



**City of Duluth
Minnesota**

FY 2012 ACTION PLAN

***Consolidated Plan
for
Housing and
Community Development
FY 2010 – 2014***

***Adopted by the
Duluth City Council
February 13, 2012***

FY 2012 Action Plan:
Consolidated Plan for
Housing and Community Development
FY 2010 - 2014
for the
City of Duluth, Minnesota

Adopted by the Duluth City Council:
February 13, 2012

Community Development Committee (CD Committee)

Debra Branley
Jim Gaylord
Kristi Ann-Agnes Gordon
Bill Kimbler
Daniel Nyquist
Michael J. Ramsey
Patricia S. Tyler
Scott Wallschlaeger
Daryl Yankee

The preparation of this document was financed through a Community Development Block Grant from the Department of Housing and Urban Development through the Housing and Community Development Act of 1974 as amended.



Third Program Year Action Plan

The CPMP Third Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

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**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 2/14/2012	Applicant Identifier B-12-MC-27-0002
<input type="checkbox"/> Construction	<input type="checkbox"/> Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
<input type="checkbox"/> Non-Construction			

5. APPLICANT INFORMATION

Legal Name: City of Duluth	Organizational Unit: Department: Business & Community Development
Organizational DUNS: 077627883	Division: Community Development
Address: Street: 411 West First Street, Room 407	Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Keith
City: Duluth	Middle Name A.
County: St. Louis	Last Name Hamre
State: MN	Zip Code 55802
Country: United States	Suffix: Community Development Manager
	Email: khamre@duluthmn.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
41-6005105

Phone Number (give area code) 218.730.5380	Fax Number (give area code) 218.730.5915
---	---

8. TYPE OF APPLICATION:
 New Continuation Revision
If Revision, enter appropriate letter(s) in box(es)
(See back of form for description of letters.)

Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)
C - Municipal
Other (specify)

9. NAME OF FEDERAL AGENCY:
U.S. Department of Housing & Urban Development

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
14-218

TITLE (Name of Program):
Community Development Block Grant Program

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
City of Duluth 2012 Community Development Block Grant Program

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
City of Duluth, St. Louis County, Minnesota

13. PROPOSED PROJECT
Start Date: 4/1/2012 Ending Date: 3/31/2013

14. CONGRESSIONAL DISTRICTS OF:
a. Applicant Eighth b. Project Eighth

15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 2,138,165.00	a. Yes. <input type="checkbox"/>	THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant	\$.00	b. No. <input checked="" type="checkbox"/>	PROGRAM IS NOT COVERED BY E. O. 12372
c. State	\$.00	<input type="checkbox"/>	OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
d. Local	\$.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other	\$ 343,659.00	<input type="checkbox"/> Yes if "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
f. Program Income	\$ 132,967.00		
g. TOTAL	\$ 2,614,791.00		

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix Mr	First Name Don	Middle Name M
Last Name Ness		Suffix
b. Title Mayor		c. Telephone Number (give area code) 218.730.5230
d. Signature of Authorized Representative		e. Date Signed 2/14/2012

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED 2/14/2012	Applicant Identifier S-12-MC-27-0002
5. APPLICANT INFORMATION			3. DATE RECEIVED BY STATE	State Application Identifier
Legal Name: City of Duluth			4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
Organizational DUNS: 077627883			Organizational Unit: Department: Business & Community Development	
Address: Street: 411 West First Street, Room 407			Division: Community Development	
City: Duluth			Name and telephone number of person to be contacted on matters involving this application (give area code)	
County: St. Louis			Prefix:	First Name: Keith
State: MN			Middle Name A.	
Zip Code 55802			Last Name Hamre	
Country: United States			Suffix: Community Development Manager	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 41-6005105			Email: khamre@duluthmn.gov	
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)			Phone Number (give area code) 218.730.5380	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Emergency Solutions Grant Program			Fax Number (give area code) 218.730.5915	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Duluth, St. Louis County, Minnesota			7. TYPE OF APPLICANT: (See back of form for Application Types) C - Municipal Other (specify)	
13. PROPOSED PROJECT Start Date: 4/1/2012			9. NAME OF FEDERAL AGENCY: U.S. Department of Housing & Urban Development	
Ending Date: 3/31/2013			11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: City of Duluth 2012 Emergency Solutions Grant Program	
15. ESTIMATED FUNDING:			14. CONGRESSIONAL DISTRICTS OF:	
a. Federal	\$	124,465 ⁰⁰	a. Applicant Eighth	b. Project Eighth
b. Applicant	\$	⁰⁰	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
c. State	\$	⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
d. Local	\$	⁰⁰	DATE:	
e. Other	\$	⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
f. Program Income	\$	⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
g. TOTAL	\$	124,465 ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
a. Authorized Representative				
Prefix Mr	First Name Don		Middle Name M	
Last Name Ness			Suffix	
b. Title Mayor			c. Telephone Number (give area code) 218.730.5230	
d. Signature of Authorized Representative			e. Date Signed 2/14/2012	

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	2. DATE SUBMITTED 2/14/2012	Applicant Identifier M-12-MC-27-0200
	3. DATE RECEIVED BY STATE	State Application Identifier
	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: City of Duluth	Organizational Unit: Department: Business & Community Development
Organizational DUNS: 077627883	Division: Community Development
Address: Street: 411 West First Street, Room 407	Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Keith
City: Duluth	Middle Name A.
County: St. Louis	Last Name Hamre
State: MN	Zip Code 55802
Country: United States	Suffix: Community Development Manager
	Email: khamre@duluthmn.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
 41-6005105

Phone Number (give area code): 218.730.5380
 Fax Number (give area code): 218.730.5915

8. TYPE OF APPLICATION:
 New Continuation Revision
 If Revision, enter appropriate letter(s) in box(es)
 (See back of form for description of letters.)
 Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)
 C - Municipal
 Other (specify)

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
 14-239

TITLE (Name of Program):
 HOME Investment Partnerships Program

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
 City of Duluth 2012 HOME Investment Partnerships Program

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
 City of Duluth, St. Louis County, Minnesota

13. PROPOSED PROJECT
 Start Date: 4/1/2012 Ending Date: 3/31/2013

14. CONGRESSIONAL DISTRICTS OF:
 a. Applicant Eighth b. Project Eighth

15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
a. Federal	\$ 519,569.00	
b. Applicant	\$.00	
c. State	\$.00	
d. Local	\$.00	
e. Other	\$.00	
f. Program Income	\$.00	
g. TOTAL	\$ 519,569.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix Mr	First Name Don	Middle Name M
Last Name Ness		Suffix
b. Title Mayor		c. Telephone Number (give area code) 218.730.5230
d. Signature of Authorized Representative		e. Date Signed 2/14/2012

LOCAL GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

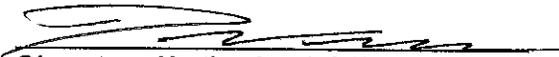
Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.


Signature/Authorized Official

2-14-12
Date

Don M. Ness
Mayor
403 City Hall
Duluth, MN 55802
Telephone Number: 218-730-5230

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program years 2012 shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

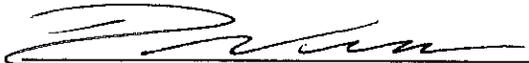
Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24;

Compliance with Laws -- It will comply with applicable laws.


