



Legislation Details (With Text)

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Title:	RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2025 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.		

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
1/27/2025	1	City Council	adopted	

RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2025 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

CITY PROPOSAL:

WHEREAS, City Council Resolution No. 25-0065R, adopted January 27, 2025, approved the 2025 Action Plan

WHEREAS, the secretary of HUD is authorized to make grants to cities and/or counties to finance local community development programs, approved in accordance with the provisions of Title I of said Act, as well as grants under the Cranston-Gonzales National Affordable Housing Act of 1990, as amended, (the HOME program) and the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (the Emergency Solutions Grant - ESG - program);

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to make and submit appropriate documentation to HUD for those projects and corresponding funding levels as set forth below:

2025 CITY OF DULUTH COMMUNITY DEVELOPMENT BLOCK

GRANT (CDBG) PROGRAM-FUND 262, AGENCY 020, OBJECT 5434 PROJECT CD25CD

SUB

<u>PROJECT</u>	<u>ACTIVITY</u>	<u>AMOUNT</u>	<u>PROJECTS</u>
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HOUSING PROJECTS

HOUS	1734	\$ 325,000	Duluth Property Rehab Prog. - HRA
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HOUS	6915A	\$ 350,000	Community Land Trust: Acquisition-Rehab-Resale - One Roof Comm Housing
HOUS	10389	\$ 120,000	DKI Duplexes: Comfort & Joy - Divine Konnections Inc
HOUS	9378	\$30,000	Westside Market - Family Rise Together

ECONOMIC DEVELOPMENT PROJECTS

ECDV	1974	\$ 90,000	Futures Program - Life House, Inc.
ECDV	2412	\$ 130,000	High-demand, Living-wage, Job Training Project - SOAR Career Solutions
ECDV	2264	\$ 48,000	Growing Neighborhood Businesses - Entrepreneur Fund
ECDV	9378	\$ 30,000	CM Solutions Accelerator - Family Rise Together
ECDV	9746	\$ 45,480	Skilled Trades, Arts, Robotics & Tech-Family Freedom Center
ECDV	2298	\$ 20,000	Jump into Child Care Northland Foundation
ECDV	10152	\$ 10,000	Green Construction Training Green New Deal Housing

PUBLIC FACILITY IMPROVEMENT PROJECTS

PFAC	1929	\$ 19,520	Equipment Upgrades to Improve Dental Care Lake Superior Health Center
PFAC	7936	\$ 85,000	Nourish the Northland Capital Campaign Second Harvest Northland
PFAC	1226	\$ 90,000	Yellow Leaf Crisis Center Roof Proposal Center City Housing
PFAC	8212	\$ 20,000	6 th Ave E Corridor Revitalization Zeitgeist
PFAC	TBD	\$ 26,000	Child Care Rehab City of Duluth
PFAC	TBD	\$ 90,000	Chalet Renovation and Expansion Project Chester Bowl

PUBLIC SERVICE PROJECTS

PSVC	1291	\$ 15,000	Free Tax Site - Community Action Duluth
PSVC	1244A	\$ 15,000	Steve O'Neal Apt - CHUM
PSVC	1244B	\$ 81,000	Duluth Hunger Project- CHUM
PSVC	6915	\$ 30,000 Roof	Tenant Landlord Connection- One
PSVC	1974	\$ 25,000 Life House	Basic Needs Drop-in Youth Center-
PSVC	2811	\$ 7,000	Young Mothers Program - YWCA
PSVC	10338	\$ 10,000	UGM Food Programming Union Gospel Mission
PSVC	7936	\$ 20,000	Expanding Equitable and Dignified Food Access - Second Harvest Northland
PSVC	1291	\$ 15,000	Food Access through Markets - Community Action Duluth
PSVC	2109	\$ 20,000	Comprehensive Services for Homeless Veterans - Minnesota Assistance Council for Veterans
PSVC	2509	\$ 25,000	Safe Haven Shelter Program - Safe Haven Shelter for Battered Women
PSVC	1244	\$ 35,000	CHUM Homeless Services - CHUM
PSVC	1266	\$ 25,000	Family Supportive Housing - Center City Housing Corporation
PSVC	2511	\$ 5,000	Family Transitional Housing - The Salvation Army
PSVC	1734	\$ 24,000	Coordinated Entry - Housing & Redevelopment Authority of Duluth, MN

