a group called the Affordable Housing Coalition, which is made up of numerous agencies in Duluth that provide housing and homeless services and programs to those in need. This group meets regularly to discuss issues and gaps in service, as well as, works to develop strategies to assist those in need of housing assistance and other needs. This group is comprised of City and County officials, as well as housing agencies: Duluth HRA, One Roof Community Housing and Ecolibrium3, as well as supportive housing providers: Salvation Army, Center City Housing, Loaves and Fishes, Life House, Lutheran Social Services, MACV; and homeless shelters: CHUM and Safe Haven, Union Gospel Mission and service providers such as Human Development Center, Damiano, American Indian Community Housing Organization, Community Action Duluth. City staff attends these meetings with the St. Louis County Public Health and Human Services staff.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Duluth is located in the St. Louis County Continuum of Care (COC). The City of Duluth has a very interactive role with the COC- in reviewing the community needs and using this information in developing a prioritization process based on the annual needs and current data and performance measures to align the funding to best address the needs of homeless persons and persons in danger. Annually, City Staff presents the draft funding recommendations for the ESG and CDBG funds. The City also presents the annual CAPER to the COC.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Duluth continues to work closely with the St. Louis County Continuum of Care (CoC) on providing the ESG guidance which contains specific protocols for prioritizing services to eligible households. As part of the CoC several committees have been developed that have representation from the City, County, service providers, and clients. These committees and their duties are as follows.

Heading Home St. Louis County Leadership Council- Establishes annual targets through strategic planning, decides final funding and reallocation, review and ranks projects, and monitors program performances.

Data/HMIS Committee- Regularly review system level data and identify additional internal and external data sources. Oversees and monitors HMIS data collection and data quality and resolve any issues between provider (s) and Data Collection.

Evaluation and Planning Committee – Reviews the annual Point in Time Count (PIT), performance measures, HMIS data, and City and County ESG annual reports (CAPERS) and makes recommendations to the leadership council and identify strategies not yet in place, revisit and update the objective achievements and plan of action.

Other ad-hoc workgroups have been created to address Coordinated Entry, communication of priorities, and prevention targeting.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH
	Agency/Group/Organization Type	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Duluth and the Housing and Redevelopment Authority of Duluth (HRA) have an ongoing working relationship, and HRA was consulted throughout the Consolidated Plan process to take into account housing needs and strategies.
2	Agency/Group/Organization	Duluth Affordable Housing Coalition
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Duluth's Affordable Housing Coalition is made up of over twenty non-profit organizations and governmental agencies working to develop and preserve affordable housing throughout Duluth. The Coalition addresses the need for affordable housing along the entire spectrum from the "hardest to house" through workforce housing. The consultation with this group was extremely helpful in identifying gaps in service and developing priorities and goals. The city will continue to work with this group to prioritize and direct funding.

3	Agency/Group/Organization	COMMUNITY ACTION DULUTH
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Business and Civic Leaders community action agency
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Action Duluth is a Community Action Agency and provides a number of services including a Financial Opportunities Center, is a career and personal financial service centers that focus on the financial bottom line for low income individuals. They will continue to be consulted about the identification of blockades to employment and increasing income. Community Action Duluth works with other agencies that were actively involved in the development of the consolidated plan.

4	Agency/Group/Organization	Duluth Workforce Center
	Agency/Group/Organization Type	Services-Education Services-Employment Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Business Leaders Civic Leaders Business and Civic Leaders local and state collaborations
	What section of the Plan was addressed by Consultation?	Economic Development Anti-poverty Strategy employment services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Duluth Workforce Center is also known as the Duluth CareerForce, which is a collaboration of the several agencies including the Duluth Workforce Department and Minnesota Department of Employment and Economic Development. The City relies upon this agency to coordinate city job training, education, and employment connections. CareerForce will continue to be used in identifying growing industry sectors, employment training needs, and other efforts needed to grow jobs and employment in Duluth. As identified by the center, Duluth is now working to encourage economic development efforts to include training for construction and aircraft assembly sectors, which are in great need.
5	Agency/Group/Organization	Community Development Committee
	Agency/Group/Organization Type	citizen committee
	What section of the Plan was addressed by Consultation?	oversees City HUD funding process

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development Committee is a group of appointed citizens that have interest and experience with housing and community development issues. The Committee oversees the entire CDBG Program; including the development of the Consolidated Plan, Annual Action Plan, CAPER Report, and all funding recommendations. The committee makes recommendations to the City Council and Mayor.
6	Agency/Group/Organization	Ordean Foundation
	Agency/Group/Organization Type	Housing Services-Health Services-Education Services-Employment Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Regional organization Business Leaders Civic Leaders Business and Civic Leaders Private Foundation Foundation
	What section of the Plan was addressed by Consultation?	Funding Partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Ordean Foundation works to fund projects and efforts in the Duluth area, often times with much overlap of CDBG related activities. The City of Duluth will continue to collaborate with the Ordean Foundation to continue to ensure that gaps in services are met and avoid duplication of services/funding.