Signature/Authorized Official

2-14-12
Date

Don M. Ness
Mayor
403 City Hall
Duluth, MN 55802
Telephone Number: 218-730-5230

Specific HOME Certifications

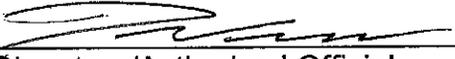
The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;



Signature/Authorized Official

2-14-12

Date

Don M. Ness
Mayor
403 City Hall
Duluth, MN 55802
Telephone Number: 218-730-5230

LOCAL GOVERNMENT GRANTEE
EMERGENCY SHELTER GRANTS PROGRAM
CERTIFICATIONS BY THE CHIEF EXECUTIVE OFFICER

I, Don M. Ness, Mayor, Chief Executive Officer of the City of Duluth, certify that the local government will ensure the provision of the matching supplemental funds required by the regulation at 24 CFR 576.51. I have attached to this certification a description of the sources and amounts of such supplemental funds.

I further certify that the local government will comply with:

- (1) The requirements of 24 CFR 576.53 concerning the continued use of buildings for which emergency shelter grants are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services.
- (2) The building standards requirement of 24 CFR 576.55.
- (3) The requirements of 24 CFR 576.56, concerning assurances on services and other assistance to the homeless.
- (4) The requirements of 24 CFR 576.57, other appropriate provisions of 24 CFR Part 576, and other applicable Federal laws concerning nondiscrimination and equal opportunity.
- (5) The requirements of 24 CFR 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
- (6) The requirement of 24 CFR 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
- (7) The requirements of 24 CFR Part 24 concerning the Drug Free Workplace Act of 1988.
- (8) The requirements of 24 CFR 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted with ESG funds and that the address or location of any family violence shelter project will not be made public, except with written authorization of the person or persons responsible for the operation of such shelter.
- (9) The requirement that recipients involve themselves, to the maximum extent practicable and where appropriate, homeless individuals and families in policymaking, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 CFR 76.56.
- (10) The requirements of 24 CFR 576.57(e) are met dealing with the provisions of, and regulations and procedures applicable with respect to the environmental review responsibilities under the National Environmental

Policy Act of 1969 and related authorities as specified in 24 *CFR* Part 58.

- (11) The requirements of 24 *CFR* 576.21(a)(4) providing that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services will meet the requirements that: (A) the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; **and** (D) the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
- (12) The new requirement of the McKinney-Vento Act (42 *USC* 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that State and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of State and local resources.
- (13) HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

I further certify that the submission of a completed and approved Consolidated Plan with its certifications, which act as the application for an Emergency Shelter Grant, is authorized under State and/or local law, and that the local government possesses legal authority to carry out grant activities in accordance with the applicable laws and regulations of the Department of Housing and Urban Development.



Signature/Authorized Official

2-14-12

Date

Don M. Ness
Mayor
403 City Hall
Duluth, MN 55802
Telephone Number: 218-730-5230

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the

workplaces in question (see paragraph three).

6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, count, state, zip code)

Planning and Administration
Room 407 City Hall
Duluth, MN 55802

Architectural and Engineering
Room 205 City Hall
Duluth, MN 55802

Financial Services
Room 107
Duluth, MN 55802

Check ___ if there are workplaces on file that are not identified here.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantee's attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal and State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement;



Third Program Year Action Plan

The CPMP Third Annual Action Plan includes the SF 424 and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 2 Action Plan Executive Summary:

The City of Duluth's 2012 Action Plan is the third year investment plan of the 2010-2014 Consolidated Plan for Housing and Community Development. The five-year Consolidated Plan outlines community development issues, partnerships and strategies to meet the needs of its citizens, principally those having low or moderate incomes.

The 2012 Action Plan outlines how the City plans to strategically invest federal resources to meet current challenges for low- and moderate-income people. The Plan also highlights how this year's funding will address a portion of the five-year Consolidated Plan goals.

The City of Duluth annually receives approximately \$2.8 million from three U.S. Department of Housing and Urban Development (HUD) programs:

Community Development Block Grant (CDBG);
HOME Investment Partnerships Program (HOME); and
Emergency Solutions Grant Program (ESGP)

1. Community Development Block Grant Program - \$2.138 million

Community Development Block Grant (CDBG) funds must address one of three national objectives:

- **Benefit Low/Moderate income individuals. City is required to appropriate 70% of the CDBG funds to meeting this objective over a three-year period.**

Low- and Moderate-Income Guidelines for the current CDBG Program

FAMILY SIZE	LOW-INCOME 50% of the Median	LOW-MODERATE INCOME 80% of the Median
1	\$21,850	\$34,900
2	\$24,950	\$39,900
3	\$28,050	\$44,900
4	\$31,150	\$49,850

Duluth’s current median income is \$62,300 per HUD calculations

The maximum incomes increase per household size after four persons.

- **Prevention of slum or blight conditions (i.e., vacant buildings, code enforcement and removal of unsafe structures)**
- **Addressing an urgent need that threatens the health, safety and welfare of the community's residents**

Four eligible categories for CDBG funding:

- a) Housing (examples: homeownership programs, rehabilitation, weatherization)
- b) Economic development (examples: micro-enterprise development, job creation, employment training)
- c) Physical improvements (examples: construction of buildings, public infrastructure improvements)
- d) Public services (examples: health care, childcare, employment training, food programs) According to federal regulations, a maximum of 15% can be allocated to public services.

Recipients eligible for CDBG funding are: for-profit businesses; nonprofit organizations; local units of government (including housing authorities and school districts); and neighborhood supported projects.

2. HOME Investment Partnerships Program (HOME) - \$519,569

The HOME Program provides grants and loans to implement the City of Duluth's housing strategies designed to increase homeownership and affordable rental housing opportunities for low- and moderate-income residents.

3. Emergency Solutions Grant Program (ESGP) - \$194,477

These funds provide operating assistance for homeless facilities and street outreach assistance within the City. The funding has supported programs that provide overnight and day shelter, and transitional housing for up to 18 months, for various homeless populations within the community. A new component that will be available for the first year is utilizing funds for rapid re-housing and prevention activities.

The Duluth Community Development Program Mission is to invest in community programs that help low- to moderate-income people by addressing **basic needs**, providing **affordable housing** and increasing economic **self-sufficiency**.

The objectives of the 2012 Annual Action Plan include: preservation of affordable housing through rehabilitation with a focus on the Strategic Neighborhood Action Plan areas, weatherization of housing for energy efficiency, employment training that is tied to job creation that leads to an increase in the person's income, expansion and upgrading of Neighborhood Facilities, and services for persons who are or may become homeless. It is anticipated that 100% of the CDBG funds will be used for services for the direct benefit of low- to moderate-income persons with a focus on the City's Community Development Target Areas.

The Community Development program has three main initiatives as a result of its mission statement. These are increasing affordable housing, providing economic opportunities for low-income persons with barriers to employment and aggressively implementing the City-County *Ten-Year Plan to End Homelessness*.