PLANNING/PROGRAM ADMINISTRATION

ADMC	AD01	\$ 470,000	CDBG Program Administration
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BE IT FURTHER RESOLVED, that the following are hereby designated as the financial resources for the above program:

SOURCE OF FUNDING

Year 2025	CDBG Grant - city	<u>\$ 2,351,000</u>
	Total	<u>\$ 2,351,000</u>

BE IT FURTHER RESOLVED, that the city of Duluth and its officials are authorized and directed to assume full responsibility for assuring that its community development program is carried out in full compliance with the provisions of the acts implementing the programs and all regulations of HUD issued pursuant thereto. This authorization shall also apply to existing programs with the city and HUD under the HUD CDBG, HOME and ESG programs.

BE IT FURTHER RESOLVED, that the appropriate city officials are authorized to execute the appropriate agreements with these agencies upon receipt of HUD funds.

BE IT FURTHER RESOLVED, that the Community Development Committee approved a contingency plan on December 3, 2024 stating that if there should there be a higher level of CDBG funding allocated to the city for FY 2024 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 reconvene and revise the funding recommendation and submit it to the City Council.

STATEMENT OF PURPOSE: This resolution reflects the recommendations of the Community Development Committee (CD committee) with concurrence of the Planning and Development manager. The CD committee solicited comments from organizations and citizens as related to the proposed FY 2025 funding for the Community Development Block Grant (CDBG). The recommendations contained in this resolution were developed based on consideration of citizen comments, the public hearing held on November 19, 2024 and the deliberations of the CD committee on December 3, 2024. There was a 30-day public comment period from November 2, 2024, to December 3, 2024 on the 2025-2029 Consolidated Plan, 2025 annual action plan, which also includes recommended funding for the 2025 CDBG, HOME and ESG programs. The CD committee held a public hearing on November 19, 2024, to hear comments on the funding recommendations and approved a contingency plan if the allocated funding was altered by more than 3%.The CD committee's recommendations were adopted on December 3, 2024, with the concurrence of the Planning and Development Manager

Source of Funds:

\$2,351,000 in new 2025 HUD CDBG Funds

The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions:

- (a) Allocates funds by project for 2025 CDBG Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process. Housing contracts will include addendums that require affordability

restrictions in accordance with HUD regulations.

HOUSING

25-HS-01

Project Name: Duluth Property Rehab Program - HRA

Project Summary: The HRA's Property Rehab Program will provide low interest and deferred loans for rehabilitation assistance to rental property owners within the city of Duluth.

Goal: 50 units of rental housing. 100% LMI.

Amount Recommended: \$325,000

25-HS-02

Project Name: Community Land Trust: Acquisition-Rehab-Resale - One Roof Community Housing

Project Summary: One Roof Community Housing will acquire eight blight residential structures, rehab the unit and then sale them to LMI households.

Goal: 8 units of owner-occupied housing.

Amount Recommended: \$350,000

25-HS-04

Project Name: DKI Duplexes: Comfort & Joy - Divine Konnections Inc

Project Summary: Construct a duplex for LMI households.

Goal: 2 Households

Amount Recommended: \$120,000

25-HS-05

Project Name: Westside Market - Family Rise Together

Project Summary: Construct an 18 unit building.

Goal: 18 units

Amount Recommended: \$30,000

ECONOMIC DEVELOPMENT

25-ED-01

Project Name: Futures Program - Life House, Inc.

Project Summary: The Futures Program will provide alternative education and career pathways to homeless and at-risk youth who are disconnected from school or work for them to become employed.

Goal: 100 LMI Youth

Amount Recommended: \$90,000

25-ED-02

Project Name: High-Demand, Living-wage, Job Training Project -SOAR Career Solutions

Project Summary: SOAR Career Solutions, a community-based development organization, will provide job training and skill development to assist LMI people to help them achieve living wage jobs.