7	Agency/Group/Organization	Northland Foundation
	Agency/Group/Organization Type	Housing Services-Health Services-Education Services-Employment Service-Fair Housing Regional organization private foundation Foundation
	What section of the Plan was addressed by Consultation?	funding partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Northland Foundation is a regional foundation serving the communities of northeastern Minnesota, emphasizing funding projects to help children, youth, families, small/medium businesses, and the elderly. The City will continue to work with the Northland Foundation to identify funding gaps and eliminate the duplication of services/funding.
8	Agency/Group/Organization	Duluth Superior Area Community Foundation
	Agency/Group/Organization Type	Housing Services-Health Services-Education Services-Employment Business Leaders Civic Leaders Business and Civic Leaders private foundation Foundation

	What section of the Plan was addressed by Consultation?	funding partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Duluth Superior Area Community Foundation works to improve the region through funding projects that include the arts, community and economic development, education, environment, and human services. The City will continue to collaborate with the foundation to identify the gaps in services and avoid the duplication of services.
9	Agency/Group/Organization	Duluth Local Initiatives Support Corporation
	Agency/Group/Organization Type	Housing Services-Health Services-Education Services-Employment Regional organization Business Leaders Local Initiative Support Corporation
	What section of the Plan was addressed by Consultation?	Economic Development funding partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Duluth Local Initiative Support Coalition (Duluth LISC) is an agency in Duluth that works to help nonprofit community development organizations. The city works with LISC to coordinate the Duluth At Work program which is a job training program for low income people. Duluth works with LISC to identify needs, coordinate revitalization efforts, and collaborate to reach the low income neighborhoods and CDBG Target areas in Duluth.

10	Agency/Group/Organization	Saint Louis County Health and Human Services Dept
	Agency/Group/Organization Type	Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs county government

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The St. Louis County Health and Human Services Department manages the county Continuum of Care process and works to coordinate homeless and emergency services in within the County. The County is a partner with the city in providing coordination in homeless services and working to identify gaps and unmet needs.
11	Agency/Group/Organization	Saint Louis County Community Development Division
	Agency/Group/Organization Type	Housing Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Other government - County Regional organization
	What section of the Plan was addressed by Consultation?	county government
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The St. Louis County Community Development Division manages the CDBG funds that come to the county. Although these funds are directed outside of the City of Duluth, the city continues to consult with the county's Community Development staff in order to look for opportunities for collaboration and to identify gaps.

12	Agency/Group/Organization	MN ASSISTANCE COUNCIL FOR VETERANS
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	MACV offers services and housing for veterans experiencing homelessness. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.

13	Agency/Group/Organization	SALVATION ARMY (DULUTH)
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Salvation Army offers services and housing for people experiencing homelessness. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
14	Agency/Group/Organization	CENTER CITY HOUSING
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Center City Housing develops, owns and manages affordable housing properties for low income people, people struggling with alcoholism and addiction, and people experiencing homelessness. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
15	Agency/Group/Organization	UNION GOSPEL MISSION
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	UGM operates a food program and counseling services for people who are experiencing homelessness. They have recently opened 20 supportive units for people who were homeless. They are active in the community and regularly interact with the city regarding programming needs.

16	Agency/Group/Organization	City of Duluth
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Agency - Emergency Management Other government - Local Civic Leaders fire department
	What section of the Plan was addressed by Consultation?	Transportation and Infrastructure
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Engineering Department is responsible for designing and maintaining much of the transportation infrastructure such as roads and sidewalks. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan. The Fire Department is responsible for Emergency Planning. The Planning Department is responsible for floodland management, wetland determination and planning, zoning, and land use management.
17	Agency/Group/Organization	SOAR CAREER SOLUTIONS
	Agency/Group/Organization Type	Services-Education Services-Employment Services - Narrowing the Digital Divide Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	SOAR provides career planning services to low income job seekers and career changers in Duluth. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
18	Agency/Group/Organization	CHURCHES UNITED IN MINISTRY (CHUM)
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CHUM runs the homeless shelter in Duluth; and CHUM staff have active roles in the homeless programming for the community. City staff regularly interacts with CHUM on programming.
19	Agency/Group/Organization	Duluth Economic Development Authority
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Other government - Local Business Leaders Civic Leaders Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff works with DEDA staff to coordinate efforts for employment training, providing more child care, reducing the digital barrier and on housing projects.
20	Agency/Group/Organization	SAFE HAVEN SHELTER FOR BATTERED WOMEN
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services - Victims
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff interviewed staff about needs and the organization's long term goals.
21	Agency/Group/Organization	LIFE HOUSE
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Education Services-Employment Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff interviewed staff about needs and the organization's long term goals.
22	Agency/Group/Organization	NORTHEAST ENTREPRENEUR FUND
	Agency/Group/Organization Type	Services-Employment Business Leaders Civic Leaders Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff interviewed staff about needs and the organization's long term goals.
23	Agency/Group/Organization	ONE ROOF COMMUNITY HOUSING/NORTHERN COMMUNITIES LAND TRUST
	Agency/Group/Organization Type	Housing Services - Housing Civic Leaders
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City staff interviewed staff about needs and the organization's long term goals.

Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Saint Louis County	The Continuum of Care efforts of the county relate closely with the goals and strategies of the development of the Strategic Plan. The City works closely with the county to ensure that the needs associated in the Continuum of Care are also addressed within the Strategic Plan. Both plans have a goal to provide homeless services and ensure that there is adequate coverage of homeless programs.
Imagine Duluth 2035	City of Duluth	Imagine Duluth 2035 is the City's Comprehensive plan for land use. A key goal of this plan is to provide housing throughout the City of Duluth

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City of Duluth coordinates with local governments and agencies that manage flood plains, shore land areas, public water, and emergency management which includes, the City of Duluth Fire Department which provides emergency management services, the Planning and Economic Development Department which provides flood plain management for the City, and the St Louis River Technical Advisory Committee which is committee organized by the city of Duluth to connect partners from the Minnesota Department of Natural Resources, MPCA, and the Environmental Protection Agency which advise and partner on land and water resources. The City also continues to consult with Duluth Workforce Development partners, and Duluth Local Initiatives Support Corporation to identify partners and efforts to narrow the digital divide and improve access to technology which continues to be a priority in the community

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Citizen Participation Plan can be found online at: <https://duluthmn.gov/planning-development>

On May 20, 2025 meeting, the CD Committee members toured HUD funded projects and talked with agencies and people. During the monitoring process (May-June), agencies were asked to respond to a series of questions regarding programming and community needs. At the July 15 meeting, information from these events were used to develop draft funding priorities for the 2026 program. At the August 19 meeting, the CD Committee held a public hearing on the draft funding priorities. Afterwards the funding priorities were highlighted in the 2026 application.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	tour	Low to Moderate income people	CD Committee members tours projects, this was noticed as a public meeting.	Agencies were grateful for the HUD funds and showed how funding was being used to provide assistance to LMI people	na	

2	In Person	Persons experiencing homelessness	Questionnaires were sent to agencies would received funding. These questions focused on community needs.	1. Staffing was the most mentioned hurdle agencies have been running in to. Staff turnover rates and burnout are high at our non-profit agencies. Services offered are often deeply intensive and emotionally draining. 2. Agencies continue to see increasing numbers of individuals seeking aid or services compared to prior years. 3. The shortage of affordable housing has continued to increase the demand for public services, shelters, and facilities. 4. Governmen	All comments were accepted	
---	-----------	-----------------------------------	--	---	----------------------------	--

				t reporting and documentation continues to be an administrative burden for many agencies. And the increasingly unpredictable nature of the federal governments funding decisions, tariffs, supply chain disruptions, etc. make it that much more difficult to plan for the future.5. Mental health issues are perceived to be increasing. Drug use disorders are increasing. Children with ADHD and Autism Spectrum Disorder seem to be presenting more frequently at our		
--	--	--	--	---	--	--

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
				area child care centers. 6. An increase in requirements to qualify for rental housing: security deposits of twice the rent, and proof that earned income is three times the rent amount.7. Transportation continues to be a barrier for the clients served by several agencies.		
3	Newspaper Ad	Non-targeted/broad community LMI HH	A Public Hearing advertisement was placed in the Duluth News Tribune which has a broad circulation throughout the region.	City staff received support. The public hearing was on August 19	n/a	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,351,000.00	250,000.00	0.00	2,601,000.00	6,557,087.00	250,000 will be HRA PI from RLF

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	500,000.00	0.00	0.00	500,000.00	1,254,894.00	
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	207,000.00	0.00	0.00	207,000.00	636,245.00	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG, HOME, and ESG funds will help to leverage over \$20,000,000 annually (\$100,000,000 over the 5-year plan) of other federal, state, and

local funds. Matching requirements have been regularly met and the city doesn't anticipate having difficulty in satisfying these requirements. The City of Duluth reports on the match and leverage expenses in the CAPER reports. During the application process, the agencies provide the City with match information. ESG projects exceed the 1:1 match requirement, due the funding being used by established agencies that have other funding sources. HOME projects are match with either Tax Credit funding and/or Minnesota Housing Fund and/or Greater Minnesota Fund and by local organizations. Typically HOME funds represent 10 to 30% of a project development cost. All new development and acquisition/rehab projects that use HOME funding are required to have an individualize development agreement that shows the scope of work and funding sources. The City will track match HOME and ESG throughout the year and continue to ensure 25% and 100% requirements are met

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Although not already identified, publicly owned land is always considered as a way to reduce costs for new housing developments. The city of Duluth regularly considers using tax forfeited properties that Saint Louis County manages. These lands range from homes that are in need of rehab, to severely damaged/condemned buildings, to open lots. Often the city attempts to work with the county to remove the blighted structures and redevelop the land.