The affordable housing initiatives are being focused on the City's core Community Development Target Areas, which have developed citizen-based revitalization plans. The goals include addressing negative impacts of blighted or vacant houses and properties along with the redevelopment of mixed-use opportunities. A primary focus of this effort will be rehabilitation of housing units rather than new construction, due to the escalating construction costs in our region and slow market for new homes. Another major component of the housing rehabilitation work will be to address lateral lines as a part of the Sanitary Sewer Overflow issue, a component of the City's Consent Decree with the Environmental Protection Agency. That will involve replacing or repairing sewer lines on private property that are allowing clear water into the sanitary sewer because of cracks or failures. Another key focus is to reduce utility costs through energy efficiency improvements, and as such the Community Development program is implementing a goal of reducing energy consumption in all multi-family unit and single family rehabilitations by 20%.

The investment in these three major initiatives has led to the development of a program known as "Duluth at Work," which is patterned after the Portland Model. This model focuses on addressing the employment barriers that people with very low incomes have in our current economy with an outcome of increasing incomes by 25% after three years. The goal is to equip this population with the skills needed to gain access to employment, rather than just taking care of them. This initiative assists with training, childcare and soft skill development, along with many other services to address needs.

Heading Home St. Louis County, A Ten-Year Plan to End Homelessness, is an aggressive plan to address a long-time need within the region, and primarily Duluth; that is, people who are chronically homeless. The plan has a number of strategies, including a Housing First Strategy that focuses on getting people into permanent affordable housing instead of temporary shelters. This type of change in policy requires the City to shift how resources are allocated and, as such, has meant a continued transition to funding programs that provide direct benefit to people who are homeless or at risk of becoming homeless, instead of investing in preventative type of programs that may have long-term goal realization.

The Consolidated Plan provides a general outline of community needs, strategies, planned activities, priorities and performance expectations. Each of these strategies is tied to objectives that reflect the performance measurement system implemented by HUD to demonstrate the effectiveness of the Community Development programs on both a national and local scale. Using three national objectives:

1. Creating suitable living environments,
2. Providing decent housing, and
3. Expanding economic opportunities.

These objectives have been tied to outcome criteria that measures:

1. Availability/accessibility,
2. Affordability, and
3. Sustainability.

The following chart shows the outcomes that will be realized through the implementation of the objectives outlined in the 2012 Action Plan.

	Accessible		Affordable		Sustainable	
	Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount
Decent Housing	3,562	\$419,052	154	\$1,264,598	0	\$0
Economic Opportunity	43	\$344,000	0	\$0	0	\$0
Sustainable Living Environment	21,229	\$201,673	0	\$0	2	\$363,790

This table shows that the City is planning to invest a large portion of the resources into providing decent housing for low-moderate income residents in the community. The total amount for providing decent housing is \$1,683,650 which is a significant portion of the funding.

HUD, as required, conducts an annual review of performance by the City of

Duluth, and has provided a report with the results of their last review. The City's accomplishments for the FY 2010 Program Year were:

- Timeliness in the CDBG Program was at an acceptable rate of 1.06 grant years
- 100% of the 2009 HOME funds had been committed within the 24-month time frame
- 100% of the 2005 HOME funds had been expended within the 5-year time frame
- 100% of the 2009 ESG funds had been spent within the 24-month time frame
- 9 public services assisted over 27,000 low-moderate-income persons in the City; these services included youth development, fair housing counseling, health services and other public services
- 41 permanent jobs for low-moderate income persons were created
- 10 micro enterprises were assisted
- No multi-family units and over 18 single family homes were rehabilitated
- 1 family received assistance through IDAs (Individual Development Accounts) to purchase a home
- 62 homes were weatherized
- 11 households received tenant-based rental assistance
- Over 1,500 homeless persons were assisted through shelters, transitional housing and drop-in shelters with ESG funds

This summary of past performance was only possible because of the collaborative relationship with the City's partners: non-profit service providers and affordable housing agencies, the Duluth HRA, Duluth LISC and other community groups that help to implement strategies that meet the needs of the residents. While the City has much to show, the needs are still great and this year's Action Plan contains a number of key programs that will implement programs that will be measured by the outcomes and objectives as outlined in this plan.

This Annual Action Plan was developed in accordance with the City's Citizen Participation Plan; a complete summary is contained in Appendix B. The process started with a series of Community Forums, including an "on-line" forum, designed to solicit comments from primarily low-moderate income residents living in the City's Targeted Community Development Block Grant neighborhoods. These forums provided the basis for determining what needs should be addressed with the investment of these funds. The development of the forums is done in consultation with social service agencies and nonprofit partners that serve the needs of low-moderate-income people. Also, a public hearing on the Consolidated Annual Performance Evaluation Report (CAPER) was held to review the performance of last year's programs and activities. Applications submitted for funding to address the Community's needs were reviewed by the Community Development Committee (CD Committee), which is a committee of citizens who advise the City Council and the Administration. The CD Committee announced a preliminary budget for the 2012 Annual Action Plan and then published this budget for a 30-day public comment period. Following the public comment period, a Public Hearing was held on the proposed investment strategy as outlined in the 2012 Action Plan, at which time they

heard public testimony and reviewed the citizen comments submitted. All comments submitted were accepted, a summary is contained in *Appendix A*.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.
4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Action Plan General Questions response:

The following pages illustrate the geographic areas where the Community Development fund assisted activities will benefit low-moderate income persons in designated Target Areas. The Community Development Division estimates 80% of the Community Development funds will be utilized within the Community Development Target Areas.

The CD Committee reviewed program proposals and has recommended funding activities that meet a "High" priority in the Tables 1A, 2A and 2B, meaning that the Jurisdiction would fund these activities within the five-year Consolidated Plan. The only "High" priorities not funded in this Action Plan as shown on Table 2B were: Youth Services, Transportation Services, Crime Awareness and Tenant Landlord Counseling. The City did not receive any proposals for these particular priority needs. One "Medium" priority, Youth Centers (Boys & Girls Club applicant) was recommended for funding in the FY 2012 Action Plan.

Activities to Meet Under-served Needs

In addressing the needs of under-served segments of the population in Duluth (persons of color, persons with disabilities, hard-to-employ persons and female heads of households), the City will follow a policy of nondiscrimination and equal opportunity. The City will make every effort to reach the under-served to participate in CDBG, HOME, and ESG-funded programs, as well as participate in the Consolidated Planning process, the City's Comprehensive Planning process, and the

Neighborhood Planning process. Additionally, Duluth has an Affirmative Marketing policy and an Outreach to Minority and Women-Owned Businesses policy.

In 2012, the City of Duluth will continue to address the needs of under-served populations by initiating activities that:

- Increase employment opportunities for low-income, hard-to-employ persons;
- Increase accessibility for everyone;
- Remove impediments to fair and equal housing choice;
- Remove barriers to affordable housing;
- Reduce lead-based paint hazards; and
- Foster relationships between public, private and nonprofit organizations to promote initiatives targeted to the under-served populations.

Specific activities for 2012 are identified below.