Goal: 90 LMI Individuals

Amount Recommended: \$130,000

25-ED-03

Project Name: Growing Neighborhood Businesses - Entrepreneur Fund

Project Summary: The Northeast Entrepreneur Fund's Growing Neighborhood Businesses program will provide technical assistance and peer support for 7 existing small businesses in CDBG target neighborhoods to help grow their business revenue to help their revenue increase by 25%.

Goal: 7 LMI neighborhood small business owners grow their business revenue.

Amount Recommended: \$48,000

25-ED-04

Project Name: CM Solutions Accelerator - Family Rise Together

Project Summary: The program will offer business development workshops and services to 23 LMI individuals interested in starting and running a business. The program will focus on people of color, women, and low-income individuals, providing the opportunity for financial dignity and entrepreneurial growth.

Goal: 12 LMI Individuals

Amount Recommended: \$30,000

25-ED-05

Project Name: Start-Skilled Trades, Arts, Robotics and Technology- Family Freedom Center

Project Summary: The START program, located in the Central Hillside neighborhood, empowers low-income youth and young adults with culturally responsive education and training.

Goal: 200 LMI Individuals

Amount Recommended: \$45,480

25-ED-06

Project Name: Jump into Child Care - Northland Foundation

Project Summary: Provide job training programs to LMI people who wish to work in the childcare field.

Goal: 150 LMI Individuals

Amount Recommended: \$20,000

25-ED-07

Project Name: Green Construction Training - Green New Deal Housing

Project Summary: Provide job training program to LMI people who wish to work in the construction industry.

Goal: 30 LMI Individuals

Amount Recommended: \$10,000

PUBLIC FACILITY IMPROVEMENTS

25-PF-01

Project Name: Equipment Upgrades to Improve Dental Care- Lake Superior Community Health Center

Project Summary: Lake Superior Community Health Center is requesting funds to replace three outdated dental chairs and components, to maintain and expand services to meet the high demand for dental care from LMI individuals and families.

Goal: 5 Units

Amount Recommended: \$19,520

25-PF-03

Project Name: Nourish the Northland Capital Campaign - Second Harvest Northland

Project Summary: Support construction of a 3,500 square foot building that will provide food to LMI households.

Goal: 1 facility

Amount Recommended: \$85,000

25-PF-04

Project Name: Yellow Leaf Crisis Center Roof Proposal - Center City Housing

Project Summary: Roof replacement at a mental health crisis center.

Goal: 1 facility

Amount Recommended: \$90,000

25-PF-05

Project Name: 6th Ave E Corridor Revitalization - Zeitgeist

Project Summary: Provide infrastructure enhancements along 6th Ave E corridor, which is located in a LMI area.

Goal: 1 facility

Amount Recommended: \$20,000

25-PF-06

Project Name: Child Care Rehab - Lincoln Park Children and Families Collaborative

Project Summary: Funding will be used for building improvements, which could include an accessibility ramp and new roof for a childcare operation that serves LMI families.

Goal: 1 facility

Amount Recommended: \$26,000

25-PF-07

Project Name: Chalet Renovation and Expansion Project - Chester Bowl

Project Summary: Funding will be used to expand and renovate the Chalet, which provides childcare and recreation programming for LMI families.

Goal: 1 facility

Amount Recommended: \$90,000

PUBLIC SERVICES

25-PS-01

Project Name: Free Tax Site - Community Action Duluth

Project Summary: Community Action Duluth (CAD) will use the funding to support the Volunteer Income Tax Assistance program ("Free Tax Site"). Staff and volunteers assist over 1200 LMI households a year in filing returns to recoup more than \$2.3 million in tax refunds.

Goal: 1,200 LMI Individuals

Amount Recommended: \$15,000

25-PS-02

Project Name: Program for Children Living at the Steve O'Neal Apts - CHUM

Project Summary: CHUM will provide services for children at the Steve O'Neil Apartments including a licensed 4-Star Parent Aware childcare program, two-generational parenting programs, youth programs, and community programs focused on healthy habits, food security, literacy and inclusion.

