



Legislation Details (With Text)

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Title:	RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2023 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.		

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
1/23/2023	1	City Council	adopted	

RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2023 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

CITY PROPOSAL:

WHEREAS, city council resolution number 23-0055R, adopted January 23, 2023, approved the 2023 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:

2023 CITY OF DULUTH COMMUNITY DEVELOPMENT BLOCK

GRANT (CDBG) PROGRAM-FUND 262, AGENCY 020, OBJECT 5434 PROJECT CD22CD

SUB

PROJECT

ACTIVITY

AMOUNT

PROJECTS

HOUSING PROJECTS

HOUS	1734	\$ 309,739	Duluth Property Rehab Prog. - HRA
HOUS	6915A	\$ 361,372	Community Land Trust: Acquisition-

Rehab-Resale - One Roof Comm Housing

HOUS	6915	\$ 70,000	One Roof Community Housing
HOUS	TBD	\$100,000	Annie's House of Refuge & Restoration

ECONOMIC DEVELOPMENT PROJECTS

ECDV	TBD	\$ 95,000	Futures Program - Life House, Inc.
ECDV	2412 Project - SOAR Career Solutions	\$ 153,000	High-demand, Living-wage, Job Training
ECDV	2264	\$ 56,000	Growing Neighborhood Businesses - Entrepreneur Fund
ECDV	TBD	\$ 41,000	Ujamaa-The Culture District Family Rise Together

PUBLIC FACILITY IMPROVEMENT PROJECTS

PFAC	TBD Lake Superior Health Center	\$ 40,500	Equipment Upgrades to Improve Dental Care
PFAC	TBD City of Duluth-Planning & Dev.	\$ 190,000	Acquisition Demolition Program
PFAC	TBD Life House, Inc.	\$126,389	Imaginarium Project

PUBLIC SERVICE PROJECTS

PSVC	1291	\$ 15,000	Free Tax Site - Community Action Duluth
PSVC	1244A	\$ 18,000	Programming for Children at Steve O'Neil Apt - CHUM
PSVC	1244	\$ 80,000	Duluth Hunger Project - CHUM
PSVC	6915	\$ 20,000	Tenant Landlord Connection - One Roof Community Housing
PSVC	2805	\$ 45,000	NYS Jobs, Education, Training (JET) Project- Family Freedom Center
PSVC	1974	\$ 30,000	Life House Basic Needs/Drop-in for Homeless Youth - Life House, Inc.
PSVC	TBD	\$20,000	Young Mothers Program YWCA
PSVC	2109	\$ 9,000	Comprehensive Services for Homeless Veterans - Minnesota Assistance Council for Veterans

PSVC	2509	\$ 20,000	Safe Haven Shelter Program - Safe Haven Shelter for Battered Women
PSVC	1244B	\$ 30,000	CHUM Emergency Shelter - CHUM
PSVC	1226	\$ 30,000	Family Supportive Housing - Center City Housing Corporation
PSVC	2511	\$ 8,000	Family Transitional Housing - The Salvation Army
PSVC	1734	\$ 12,000	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 2023	CDBG Grant - city	<u>\$ 2,350,000</u>
	Total	<u>\$ 2,350,000</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 6, 2022 stating that if there should there be a higher level of CDBG funding allocated to the city for FY 2023 than estimated, such funding shall be distributed proportionally to previously recommended projects that were not recommended to receive full funding, up to 2% of the final allocation, and if less funding is allocated, all projects shall be reduced proportionally up to 2% of the final allocation. If the final allocated amount varies by more than 2% 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 2023 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 22, 2022 and the deliberations of the CD committee on December 6. There was a 30-day public comment period from October 29, 2022, to December 6, 2022 on the 2023 annual action plan, which also includes recommended funding for the 2023 CDBG, HOME and ESG programs. The CD committee held a public hearing on November 22, 2022, to hear comments on the funding recommendations and approved a contingency plan if the allocated funding was altered by more than 2%. The CD committee's recommendations were adopted on

December 6, 2022, with the concurrence of the Planning and Development Manager.

Source of Funds:

\$2,350,000 in new 2023 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 2023 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

23-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. Homeowners can apply for up to \$25,000 in funding to address code deficiencies and lead paint hazards. Rental owners can apply for a 2% interest loan to renovate their properties, which then must serve low to moderate income tenants.

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

Amount Recommended: \$309,739

23-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: 10 units of owner-occupied housing.

Amount Recommended: \$361,372

23-HS-03

Project Name: Community Land Trust - New Construction

Project Summary: One Roof, a Community Housing Development Organization, will construct two new housing units, providing affordable homeownership opportunities, for low-moderate income households. The long-term affordability of the homes will be preserved through the Community Land Trust (CLT) program.

Goal: 4 Housing Units

Amount Recommended: \$70,000

23-HS-04

Project Name: Annie's House of Refuge & Restoration-Divine Konnections, Inc

Project Summary: Divine Konnections which will provide shelter and wraparound case management services to homeless BIPOC young mothers with children 0-4 years old. This application seeks funding to purchase and renovate a residential building for the program in the Hunter's Park neighborhood.

Goal: 18 housing units

Amount Recommended: \$100,000

ECONOMIC DEVELOPMENT

23-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: \$95,000

23-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: \$153,000

23-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: 8 LMI neighborhood small business owners grow their business revenue.

Amount Recommended: \$56,000

23-ED-04

Project Name: Ujamaa-The culture district- Family Rise Together

Project Summary: The program will offer culturally specific 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: 23 LMI Individuals

Amount Recommended: \$41,000

PUBLIC FACILITY IMPROVEMENTS

23-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: 3 Units

Amount Recommended: \$40,500

23-PF-02

Project Name: Acquisition Demolition Program- City of Duluth- Planning & Dev. Div

Project Summary: The City of Duluth will acquire and eliminate blighted and unsafe structures in primarily low income neighborhoods, prepare these sites for infill and affordable housing opportunities

Goal: 12 units

Amount Recommended: \$190,000

23-PF-03

Project Name: Imaginarium Project- Life House, Inc

Project Summary: Life House, Inc will provide capital improvements to their renovated downtown campus to provide additional educational opportunities for LMI youth.

Goal: 1 building; 650 youth

Amount Recommended: \$126,389

PUBLIC SERVICES

23-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 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

23-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: 70 LMI Individuals

Amount Recommended: \$18,000

23-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: 20,000 Individuals

Amount Recommended: \$80,000

23-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: 570 Individuals

Amount Recommended: \$20,000

23-PS-05

Project Name: JET Jobs, Education, Training Plus Project-Family Freedom Center

Project Summary: Provide food, education, and services to youth in LMI families.

Goal: 850 Individuals

Amount Recommended: \$45,000

23-PS-06

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 Individuals

Amount Recommended: \$30,000

23-PS-07

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 Individuals

Amount Recommended: \$20,000

23-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: 120 LMI Individuals

Amount Recommended: \$9,000

23-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: 500 Individuals

Amount Recommended: \$20,000

23-PH-03

Project Name: CHUM Emergency Shelter - 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 Individuals

Amount Recommended: \$30,000

23-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 Individuals

Amount Recommended: \$30,000

23-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 Individuals

Amount Recommended: \$8,000

23-PH-06

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: \$12,000