

**RESOLUTION APPROVING A PRE-COMMITMENT OF \$200,000  
FY 2023 FUNDING ALLOCATION TO THE CITY OF DULUTH FROM  
THE HOUSING & URBAN DEVELOPMENT (HUD) DEPARTMENT FOR THE  
REHABILITATION OF FAITH HAVEN SENIOR LIVING FACILITY**

RESOLVED, that the CD Committee hereby approves a pre-commitment of Fiscal Year 2023 funds to be received by the City of Duluth as allocated by the federal Housing and Urban Development Department for the rehabilitation of Faith Haven Senior Living Facility. The award of the \$200,000 will be contingent upon the developer, Faith Haven, Inc., successfully securing major funding support from the State of Minnesota's Housing Finance Agency and other funding sources to enable construction to begin next year. The rehabilitation of Faith Haven Senior Living Facility will contribute to achieving of housing goals in the 2020-2024 City of Duluth Consolidated Plan and the Continuum of Care's 10 Year Plan to End Homeless.

Approved at the April 13, 2022 Meeting:

DocuSigned by:

*Pat Sterner*

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

**STATEMENT OF PURPOSE:**

This resolution provides for a pre-commitment of the City's FY 2023 HUD allocation for the rehabilitation of Faith Haven Senior Living Facility. Faith Haven, Inc. is the developer and owner. The building is located at 4901 Grand Avenue in the Spirit Valley neighborhood of Duluth. Faith Haven opened in 1971 and is now in need of significant renovation and modernization. The 124-unit building provides rental opportunities for seniors 62+ whose income does not exceed 80% of Area Median Income. While no longer holding a HUD contract for rent restriction, Faith Haven's current rental statistics show the majority of tenants making 30-50% of AMI. Rehabilitation will include updates to each living unit, asbestos abatement, reconfiguration of existing bathrooms to be ADA-compliant and exterior enhancements and energy-efficiency upgrades.

The total estimated cost of the project is \$15,000,000. In June 2022, Faith Haven, Inc. will be submitting an application to Minnesota Housing for the majority of the funds needed for this project. This pre-commitment of funds is evidence of the Community Development Committee's support for the project. Depending on the type of housing requests received this summer for FY 2023 funds, the actual award of \$200,000 could be either Community Development Block Grant (CDBG) or HOME Program dollars.