Economic Development Activities

The following 2012 projects will provide increased opportunities to employment for under-served populations.

- **SOAR Duluth at Work (D@W)** - SOAR Career Solutions (SOAR) will provide training, support, case management, job placement, and job retention assistance for Duluth residents at/below 50% of Area Median Income to identify, obtain and keep jobs that increase their income by 25% over three years.

Each D@W client will meet with SOAR staff to complete a validated screening tool, the Employability Measure (EM). A case plan will be developed based on the EM's 11 domains of functioning. Intensive support will be provided to help clients overcome employment barriers and become self-sufficient.

Clients will be enrolled in SOAR workshops as needed. These include:

STEPS, a cognitive program to assist people in changing behaviors and attitudes, building motivation, and gaining a desire to succeed;

Job Basics, a short course on workplace culture and expectations;

Fast Track, a concentrated course on job searching, marketing oneself, job applications, and successful interviewing skills;

The Works, a comprehensive course where individuals discover their career dreams and build skills to reach their goals;

Computer Basic Training, a course for clients who need to overcome computer anxiety and become confident with basic computer skills in order to secure employment.

Additionally, clients will be referred as needed to other community services including Community Action's Circles of Support and FAIM programs, Adult

Learning Center, Flexwork, Lake Superior College, the Duluth Workforce Center, American Indian Community Housing Organization's culturally specific supportive services, Minnesota Assistance Council for Veterans, and other community partners.

To support the placement of program participants in full-time employment and to customize training to meet the specific needs of employers, SOAR has relationships with area employers Holiday Inn, Essentia Health, Express Personnel Services, Northstar Aerospace, and the small businesses in the Northeast Entrepreneur Fund's Growing Neighborhood Businesses program.

Post job placement retention services will include ongoing case management as needed; individual sessions at SOAR, in the workplace, or in the community; phone calls; letters; e-mail contact; and newsletters for three years. Monthly peer support/ongoing education sessions will be planned and offered.

- **CHUM Supportive Services for Employment** - Churches United in Ministry (CHUM). The project will provide supportive services, including case management, to the target population. Both employees and employers will receive support through the project to ensure their mutual success. Nine program participants will successfully obtain and maintain employment for three years, during which time they will build a foundation, including obtaining necessary skills and credentials, for ongoing employment at a livable wage with career path potential and realize a minimum of a 25% increase in their income. The program will include the following basic components/steps:

Screening and Assessment

Potential participants will be screened to determine their career option choices (based on skills and interests), as well as barriers they must address to realize these objectives. Those not ready for this program will be given appropriate referrals to existing employment and job training opportunities.

Orientation

Those provisionally accepted into the project will participate in a one-week orientation/training program designed by SOAR Career Solutions. This program will include one-half day of basic life skills information (i.e. appropriate dress and language, how to handle child care problems, calling in to work when sick, etc.), as well as job interview skills. The individual, with case management support, is responsible for applying for, and securing a position with one of the participating businesses. Once hired the person becomes a full participant in the project.

Case Management and Supportive Services

The case manager has three primary responsibilities: a) providing support to the participant while holding him/her accountable in carrying out the work plan; b) providing support to the employer and helping ensure that the participant/employee is meeting job expectations; c) problem solving and accessing resources necessary to help the participant achieve stability and job success. Case management will likely be very intense during the first months of employment with a gradual reduction in support as stability is achieved.

Career Ladder Support

Case managers will instill in those they are working with that their initial employment is only the first step in a multi-step process and help them plan the next steps out and access the resources necessary for taking those steps.

Employers will be expected to invest in training their employees. Resources for this (i.e., Lake Superior College, SOAR Career Solutions, Adult Learning Center, etc.) will be made available and shaped to meet the needs of employers and employee/participants.

Peer Support Groups will also be organized to provide an opportunity for employees to share not only their problems and frustrations, but also their dreams. Resources can be brought to these meetings (i.e., SOAR, Lake Superior College, Habitat, Northern Communities Land Trust, Early Childhood and Family Education) that can help participants see how these dreams can be realized.

- **Neighborhood Youth Services, JET (Jobs, Education, Training) Project**

Neighborhood Youth Services (NYS)--Woodland Hills. The goal of this project is to provide program participants, a targeted population of two low-income youth (ages 15 to 21), with employment readiness training, career exploration and job shadowing opportunities and educational and employment support to assist them with becoming economically self sufficient. The overall goal is increasing participant income by 25% over a three-year period.

The first part of the program provides participants with opportunities to enhance their job readiness skills. The skill training includes resume writing, completing employment applications, interviewing and communication skills, appropriate work attire, handling responsibilities, and financial management skills. This training allows the participants to progress as a group which serves as a support network. After completion of the job readiness training and based on their particular interests, the youth will then participate in career exploration and job shadowing at businesses in Duluth. As participants develop their skills and gain a variety of experiences they will move into employment opportunities. Duluth businesses offering job shadowing and/or employment opportunities to JET Program participants include: Holiday Inn and Suites and Holiday Stores.

- **Circles of Support** - Community Action Duluth. The goal of this project is to provide program participants, a targeted population of seven low-income single mothers, with employment readiness training, job coaching, removal of employment barriers and employment support to assist them with becoming economically self-sufficient. The overall goal is increasing participant income by 25% over a three-year period.

The first part of the program provides participants with opportunities to enhance their job readiness skills. The skill training includes resume writing, completing employment applications, interviewing and communication skills, appropriate work attire, handling responsibilities, and financial management skills. This training

allows the participants to progress as a group which serves as a support network. After completion of the job readiness training and based upon the needs of the employer for the work to be completed participants will move into employment opportunities.

The program has job commitments from Interim Health Care for up to 12 positions in Homemaker Companion and Certified Nursing Assistants.

- **Growing Neighborhood Businesses** - Northeast Entrepreneur Fund, Inc. (NEEF). This project will provide vital one-on-one business development and expansion technical assistance and training for at least eight existing LMI qualified small-business owners in Duluth Target Areas (East Hillside, Central Hillside, Lincoln Park, Morgan Park, and West Duluth), with goals of job creation and overall business growth of 25% in three years.

The Northeast Entrepreneur Fund will work closely with the At Home in Duluth Core Group, Spirit Valley Citizens Neighborhood Development Association (SVCNDA), Lincoln Park Business Group, and the Hillside Business Association to help grow strong, vital neighborhood businesses that create new jobs for persons in the five targeted neighborhoods in order to increase their economic self-sufficiency.

Through Growing Neighborhood Businesses (GNB), the Entrepreneur Fund will provide vital business development and expansion technical assistance and training to existing small business owners in the targeted neighborhoods who currently have at least one paid employee and want to expand their business and create new jobs.

A Northeast Entrepreneur Fund Business Developer will be assigned full-time to work with business owners in the five neighborhoods. The Business Developer will actively market and recruit existing business owners for the GNB project, meet on-site with each business, and be available for office hours at the neighborhood business associations' offices. Recruitment methods will include presentations at neighborhood business and community associations, flyers posted in the neighborhoods, word-of-mouth marketing, and active networking among local businesses.

