



## Legislation Text

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**File #:** 21-0818R, **Version:** 1

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RESOLUTION AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING BETWEEN LOCAL INITIATIVES SUPPORT CORPORATION AND THE CITY OF DULUTH FOR THE AFFORDABLE HOUSING TRUST FUND COLLABORATION.

### CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute a memorandum of understanding, substantially the same as that attached hereto as exhibit A, with Local Initiatives Support Corporation for the affordable housing trust fund collaboration.

STATEMENT OF PURPOSE: The purpose of this resolution is to obtain the city council's approval of the Memorandum of Understanding ("MOU") between Local Initiatives Support Corporation ("LISC") and the City of Duluth ("City") to coordinate the funding, fundraising and operation of affordable housing programs, as described the City's Housing Trust Fund, for new construction and housing rehabilitation in Duluth neighborhoods.

The City and Duluth Mayor Emily Larson convened a Mayor's Housing Task Force in 2019 to evaluate the housing needs in Duluth and develop recommendations regarding new local tools and resources to assist with the development of new affordable housing. This process resulted in a report completed in March of 2020 that recommended multiple opportunities, primary among them was the establishment of a housing trust fund. The Housing Trust Fund Collaboration ("Collaboration") seeks to secure at least \$8 million for affordable housing development and housing preservation projects into Duluth neighborhoods.

This MOU establishes the roles and expectations of the Collaboration as it operates Housing Trust Fund Program activities, contributions to the Housing Trust Fund, the underwriting, loan approval and the program oversight of each party. LISC will manage and operate its own funding contribution directly and the City, in partnership with the Duluth HRA, will manage and operate its own contribution directly as well. The MOU will expire on December 31, 2024 unless terminated earlier.