Discussion

The City continues to work with area funders, federal, state, and local funders to be able to leverage the federal funds that are received. While local private foundations experienced a period of reduced funding availability, projections show those amounts to increase. Individual organizations and collaborations have improved at seeking out new and alternative funding sources, in order to maintain service levels within the city. The city also continues to encourage cost-saving-collaborations within the housing, public service, and economic development areas.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2025	2029	Affordable Housing Public Housing		Affordable Housing Neighborhood Revitalization Housing stability and support services	CDBG: \$923,000.00 HOME: \$350,000.00	Homeowner Housing Added: 123 Household Housing Unit Homeowner Housing Rehabilitated: 10 Household Housing Unit
2	Living Wage Jobs	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$369,000.00	Public service activities other than Low/Moderate Income Housing Benefit: 371 Persons Assisted Businesses assisted: 3 Businesses Assisted
3	Basic Needs	2025	2029	Homeless Non-Homeless Special Needs Non-Housing Community Development		Economic Development Public Services	CDBG: \$276,000.00	Public service activities other than Low/Moderate Income Housing Benefit: 39002 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 923 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Community Development Facilities	2025	2029	Homeless Non-Homeless Special Needs Non-Housing Community Development		Community Development Public Facilities	CDBG: \$237,000.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 6000 Persons Assisted Housing for Homeless added: 2500 Household Housing Unit
5	Homelessness	2025	2029	Homeless		Homelessness Public Services	CDBG: \$74,000.00 HOME: \$100,000.00 ESG: \$207,000.00	Tenant-based rental assistance / Rapid Rehousing: 26 Households Assisted Homeless Person Overnight Shelter: 2164 Persons Assisted Homelessness Prevention: 16 Persons Assisted Other: 2700 Other
6	Staff Administration	2025	2029	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Affordable Housing Community Development Public Facilities Economic Development Homelessness Neighborhood Revitalization Housing stability and support services Public Services	CDBG: \$470,000.00 HOME: \$50,000.00 ESG: \$15,525.00	Other: 1 Other

Table 6 – Goals Summary

Annual Action Plan
2026

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	
2	Goal Name	Living Wage Jobs
	Goal Description	
3	Goal Name	Basic Needs
	Goal Description	Provide services to LMI people that fulfill basic needs including food, health services, childcare, prevent evictions, and address other needs such as tax preparation.
4	Goal Name	Community Development Facilities
	Goal Description	Community Development Facilities are buildings or structures or items that meet a priority need, are open to the public and benefit low-income households, example of these facilities includes Homeless Facilities, Transportation Facilities, or Recreation Facilities. Address vacant, condemned, blighted and/or deteriorated properties. Provide updated infrastructure, including pedestrian improvements and/or downtown improvements. Improve or provide essential services to LMI HH.
5	Goal Name	Homelessness
	Goal Description	

6	Goal Name	Staff Administration
	Goal Description	Administration funding for the CDBG, HOME, and ESG programs

Projects

AP-35 Projects – 91.220(d)

Introduction

The city relies mostly upon non-profit and neighborhood organizations to carry out the goals of the Consolidated Plan and Annual Action Plans each year. Through an open application process the City of Duluth reviews and evaluates applications as to how they fit in with the plans. Projects are then funded and the city oversees progress to make sure the goals and objectives of the city are being met.

Projects

#	Project Name
1	Affordable Housing
2	Create Living Wage Jobs
3	Basic Needs 2026
4	Homelessness 2026
5	Community Development Facilities

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Each year the Community Development Committee develops funding targets based on needs assessments, data analysis, and input from public hearings. These funding targets then guide the review of applications and funding recommendations. For 2026, the funding targets were set as the following:

Community Development Block Grant

- Affordable Housing, Target: 35%, Recommended: 35%
- Economic Development, Target: 20%, Recommended: 16%
- Public Facilities, Target: 10%, Recommended: 14%
- Public Services, Target: 15%, Recommended: 15%
- Planning/Administration: 20%, Recommended: 20%

AP-38 Project Summary
Project Summary Information

1	Project Name	Affordable Housing
	Target Area	
	Goals Supported	Affordable Housing
	Needs Addressed	Housing stability and support services Affordable Housing
	Funding	CDBG: \$923,000.00 HOME: \$350,000.00
	Description	construction of new housing units for LMI HH or rehabbing existing housing for affordable housing
	Target Date	3/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	123 HH will benefit
	Location Description	throughout the City of Duluth
	Planned Activities	construction of new housing units or rehabbing of existing housing units for affordable housing
2	Project Name	Create Living Wage Jobs
	Target Area	
	Goals Supported	Living Wage Jobs
	Needs Addressed	Economic Development
	Funding	CDBG: \$369,000.00
	Description	develop businesses for job creation and providing job training to LMI
	Target Date	3/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	3 businesses will be assisted and 371 people will be provided with job training
	Location Description	throughout the City of Duluth
	Planned Activities	business development and job training
3	Project Name	Basic Needs 2026
	Target Area	
	Goals Supported	Basic Needs