Once recruited, each business owner will work closely with the GNB Business Developer to provide an initial need assessment and build a plan for the future. This plan could include specific assistance with business and financial planning for expansion, sales and marketing, new product or service development, and Human Resource Planning - technical assistance with the ultimate goal of job creation and overall business growth of 25% in three years.

Public Facilities Activities

The following 2012 projects will provide a more sustainable living environment and increased accessibility for under-served populations.

- **Soup Kitchen Renovation for Damiano**

The project would provide the basic infrastructure for a Damiano Soup Kitchen renovation, including demolition, expansion of the space, making the space accessible, plumbing, electrical, and wall and floor coverings.

The Damiano Center has been a significant provider of basic needs services to Duluth's low-income and homeless citizens since 1982. Over the years, Damiano has grown from an ad-hoc community intervention into an institution that is a foundation of the safety net programs in Duluth. Prior to 2009, the Damiano Center averaged 7,000 meals served per month. After the current recession began, that number now averages 10,000 meals per month, a 40 percent increase. All users of the Soup Kitchen are low-moderate income and approximately 30% are homeless. Further, the Damiano Center and Soup Kitchen are located within neighborhoods with a large portion of persons who are low income.

- **Lincoln Park School Redevelopment**

The Lincoln Park school building is slated for adaptive re-use which will impact the Boys & Girls Club facilities requiring mechanical and exterior/interior improvements for the space to remain a usable center for more than 1,000 disadvantaged neighborhood youth.

To continue to utilize the Boys & Girls Club portion of the vacated building the following improvements need to be completed:

- 1) Purchase and install new mechanical systems (HVAC) for the Boys & Girls Club, and
- 2) Redevelop interiors and make exterior improvements for the continued operation of the Boys & Girls Club.

The Boys & Girls Club offers daily programs in Education and Career Development, Character and Leadership Development, Health and Life Skills, the Arts, and Sports, Fitness, and Recreation. The Club has a Learning Center equipped with computers and internet access, a game room for recreation, a kitchen and cafeteria to serve daily meals, an art room, gym access for sports and fitness, and a mentoring program that matches at-risk youth with mentors and tutors.

Public Service Activities

The following 2012 public service projects will provide increased opportunities to access employment and increased access to fair and equal housing choice for under-served populations.

- **Damiano Center's Clothes That Work and Social Service Programs** help to remove barriers to employment for low-income, under-served populations. Clothes That Work provides free job-appropriate and professional work attire for

participants who are employed or seeking employment. Additional effort is made to increase employment opportunities by providing participants with bus tokens and other assistance to reduce transportation barriers that limit employment opportunities. While all program participants are low income, more than half of the program participants are from female-headed households, more than half are persons of color and many are persons with disabilities. By reducing barriers to employment, program participants have greater opportunities to increase their economic self-sufficiency.

Housing Activities

The following 2012 projects will provide increased accessibility as well as remove impediments to fair and equal housing choice and barriers for under-served populations.

- **Community Action's FAIM Individual Development Accounts (IDA) and Downpayment assistance program** provides funds for a matched savings account enabling low-income renters to save for a downpayment for their first home. Financial education, credit repair and ongoing coaching also assist renters with becoming homeowners.
- **Housing and Redevelopment Authority (HRA) of Duluth Homeless Rental Assistance Program (TBRA).** This HRA program provides rental assistance to homeless families. The program is similar to the "Section 8" Housing Voucher Program. However, applicants can have immediate access to a voucher, and persons with some types of criminal histories can be housed who would be rejected under the regular "Section 8" guidelines.
- **Multi-Family Development by Northern Communities Land Trust** to develop additional affordable rental units for homeless families including the availability of supportive services. Although not recommended for 2012 funds, the City's intends to fund the project utilizing 2013 funding. This delay is due to timing of low-income housing tax credit assistance, which will be applied for in the coming year.

Summary of Community Development Resources for Proposed FY 2012 Action Plan

The total recommended investment available for the FY 2012 Action Plan is in the following table:

Source	Amount	Comments
HOME	\$519,569	FY 2012 Grant
ESGP	\$124,465	FY 2012 Grant
HOPWA	\$0	The City is not eligible for HOPWA funds but, as shown on Table 2, supports applications for them.
CDBG	\$2,138,165	FY 2012 Grant
CDBG	\$343,659	Reprogrammed funds from earlier allocations
Program Income	\$132,967	[See narrative below]
Float Funds	\$0	No activities planned using this type of funding.
Total	\$3,258,825	
Total Available for FY 2012 Action Plan Activities	\$3,125,858	[Some program Income funds are available for allocation to FY 2012 projects. See narrative below.]

Program Income

The City does anticipate having program income available for allocation to projects in FY 2012. Although there will be program income generated, most of these funds are generated by revolving loan funds will have already been obligated for CDBG eligible activities via individual subrecipient contracts. Neighborhood Housing Services and HRA's rental rehabilitation are in the form of repaid revolving loan fund reimbursements generated by the projects, which remain with the projects to fund future eligible activities.

The 2010 Grantee Performance Report and financial audits project \$132,967 in program income estimated to be generated in 2012. These program income funds will be utilized by the two agencies for housing rehabilitation activities.

Program income generated by the collection of payments from "due on sale" loans or deferred grants in the form of housing lien reimbursements or the reallocation of funds from previous program years in the amount of \$343,659 in CDBG-funded activities will be utilized in the FY 2012 funding recommendations.

In addition, the City owns or controls tax forfeited land that could be used for housing, community development, or economic development projects. The City may use some of that property during the FY 2012 Community Development program.

Funding Sources and Leveraging

FY 2012 ACTION PLAN FUNDING SUMMARY		
Funding Source	Amount	% of Total
CDBG	\$2,481,824	11.4%
HOME	\$519,569	2.4%
ESGP	\$124,465	0.6%
Other	\$18,630,116	85.6%
Total	\$21,755,974	

The table above summarizes the various funding sources proposed to underwrite the FY 2012 Action Plan. As shown in the table, \$3,125,858 in CDBG/HOME/ESGP funds will leverage an additional \$18,630,116. The ratio of Community Development funds to leveraged funds is 1:5.96. "Other" funding sources include other federal programs, foundations, City, self-generated fees, donations, and private donors.

It should be noted that funding amounts are estimates and may change pending success of applicants' requests to foundations, fund drives, and level of actual self-generated fees. In past years, this leverage amount has been higher, but due to the recent market events other resources have diminished. Foundation and other state funding resources have decreased with recent economic events.

The City requires all grantees receiving ESGP funds to submit evidence, such as contracts or grant award letters, that they have obligated dollar-for-dollar matching funds from nonfederal revenue source(s), to identify and include the match in the project budget, and to document expenses covered by matching funds with each request for grant monies. The match requirements are incorporated within the executed grant agreement between the City of Duluth and the subgrantee.

