



Legislation Text

File #: 22-0081R, **Version:** 1

RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE 2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AFFORDABLE HOUSING REDEVELOPMENT GRANT AGREEMENT WITH THE HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH, MN

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a first amendment to the 2020 Community Development Block Grant ("CDBG") Program Affordable Housing Redevelopment Grant Agreement (City Contract No. 24060), substantially in the form attached hereto as Exhibit A, with the Housing and Redevelopment Authority of Duluth, MN (HRA), providing an additional \$373,000 in leveraged funds from the CDBG Revolving Loan Fund 261-020-4262 (CD Housing Rehab Revolving Loan - Planning - Housing & Redevelopment Authority).

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize a first amendment to the agreement with the Housing and Redevelopment Authority of Duluth, MN (HRA) for the 2020 Affordable Housing Redevelopment Program Project, providing an additional \$373,000 in leveraged funds from the CDBG Revolving Loan Fund.

The HRA Affordable Housing Redevelopment project provides loans and grants for housing rehabilitation and emergency repairs of single-family, owner occupied homes in Duluth. In addition to the 2020 CDBG funding allocation, this program utilizes funding from an ongoing revolving loan fund (RLF) started with past CDBG awards to provide 2% interest loans for multi-family rental unit rehab. Due to increased demand for HRA's programs and services and rising construction materials and labor costs, additional RLF funds were requested to support the program.