	Needs Addressed	Housing stability and support services Public Services
	Funding	CDBG: \$278,000.00
	Description	Provide food, childcare, youth assistance, landlord mediation, and supports for housing stability
	Target Date	3/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	39,340 people will be assisted
	Location Description	throughout the City of Duluth
	Planned Activities	provide food, childcare, youth supporting and housing supports stability services
4	Project Name	Homelessness 2026
	Target Area	
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$74,000.00 HOME: \$207,000.00
	Description	provide assistance to people who have or at risk of becoming homeless
	Target Date	3/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 2224 people will be provided with shelter services
	Location Description	CHUM, Safe Haven, Center City, Salvation Army, Life House, MACV
	Planned Activities	Provide shelter to people who are or who have experienced homelessness
5	Project Name	Community Development Facilities
	Target Area	
	Goals Supported	Homelessness Community Development Facilities

	Needs Addressed	Community Development Public Facilities Homelessness
	Funding	CDBG: \$237,000.00
	Description	
	Target Date	3/31/2027
	Estimate the number and type of families that will benefit from the proposed activities	8500 LMI people will benefit
	Location Description	Throughout the City of Duluth
	Planned Activities	Rehab an elevator for LMI seniors with disabilities, Rehab a building and plaza on 1 st Street that serves victims of domestic violence, Plant trees along 1 st Street to improve business corridor, Revitalization improvements along 6 th Ave E, Construct an engagement center for people who are experiencing homelessness

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

CDBG, HOME and ESG fund will be spent throughout the City.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

NA

Discussion

We do not have HUD approved neighborhood revitalization areas but we do have locally designated CDBG eligible neighborhoods that are over 51% LMI where efforts are often focused.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The city of Duluth works to provide affordable housing in a multi-faceted manner through its policies and entitlement funding goals. The City will utilize sub-recipients to provide services for homeless people to help them obtain stable and affordable housing as well as assist low- and moderate-income populations to acquire or maintain affordable housing through rental assistance, building new units, and rehabbing existing units. Homeless includes people who are experiencing homelessness, including being at the CHUM or Safe Haven Shelter or with street outreach. Non-homeless are people who are living in a unit being assisted with home funds, Special needs are people who are living in housing but need supportive care

One Year Goals for the Number of Households to be Supported	
Homeless	1,675
Non-Homeless	95
Special-Needs	324
Total	2,094

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	64
The Production of New Units	14
Rehab of Existing Units	50
Acquisition of Existing Units	8
Total	136

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

Homeless service providers in Duluth work to provide comprehensive services including access to stable, affordable housing options for those currently on the street or with the possibility of experiencing homelessness. Sub-recipient agencies working together to provide these services include: Churches United in Ministry, the Damiano Center, Safe Haven, Salvation Army, MACV Duluth, Divine Konnections, and Center City Housing Corporation.

Sub-recipient agencies that are working to either rehab existing housing or build/provide new affordable housing programs to low income populations include One Roof Community Housing.

The Duluth HRA provides a rental assistance program through the City's HOME funds, which will support

approximately very low income households using tenant based rental assistance (14 units). This program combined with the ESG Prevention and Rapid Rehousing program provides rental assistance (20 units).

AP-60 Public Housing – 91.220(h)

Introduction

The Duluth Housing and Redevelopment Authority manages approximately 1,008 public housing units and 1,453 Section 8 Housing Choice Voucher units

Actions planned during the next year to address the needs to public housing

The City of Duluth does not expect to spend any CDBG, HOME, or ESG funds to address the needs of public housing beyond funding the HRA's tenant based rental assistance program. The HRA is exploring the various repositioning options allowed by HUD to move public housing to a more sustainable and reliable source of funding; thus, preserving public housing assets. These options include Section 18 disposition of scattered sites, RAD-PBRA and/or RAD-PBV for high-rise buildings, and Section 22 Streamlined Voluntary Conversion for remaining units not eligible for other types of conversion. The HRA will continue to monitor expansion and addition of repositioning options offered by HUD.

There are extensive waitlists for both the Section 8 Housing Choice Voucher Program and public housing. The HRA will continue to work at diligently processing applications from these lists. Periodically the HRA will send out letters to all households on the list and ask them to respond that they want to remain on the list (some may have housing already, some may have moved out of the area, etc.), to maintain efficiency in addressing Duluth's pressing housing needs.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The HRA has a resident who is commissioner on the HRA board in addition to a resident advisory board for all public housing and resident clubs at each of the six high rise buildings. The Duluth HRA also has a Family Self Sufficiency Program that receives funding from HUD for FSS activities, which include the option to set up an escrow for future home ownership.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

NA

Discussion

The city of Duluth works closely with the Duluth HRA to assure that the Public Housing policies and strategies are aligned with the cities strategies in order to best meet the need for housing in Duluth.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

St. Louis County (SLC) is one of many Continuum of Care (CoC) regions in Minnesota. Duluth is geographically located at the southern end of St. Louis County. There are two entitlement communities in SLC, the City of Duluth and St. Louis County.