Goal: 80 LMI Individuals

Amount Recommended: \$15,000

25-PS-03

Project Name: Duluth Hunger Project - CHUM

Project Summary: The Duluth Hunger Project is a coalition of three agencies (CHUM, The Salvation Army, and The Damiano Center) working together to prevent and alleviate chronic hunger and malnutrition among the lowest income of Duluth's residents, through congregate meal sites and emergency food shelf programs.

Goal: 33,300 LMI Individuals

Amount Recommended: \$81,000

25-PS-04

Project Name: Tenant Landlord Connection - One Roof Community Housing

Project Summary: The TLC will help ensure stable rental housing exists by educating existing and potential landlords and tenants regarding rights and responsibilities as well as mediating disputes between landlords and tenants to reduce the number of evictions in our community.

Goal: 575 Individuals

Amount Recommended: \$30,000

25-PS-05

Project Name: Life House Basic Needs/Drop-in for Homeless Youth - Life House, Inc.

Project Summary: Life House's Basic Needs Center for Homeless Youth provides basic human necessities, referrals to internal and external services, site-based outreach, assistance obtaining and maintaining stable housing, and independent living skills classes for homeless, at-risk and street youth ages 14-24.

Goal: 625 LMI Individuals

Amount Recommended: \$25,000

25-PS-06

Project Name: Young Mothers Program-YWCA

Project Summary: Young Mothers Program provides transitional housing to pregnant and parenting young women ages 16-21 and their children. In addition to providing housing, we also offer case management, parenting classes, early childhood development programming, and more.

Goal: 25 LMI Individuals

Amount Recommended: \$7,000

25-PS-07

Project Name: UGM Food Programming - Union Gospel Mission

Project Summary: Funding will be used to feed people who are experiencing homelessness or are very LMI.

Goal: 2500 LMI Individuals

Amount Recommended: \$10,000

25-PS-08

Project Name: Expanding Equitable and Dignified Food Access - Second Harvest Northland

Project Summary: Funding will be used to provide food to LMI households.

Goal: 105,000 LMI Individuals

Amount Recommended: \$20,000

25-PS-09

Project Name: Food Access through Markets - Community Action Duluth

Project Summary: Funding will be used to provide food to LMI households.

Goal: 3200 Individuals

Amount Recommended: \$15,000

25-PH-01

Project Name: Comprehensive Services for Veterans - Minnesota Assistance Council for Veterans

Project Summary: MACV will work to provide shelter, outreach, intake, assessment, and direct services to veterans living on the streets and other places not meant for human habitation.

Goal: 100 LMI Individuals

Amount Recommended: \$20,000

25-PH-02

Project Name: Safe Haven Shelter Program - Safe Haven Shelter for Battered Women

Project Summary: Safe Haven Shelter is an emergency shelter for women and their children who are fleeing domestic violence. Safe Haven provides shelter stabilization services, advocacy, and support to those in the

shelter.

Goal: 575 LMI Individuals

Amount Recommended: \$25,000

25-PH-03

Project Name: CHUM Homeless Services - CHUM

Project Summary: CHUM will work to provide shelter, outreach, referral, prevention and rapid rehousing services to homeless living on the streets and other places not meant for human habitation.

Goal: 1,100 LMI Individuals

Amount Recommended: \$35,000

25-PH-04

Project Name: Family Supportive Housing - Center City Housing Corporation

Project Summary: CCHC will operate and provide supportive services for transitional and permanent housing units.

Goal: 124 LMI Individuals

Amount Recommended: \$25,000

25-PH-05

Project Name: Family Transitional Housing - The Salvation Army

Project Summary: Salvation Army will provide transitional housing and support services to assist homeless families move toward greater housing stability.

Goal: 100 LMI Individuals

Amount Recommended: \$5,000

25-CE

Project Name: Coordinated Entry- Housing and Redevelopment Authority of Duluth (HRA)

Project Summary: The Duluth HRA will work with homeless providers to implement the coordinated entry system to ensure homeless persons have access to services.

Amount Recommended: \$24,000