To ensure documentation of match for the HOME Program, all grant agreements in categories requiring match include the following stipulation: "At City's request, (*subgrantee*) shall be responsible for requiring that a Matching Contribution be available or in place with regard to such HOME funds which, when taken together with the aggregate of HOME grants previously extended under the HOME Program, meets the requirements for Matching Contributions as set forth in the HOME Program statutes and regulations promulgated thereunder." In the past, the City has asked HOME-funded projects to provide documentation of awarded foundation and/or State of Minnesota grants. These sources have provided match contributions far exceeding the annual liability, and allowed for significant excess match to be carried over into future years.

As required by HUD regulations, the City has adopted policies encouraging involvement in the HOME Program by minority and women-owned businesses. This document, "Affirmative Marketing/Outreach to Minority and Women-Owned Businesses," is on file in the office of Community Development. The City has also developed guidelines on recapture and/or resale restrictions for applicable

affordability periods that govern homeownership projects. For these guidelines, see Appendix C - Recapture/Resale Guidelines for Home Buyer Activities.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Action Plan Managing the Process response:

On behalf of the City of Duluth, the Community Development Division of the Business and Community Development Department has the lead agency responsibility for formulating plans and strategies for housing and community development efforts. The Division is directly responsible for administering and developing the Consolidated Plan, which outlines the community's goals and investment strategies for the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant Program (ESGP). Also, the Community Development Division works with other City departments, the Housing and Redevelopment Authority of Duluth, neighborhood and citywide non-profit groups to implement the Community Development program.

An advisory group of citizens assists with reviewing community development strategies by providing direct citizen input into the planning and prioritization process. That group is the Community Development Committee (CD Committee). The CD Committee is made up of 11 communitywide representatives. The CD Committee is advisory to the City Administration and the City Council.

The participation process for the Community Development Program is detailed in the *City of Duluth Citizen Participation Plan, February 2009* publication. In general terms, the process consists of two tiers: CD Committee, which provides community perspectives on the Community Development Program; the Neighborhood Forums (hearings) which have CDBG-eligible Target Areas and represent neighborhood perspectives. These forums are meant to provide a more interactive setting from which to seek input on neighborhood priorities and needs.

The Community Development Division, as the lead entity, strives to involve many partners in addressing community development needs and issues. As noted in the following section, there are many other participants involved with housing and community development issues and programs in Duluth. As the lead agency, the Division strives to achieve close cooperation among these other entities.

Two major events helped to shape the principles in the development of the Consolidated Plan from a community needs assessment and the direction of fund distribution. One item was the Community Impact Report developed and released by the United Way. This report outlined trend data in the basic areas of community development from housing, education, social service delivery and youth development. Many of the Community's partners provided information and discussed how the focus on children will have a major benefit on the youth development and future service needs. The other event that shaped the fund distribution philosophy was the meeting of the Duluth Grantor's Alliance in March 2011. This alliance is made up of all the foundations in the community, along with the City, County and the United Way. This meeting outlined the impact of funding reductions and the funding decisions area Foundations will be making in 2011 and 2012 due to the decline in the market place. The continued funding reduction over the next couple of years will impact many, if not all, of the public service providers within the community and will continue to cause reduction of services.

During the course of preparing the Consolidated Plan, Community Development staff met with numerous individuals and agencies to gain information and insight into Duluth's housing and community development needs. These agencies have working programs and statistical information pertaining to persons with low and moderate incomes. The following agencies were consulted and have a combined interest with the City in furthering community development goals:

- St. Louis County Health & Human Services Department
- Arrowhead Regional Development Commission
- Duluth Affordable Housing Coalition
- Center for Alcohol and Drug Treatment
- Human Development Center
- Housing and Redevelopment Authority of Duluth (HRA)
- Community Action of Duluth
- Duluth Workforce Center
- Duluth Workforce Development Division
- Community Development Committee
- St. Louis County Community Development
- Local Initiatives Support Corporation
- Superior Community Development Office
- United Way of Greater Duluth
- Ordean Foundation
- Northland Foundation

During the 2012 Action Plan year, the City's Community Development Division will participate in a process with the other major Emergency Food System funders, the Ordean Foundation, the United Way of Greater Duluth, and the Northland Foundation, including the Second Harvest Northern Lakes Food Bank. It is anticipated that this process will yield a good partnership with the funders and service agencies in assessing the Emergency Food Response system and analyze potential improvements in service delivery.

A continuing coordination activity in 2012 will be the restructuring of the County/City Continuum of Care process with the HEARTH Act Amendment to the McKinney Vento Act. The two entities have collaborated in the Continuum of Care (CoC) process for a number of years, which led to the development of the Ten-Year Plan to end homelessness, but the entities have not coordinated on funding requests between programs. The two groups will work within the CoC to strengthen the collaborative process that evaluates funding and streamlines the use of HMIS to minimize the administrative burden on service agencies. This process will include the development of a new County-wide advisory committee appointed by both the St. Louis County Board and the Duluth City Council. The mission of this new committee will be to evaluate implementation strategies of the Ten-Year Plan and recommend strategic investment of resources to both parties.

Citizen Participation

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Action Plan Citizen Participation response:

Early in the development of the Action Plan, a series of community forums was held in Community Development Target Areas that served as Community Development and Housing Needs public hearings. The purpose of these forums was to gain comment, information and insights into community needs and opportunities. The community forums were held at the Good Fellowship Club on May 11th and Central Hillside Community Center on May 17th. These forums were aimed at engaging citizens from all our Community Development neighborhoods in a dialogue on issues and needs for persons with low and moderate incomes in a less formal and more interactive setting, plus a review of priorities with the Neighborhood Action Plans that were being coordinated through At-Home in Duluth. People were asked what priority actions were needed in their neighborhoods in the next year. A summary of the proceedings can be found in Appendix B.

A public hearing was held June 28, 2011, by the Community Development Committee for the purpose of reviewing the previous year's program performance as outlined in the 2010 CAPER. This enabled citizens to ask questions about monitoring issues and learn more about the program's outcomes. Also, the committee reviewed the priority needs tables from the Consolidated Plan.

A 30-day public comment period was advertised in the Duluth News Tribune on November 1st continuing until December 2nd. This notice was also placed on the City's website.

A second public hearing was held on December 6, 2011, to receive public comment on the proposed FY 2012 funding recommendations and the goals of the 2012 Annual Action Plan of the 2010-2014 Consolidated Plan. Because of the significant reduction from the estimated 20120 CDBG and HOME Program allocations, the CD Committee chose to continue the public hearing at their January 31, 2012, meeting and received further comments. The Council reviewed the FY 2012 Action Plan on February 13, 2012.

All meetings for the Community Development Program are conducted according to the state "open meeting law," including community forums and Community Development Committee (CD Committee) meetings. Meetings of these groups are held during evening hours at public locations accessible to persons with disabilities. Copies of the meeting notices are forwarded to the Office of the City Clerk, where they are placed on public display and kept on file. In addition to the traditional time and location information, the ads and news releases include information on the purpose and proposed content of the subject matter to be heard. In the event a Public Hearing is expected to be attended by a significant number of non-English speaking or hearing impaired individuals, a translator is provided.

Information relating to the Action Plan and specific project proposals is maintained in the Community Development Office, Room 407, City Hall and is available for the public to view and obtain copies; also, a summary of this information is available on the Community Development Division's website.