City of Duluth has long history of working closely with SLC and homeless housing and service providers to address issues that impact persons who are homeless or at-risk of becoming homeless.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Duluth is part of the St. Louis County Continuum of Care (CoC). The CoC coordinates with homeless providers and has developed a collaborative system to reach out to homeless. An integral part of the system is the Coordinate Access.

Addressing the emergency shelter and transitional housing needs of homeless persons

Through the Coordinate Entry system persons experiencing a housing crisis will be able to be provided with a housing solution efficiently and effectively. The transitional housing providers, emergency shelters, permanent supportive housing providers, and public housing providers have collaborated on creation of the Coordinate Access System. In doing so the agencies also worked to develop goals and standards for each part of the system for which a client may utilize. For example, in shelter the goal is to reduce bed nights or average stay in shelter before housing. If a person is in transitional housing the goal is to place the client into permanent housing or at least keep the person in transitional housing for 6 months rather than the street. If the person is in a permanent housing situation such as permanent supportive housing or public housing the goal is keep that person housed for 6 months. Meanwhile during all stages providers will be working to getting their clients stable income and employment, access to health services, etc.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were

recently homeless from becoming homeless again

In 2026, the City of Duluth will fund Housing, Stabilization, and Coordinated Entry for people who are or recently have been homeless. This will include the work of seven agencies that include; Churches United in Ministry, Life House, Salvation Army, Center City Housing Corporation, Safe Haven, Divine Konnections, and MACV-Duluth.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The discharge plan outlines transition process steps, based on an evidence-based model called Critical Time Intervention, a standardized assessment tool that is used by all discharging entities upon client admission to identify those at risk of homelessness, specific services to be offered to all clients and additional services offered to in danger clients. The Discharge Plan also outlines the roles and responsibilities of the collaborative partner agencies, including coordination, information sharing, staffing patterns for institutional-based and community-based staff, and training.

Discussion

The City is actively working with community partners for new ideas/innovations to assist people facing homelessness.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

As the housing market has recovered from previous recessions, rents and home sale prices are rising, but increases in income are not keeping up resulting in higher poverty rates and more cost-burdened households. The total number of housing units in Duluth is increasing, but there are still not enough units resulting in a “seller’s market” with competitive and quick home sales, low rental vacancy rates, and increasing rents. Recently and in the coming years baby boomers are retiring in record numbers, leaving positions that have been filled for decades. Employers across the state, including in Duluth, have had to be creative in attracting and retaining employees with competitive benefits packages and flexibility within the workplace.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Policies and physical limitations in the built environment

Conduct a feasibility study that investigates creative tools to incentivize or require some affordable units in new housing developments.

Continue to make changes to the City’s Unified Development Code that address outdated land use and zoning policies, which in turn affect density and mixed income neighborhoods and residential developments.

Explore an alternative rental-licensing program, such as a targeted or tiered system, that addresses rental housing quality, regulatory body and property owner accountability.

Support new or existing rehabilitation programs that focus on homes repair and retrofitting for ADA accessibility. Implement these programs in a variety of neighborhoods throughout Duluth.

Discussion:

The City of Duluth has a lack of housing for all income levels, and this lack of housing is one of the City's priorities to address.

AP-85 Other Actions – 91.220(k)

Introduction:

The city of Duluth has identified a number of actions that will address obstacles to meeting needs, foster and maintain affordable housing, reduce the number of poverty-level families, develop structures, and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Among with the information in the Action Plan, the City adopted several actions steps to address this issue:

- Reuse previously developed lands, thereby allowing people to live close to services
- Support existing economic base and growth sectors, thereby increasing employment opportunities
- Promote reinvestment in neighborhoods, this includes addressing the digital divide
- Creating and maintain connectivity, promoting non-vehicular transportation
- Encouraging a mix of activities, uses, and densities
- Supporting private actions that contribute to the public realm
- Working with education systems in the community to increase connectivity and programs
- Creating efficiencies in delivery of public services

Actions planned to foster and maintain affordable housing

This Action Plan is providing funding to programs that foster and maintain affordable housing, in addition the City is working to:

- Increase density in areas where there businesses
- _Improve the quality of the city's housing stock and neighborhoods
- Expand the cohesiveness of "One Duluth" by expanding a variety of housing opportunities throughout

the city while maintaining unique community characteristics within distinct individual neighborhoods

- Working with other local and state agencies on funding affordable housing

- Working with MN Housing to maintain affordability in existing projects, aka Preservation Projects

- Actively looking for areas for new affordable housing

Actions planned to reduce lead-based paint hazards

City of Duluth policy requires all rental and homeowner rehabilitation programs and projects receiving federally funded assistance to coordinate with the Duluth HRA for lead assessment, testing and clearance services. Given the age of Duluth's housing stock that predicts 68% contains lead-based paint, the concentration of low income households in less expensive older units, and the past experience of agencies implementing rehab programs, it is highly probable that all, or nearly all, rehabbed units will contain potential lead hazards.

