



Legislation Text

File #: 23-0057R, Version: 1

RESOLUTION AUTHORIZING A REQUEST FOR HUD HOME INVESTMENT PARTNERSHIP 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 FY 2023 annual Action Plan; and

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 Grants program [ESG]);

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 HOME PROGRAM - FUND 260, AGENCY 020, OBJECT 5434, PROJECT CD22HM

SUB

<u>PROJECT</u>	<u>ACTIVITY</u>	<u>PROJECTS</u>	<u>AMOUNT</u>
GN22	1734	TBRA-HRA	\$ 50,000
GN22	1734A	TBRA Admin - HRA	\$ 5,000
CH22	1226	Wadena West Apartments-Center City	\$ 300,000
CH22	6915A	Community Land Trust - New Construction One Roof Community Housing	\$ 172,000
GN22	AD01	HOME Investment Partnership Admin-HRA	\$ 53,000
Total			\$ 580,000

BE IT FURTHER RESOLVED, the following are hereby designated as the financial sources for the above program:

Year 2023 HOME Grant

\$ 580,000

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 approval 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 HOME 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 HOME Investment Partnerships Program (HOME). 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:

\$580,000 in new 2023 HUD HOME 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 HOME Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process.

23-HM-01

Project Name: Homeless Rental Assistance Program (TBRA) - Duluth HRA

Project Summary: The program will provide rental assistance for households who would otherwise be homeless or are homeless by HUD's definition. The City and the HRA have established this program to provide rental assistance as a significant component in the continuum of services to prevent homelessness.

Goal: 16 Households

Amount Recommended: \$50,000

23-HM-06

Project Name: Wadena West Apartments-Center City Housing Corporation

Project Summary: Supportive housing development that will include 60 affordable units for homeless and at-risk of homelessness single adults with significant barriers to long term housing.

Goal: 60 units

Amount Recommended: \$300,00

23-HM-04

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: 5 Housing Units

Amount Recommended: \$172,000