In addition, a library of information relevant to housing and CDBG issues and programs is available at the Community Development Office.

Public Comment on Action Plan

Appendix A contains a summary of public comments and the City's responses to the comments on the Action Plan. Appendix B has a summary of each public hearing held during the development of the FY 2012 Annual Action Plan of the 2010-2014 Consolidated Plan.

Efforts to Broaden Citizen Participation

Participation from citizens is necessary for a community to craft and implement community development initiatives that meet the needs of its citizens. The City of Duluth has been fortunate to have broad participation in the planning process, but the process of obtaining and enhancing citizen participation is constantly changing with new technologies and social patterns. More people are connecting to the internet for various activities: gathering information about programs or meetings, obtaining updates on current events, providing opinions on public programs, just to name a few. A growing trend with public meetings is the use of cable access television to provide people with an additional access to public processes. In the

Consolidated Planning process these mediums have been utilized to provide more access to the planning and recommendation process through the City's website and televising meetings on the Public Access channels. This will remain a constant method for expanding participation, including publishing monthly ads on the Community Development process in the Hillside Newspaper, which is a free newspaper that is focused on a large part of the City's Core Community Development Target Area.

A successful method of broadening participation has been the "Community Forums." These sessions allowed people to interact in smaller groups to determine neighborhood needs and issues. Then each group reported back priorities to the larger group. A primary goal for the Action Plan in that process was to encourage people with low and moderate incomes from outside the current CDBG Target Areas to become active in the Action Plan development process. Our partners in the community (Community Action Duluth, Churches United in Ministry, Damiano Center, and the HRA) assisted with getting the notice out to under-served populations, including public housing residents, and by bringing program participants to those forums. Another method of expanding this Community Forum approach has been to have an "On-line Community Forum" during the two-week time period of the traditional forums. By utilizing the Website and hosting an on-line forum with different questions each day, the Community Development Division was able to get more participation from people who would not have otherwise had the opportunity to attend in person. A summary of these comments may be found Appendix B.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Action Plan Institutional Structure response:

In 2012, to strengthen partnerships for the delivery of services as identified in the Annual Action Plan, the Community Development Division will continue working with St. Louis County on the *Ten-Year Plan to End Homelessness*, in updating the County's plan implementation steps. This collaborative effort will continue to focus developing more analysis of the HMIS data from ESG sub-grantees and other Continuum of Care agencies for better quality planning and system coordination with service providers and working towards our goal of reducing the average number of days in shelter.

Another initiative will be the coordination with Hunger Free Minnesota, as this statewide effort will be focusing on reducing the number of people who go hungry in our state and community. This effort will include an analysis of Duluth's Emergency Food delivery system with our main funding partners, the Ordean Foundation, the Northland Foundation and the United Way and the coalition partners of CHUM, The Salvation Army, Union Gospel Mission, the Damiano Center and the Second Harvest Northern Lakes Food Bank. The study will examine the gaps in our current system

and the needs for upgrading the delivery methods including capacity for meal preparation.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Action Plan Monitoring response:

The Community Development Division and City Auditor's Office will conduct an annual risk assessment. This risk assessment of the subrecipients will be based upon material weaknesses cited in their audit and performance in submitting appropriate documentation of expenditures, demographic information and other contract requirements, and is completed on an annual basis. A high-risk subrecipient has material weaknesses and/or significant deficiencies in their audit relating to the above-mentioned federal programs, lacks sufficient accounting policies and procedures to safeguard federal assets, and/or submits inaccurate payment request documentation and/or late demographic reports. On-site monitoring shall consist of financial monitoring and programmatic compliance. We will continue ongoing technical assistance training on regulations, including Lead-based Paint, Environmental Review, Income Verification, Procurement and other federal requirements as a method for continuous staff training with the City's subrecipients.

The Community Development Committee will hold a CAPER (Consolidated Annual Performance Evaluation Report) Public Hearing for the purpose of reviewing activity accomplishments for the previous year within 90 days after the completion of the City's Community Development Program year. The records presented at this hearing are available during normal business hours for public inspection in the Community Development Office.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Action Plan Lead-based Paint response:

At this time, the Duluth HRA plans to assess, remediate and clear 85 units of lead-based paint hazards in the coming year. Given the age of the affordable housing stock in Duluth, lead paint remains a major concern, especially for families with young children. Of these units, 35 will be owner occupied, by households with

incomes up to 80% of annual median income. The lead hazards will be remediated; however, lead paint will remain in the structure.

The City of Duluth, in collaboration with the HRA, successfully secured a three year, \$1,144,684 grant from the Office of Healthy Homes and Lead Hazard Control to expand the HRA's efforts to address lead paint in rental properties that participate in the Section 8 Housing Voucher Choice program, as well as single family homes. Tenants that will benefit from the reduction in lead hazards will be extremely low-income and low-income families. The American Lung Association will use \$100,000 of the grant funds for a Healthy Homes initiative for families with children who have asthma.

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Action Plan Specific Objectives response:

See table 3A for priorities and specific objectives.

Rental Housing Development:

The Northern Communities Land Trust (NCL T), in partnership with the Duluth HRA, has acquired several adjacent dilapidated rental housing properties in the Central Hillside target area, utilizing CDBG funds. The existing properties will be demolished, and a new 44 unit permanent supportive housing project for homeless families called Hillside Apartments will be constructed on the site. NCLT and Center City Housing, both designated CHDOs, are acting as co-developers. In addition to rental units, CHUM will locate new emergency family shelter and social service offices in the building. Funding sources for the project may include HUD homeless funding (SHP), Minnesota Housing, local public dollars, private sector foundation grants, Low-Income Housing Tax Credits, and a capital campaign. The City intends to provide FY 2013 funding to assist the project.

In 2012, Center City Housing will be using HOME funding for pre-development activities related to future affordable rental housing development.

Homebuyer Assistance:

For the 2012 program year, Community Action Duluth will use CDBG, Homebuyer Education, Counseling and Training (HECAT), Financial Opportunity Center (FOC),

HUD Section 4 and United Way funds for their homebuyer matched savings program.

Housing Rehab:

The Duluth HRA will provide homeowner and rental rehab programs, utilizing additional resources including federal lead paint hazard control funds, state Greater Minnesota Housing Fund Community Revitalization Fund (CRF) program, reinvestment of program income generated within the HRA's Rental Rehab Revolving Loan Fund, and private matching funds from rental property owners.

Energy Efficiency:

In the 2012 program year, AEOA will use federal Department of Energy and State of Minnesota Energy Assistance Program funds for weatherization. Equilibrium3 (formerly Common Ground) continues to implement the Duluth Energy Efficiency Program (DEEP) that provides home performance testing, energy improvement rebates, and a pilot effort to better understand effective energy efficiency methods for rental properties. DEEP has received 2010 and 2011 CDBG funds, Minnesota Office of Energy Security funding, and successfully secured a Climate Showcase grant of \$500,000 from the Environmental Protection Agency (EPA).

Acquisition / Demolition:

The Duluth HRA will utilize local DEDA funds for demolition of condemned, vacant and blighted properties.