Actions planned to reduce the number of poverty-level families

This Action Plan is providing funding to programs that provide job training and child care, in addition the City is working on other strategies, including:

- Investing in people to increase employee's skills, ensuring workforce availability for all employers, and promoting income self-sufficiency. This includes the City providing different pathways for CareerForce and Workforce

- Fostering growth of existing employers and strategically recruiting new employers to Duluth, to increase employment opportunities

Actions planned to develop institutional structure

Actively involve community and neighborhood groups during the community input process.

Actions planned to enhance coordination between public and private housing and social service agencies

City Staff are members of many community oriented groups, include the Affordable Housing Coalition, COC Governance Board, Census Outreach Committee, and local neighborhood groups.

Discussion:

Continue to involve people in the decision making process.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Duluth has a CDBG revolving loan fund for housing rehab, this fund is generated from CDBG rehab projects and used on new CDBG rehab projects. The Duluth HRA uses this revolving loan fund and it is the only revolving loan fund the City has. The City does not have a revolving fund or receives program income from HOME or ESG projects.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	250,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	250,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is	
Annual Action Plan	53
2026	

as follows:

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:
3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:
5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).
6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).
7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.
3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).
4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with

homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

5. Describe performance standards for evaluating ESG.

Community Development Committee Meeting Summary

Tuesday, November 18, 2025, 5:30 p.m.

1. **Call to Order and Roll Call 5:32pm**

Steve Wick, Annie Schwartz, Shannon Laing, Will Wilson

Absent: Jasmine Clark, Lavelle Kirk, Patrice Critchley-Menor

Staff Present: Suzanne Kelley, Phillis Webb, Sam Smith

2. **Approval of October 15, 2025 Meeting Summary**

October 15, 2025 Meeting – attached

Meeting MOTION/Second: Wilson/ Schwartz (4-0)

3. **Overview of Public Comment Period and Public Hearing**

Chair Wick reviewed the Public Comment process. There will be no decision tonight, tonight's meeting is to hear from the public. The decision on funding recommendations will be made at the December meeting.

4. **Public Hearing on FY 2026 Annual Action Plan & Funding Recommendations**

(All attendees will have 3 minutes to address the committee.)

- Jason Malmquist from Life House thanked the committee for the previous funding recommendation. He went over the Futures approach for their programming and what helps teens gain valuable skills. He described processes to getting teens what they need

Annual Action Plan
2026

56

using different programs including driver license, wellness programming, preparing them for the work force, and GED's.

- Jason Beckman from SOAR/Goodwill went over the percentage that is lower than what their ask was, while still over performing in previous years. He then described what their funding is used for, and gave examples including training people, and getting through barriers. They are seeing individuals increase their income by 5-20%.
- Tom Church from the City of Duluth site prep program. He stated that the manager's recommendation will be feasible enough to get their goals accomplished. It is a program that has a difficult time getting funds, so that is why there was a request. These funds will only be available for developers who have projects ready to go.
- Katie Hagglund from UGM thanked the committee for the consideration of funding. She also went over the project stating that the whole project is \$20 million dollars. They are the top scoring project in the State of Minnesota. They will need help with the engagement center, and it will be \$10 million dollars. She also talked about their meal program and went over the statistics of who has been served, and who they are partnering with.
- Mary Fawcner from PASVA thanked the committee for their recommendation and described the mission is for the agency. She also explained how needed the window replacement is for the building.
- Cash Hagburn & Soloman Witherspoon from Family Freedom Center presented some of the entrepreneurs that are currently in the program that are seeking funding. They showed some of the business plans they have worked on, along with the completed product they produce.
- Jordan Madison from LifeHouse stated how much of a welcoming environment the warming center is for the youth, who are facing homelessness and/or need services.
- Justin Markon from Entrepreneur Fund stated they appreciate the previous funding. He presented the statistics of their services. He also stated the CDBG dollars are used for local match. They will continue to serve small businesses in the community.
- John Cole from CHUM thanked the committee. He described the programs that they currently have and how the increase in price of goods and services has been affecting services. They have been trying to find ways to stretch their funds.
- Brittany Robb from Safe Haven praised the workers at Safe Haven and the hard work that they do. She stated that domestic violence is one of the main reason women become homeless statically. CDBG funding helps keep their services running. The support and investment of the committee is very helpful.
- Seth Currier from Damiano stated that they partner with every agency that has spoke tonight. And working together makes it possible so that individuals have a safe place to go,

and meals to eat. He spoke in support of partnership within the community.

- Jim Philbin from One Roof spoke on what they do within the community, including helping home buyers who face barriers. They leverage many funds, and he sees the change it makes in families lives. They helped over 600 families over the last 20 years.

5. Next Steps

Chair Wick stated they will take comments until December 16th. After that, those recommendations will be sent to City Council. The recommendations will be presented by the CD Committee to City Council in January 2026.

6. Adjourn

MOTION/Second: Wilson/ Laing **(4-0)**

Next Meeting: December 16th, 2025

Community Development Committee Meeting Summary

Tuesday, December 16, 2025, 5:30 p.m.

1. **Call to Order and Roll Call 5:34pm**

Steve Wick, Annie Schwartz, Will Wilson, Patrice Critchley-Menor

Absent: Shannon Laing

Staff Present: Jenn Moses, Suzanne Kelley, Phillis Webb

2. **Approval of November 18, 2025 Meeting Summary**

November 18, 2025 Meeting – attached

Meeting MOTION/Second: Wilson/ Wick (3-0-1 abstain)

3. **Finalize Committee Recommendation: FY2026 Annual Action Plan**

Attachment: Funding Spreadsheet

- Recommended Action: Determine final funding amounts of FY 2026 Annual Action Plan and recommend approval to City Council
Chair Wick went over the process of updated funding amounts, and that there will be a vote per section to finalize the funding recommendations. Staff member Kelley presented each section.
- Finalize funding contingency plan for increase/reduction in CDBG, HOME, and ESG programs

- **Public Service Funding recommendation:**

The following changes were made:

- Community Action Duluth- Community Tax Site: \$0 (originally \$15,000)
- Community Action Duluth-Innovative Food Access Through Markets: \$0 (originally \$10,000)
- Center City Housing Corp- Family Supportive Housing: \$40,000(additional \$25,000)

Meeting MOTION/Second: Critchley-Menor / Schwartz (4-0)

- **Public Facilities Recommendation:**

The following changes were made:

- PAVSA- Facility Rehabilitation and Plaza Revitalization: \$143,000 (originally \$57,000)
- ASI- Pine Grove Elevator Rehab Project: \$162,000 (originally \$0)

Meeting MOTION/Second: Critchley-Menor / Schwartz (4-0)

- **Housing Recommendation:**

The following changes were made:

- UGM Mission Heights Housing: \$0 (originally \$400,000) funding reduction was due to the project not receiving MN State funds with the Low-Income Housing Tax Credit program
- WLS Habitat for Humanity- Smithville Affordable Home Ownership for 10: \$100,000 (originally \$0)

Meeting MOTION/Second: Critchley-Menor / Schwartz (4-0)

- **HOME Recommendation:**

No additional comments or changes.

Meeting MOTION/Second: Wilson/ Critchley-Menor (4-0)

- **Economic Development Recommendation:**

The following changes were made:

- True North Goodwill- Work Readiness & Advancement Project: \$140,000 (originally \$120,000)
- Family Freedom Center- START Business Incubator: \$90,000 (originally \$80,000)
- Life House- Futures Program: \$90,000 (originally \$80,000)

Meeting MOTION/Second: Critchley-Menor / Schwartz (4-0)

- **ESG Recommendation:**

No additional comments or changes

Meeting MOTION/Second: Critchley-Menor / Wilson (4-0)

- **Administration Recommendation:**

No additional comments or changes

Meeting MOTION/Second: Wilson/ Schwartz (4-0)

- **Contingency Recommendation:**

Staff member Kelley discussed the process of Contingency and what procedures are outlined within the 3%. Committee recommends prioritizing funding to Mission Engagement Center if within the 3% estimation of CDBG funds, amongst the other eligible projects.

Meeting MOTION/Second: Wilson/ Schwartz (4-0)

- **2026 Action Plan**

Staff member Kelley discussed 2026 action plan and overview of goals, agencies, outreach, expected resources, projects, and program specific requirements.

Motion to approve the 2026 Action Plan for submittal to city council

Meeting MOTION/Second: Wilson/ Schwartz (4-0)

4. **Committee of the Whole with City Council Preparation**

- **Overview**

Staff member Kelley will give the committee a set date once the final date comes out. Each committee member will be presenting a section:

Steve Wick: Public Service

Will Wilson: Administration, ESG, Contingency Plan

Annie Schwartz: Economic Development

Patrice Critchley-Menor: Public Facilities, Affordable Housing

Shannon Laing: HOME

5. **Discuss draft 2026 Calendar**

- **Attached**

Committee went over FY 26 calendar and an overview of the yearly process.

6. **Adjourn**

Upcoming Meetings: City Council/Committee: *Date to be determined*- Regular CD Committee Meeting: *March 17, 2026*

MOTION/Second: Wilson/ Schwartz (4-0)