Acquisition / Rehab / Resale:

The Duluth HRA and NCL T will continue to acquire, rehab and resell foreclosed and blighted properties in 2012. Resources include reprogrammed CDBG funds, state resources provided by the Greater Minnesota Housing Fund, City of Duluth HOME funds, the HRA's revolving loan funds generated by loan payments and the resale of homes, federal lead hazard reduction grants, and private bank financing for interim construction loans. As a designated CHDO, NCL T will be using HOME funds to support pre-development activities related to acquisition, rehab and resale of single family homes in 2013.

Special Needs Housing Development:

The Hillside Apartments project proposed for the Central Hillside Neighborhood will include rental units designated for permanent supportive housing, with units designated for families with a disabled member. (See Rental Housing Development section above for additional details on this project)

Tenant-Based Rental Assistance:

In-kind resources (supplies, postage, office, utilities, and partial staff salaries) will be used by the Duluth HRA in 2012 to manage HOME funded tenant-based rental assistance. The HRA is federally funded.

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Action Plan Public Housing Strategy response:

In 2012, the Duluth HRA has been awarded HOME program funding for tenant based rental assistance for homeless individuals and families to secure permanent rental housing. Case management services will be provided to ensure housing stability. Of the \$136,000 in HOME funding, the HRA will use \$11,000 for the management of the program, and \$125,000 for housing vouchers.

Public housing residents participate in City funded programs such as Community Action's IDA savings program; and NCLT and HRA's acquisition, rehab, resale programs. Residents are encouraged to take advantage of the HRA's Family Self-Sufficiency and Section 8 Housing Voucher homeownership programs.

The City is satisfied that public housing residents are involved with the HRA management through their representative on the Board of Commissioners and active Resident Clubs.

The HRA is a High Performer under HUD's Section 8 program's SEMAP system, and a Standard Performer under Public Housing Assessment System (PHAS), which grades the HRA on management operations, physical conditions, customer service, and financial condition. They expect to regain a High Performer rating in the PHAS in 2012.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Action Plan Barriers to Affordable Housing response:

Co-Locating Permitting and Planning

The offices related to the "One Stop Shop" development services have been co-located on the second floor of City Hall. The coming year will see the integration of planning and permitting services, providing a more efficient "user friendly" service for housing development and rehabilitation.

New Zoning Code

The new Unified Development Code was adopted by the City in the summer of 2010. City staff is now working on the adoption of the citywide zoning code, with a tentative completion in 2012.

Lateral Sewer Lines

Late in 2008, the HRA was awarded CDBG funds to assist low- and moderate income households to repair private sewer lines. Originally, the HRA anticipated helping 60 households by June, 2010. However, the Duluth City Council approved additional local support in the form of partial grants to homeowners. CDBG funds are being used to cover costs above the grant amount. This will significantly increase the number of lines repaired with CDBG, to as many as 200 households. In 2012, the program will continue to assist homeowners.

Demolition of Blighted Properties

The HRA will utilize local DEDA funds to acquire and demolish blighted properties, focusing on the At Home in Duluth neighborhood revitalization areas.

Affordability and Value Gap Funding

Income eligible homebuyers will participate in Community Action's IDA program, and purchase homes through the NCL T and HRA acquisition / rehab / resale programs.

Increased Per Unit Rehab Guidelines

Not planned for 2012. This barrier will be addressed in future years.

"Gate Keeper" Approach to Rehab Programs

Equilibrium3 continues to work on establishing the program as the "gate keeper" for housing property owners seeking assistance for energy efficiency improvements. Early in 2012, NCLT and Neighborhood Housing Services combined into one new housing oriented non-profit, named "One Roof Housing". The new organization, Duluth HRA, AEOA and the City's Community Development Division are working on creating a housing services center as a "one stop shop" for rehab assistance in Duluth. This effort will include uniform intake, inspection services, loan origination and servicing, coordination of rehab efforts, and the co-location of staff.

Lead-Based Paint Funding

The City of Duluth, in cooperation with the Duluth HRA, successfully secured lead-based paint funding from the Office of Healthy Homes and Lead Hazard Control. The year 2012 will be the second year of the three year project focused on properties participating in the Section 8 and TBRA rental subsidy programs.

Foreclosed Properties

NCLT and HRA will continue through 2011 to acquire, rehab and resell vacant, foreclosed properties in neighborhoods experiencing high foreclosure rates.

Housing Market Survey

A survey to determine the actual median value of homes in Duluth will be conducted when HUD issues regulations disallowing the use of the Single Family Mortgage Limits under Section 203(b) of the National Housing Act. HUD's use of the

Duluth/Superior statistical metropolitan area as the basis for determining median value underestimates values within the City of Duluth.

20% Energy Efficiency Requirement

In 2012 funding agreements, any rehab projects using CDBG or HOME Program dollars will be required to increase by 20% the energy efficiency of existing homes; this is an increase from 10% over last year's requirement.

Tenant-based Rental Assistance

The Duluth HRA will administer a HOME funded tenant-based rental assistance program for homeless and "at risk" households.

Special Assessment Policies

Community Development staff worked with the Special Assessment Board to analyze policies that serve as a barrier to addressing tax forfeit vacant lots and dilapidated structures. Excessive assessments have made the purchase and rehabilitation of existing housing, as well as the rebuilding on cleared sites, cost prohibitive. In 2010, new policies were adopted that limited garbage assessments to only the prior four years, and eliminated those assessments less than \$500. Community Development staff works with the Board to reduce or waive special assessments on lots or buildings that are part of an affordable housing project on a case-by-case basis.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.

- e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Action Plan HOME/ADDI response:

The City of Duluth is not a recipient of ADDI funds.

HOMELESS

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Action Plan Special Needs response:

The City of Duluth has long partnered with St. Louis County (SLC), in producing a business plan to end homelessness, *Heading Home St. Louis County, A Ten Year Plan to End Homelessness*, and establishing annual goals and objectives under the *Continuum of Care (CoC) Plan* for St. Louis County. Both the *Ten Year Plan to End Homelessness* and the *Annual CoC Plan* are incorporated into the Consolidated Plan and the Annual Action Plans and used in the development of annual and five-year goals and strategies. While the SLC Health and Human Services Department is the lead entity for both the *Ten-Year Plan to End Homelessness* and the *CoC Plan*, activities associated with the planning and provision of housing and services for homeless individuals, families and youth are coordinated through a network of homeless service providers, the Affordable Housing Coalition (AHC) in Duluth, the Rural Housing Council (RHC) in Northern St. Louis County, the Committee to End Homelessness and the Implementation Team for the *Ten-Year Plan to End Homelessness*.

The goal of the *Ten-Year Plan to End Homelessness* and the *Continuum of Care*, through a countywide perspective and distribution of resources, is to help homeless individuals, families and youth to be rapidly re-housed in the most permanent housing possible, increase their housing stability and the housing security that goes along with stability, and to prevent new occurrences of homelessness. With the understanding that homelessness is not caused merely by lack of shelter, but rather involves underlying, unmet physical, economic and/or social needs, the supportive services provided for the homeless are designed to meet those needs. Support services include housing search and placement assistance and referrals to other community resources such as mental health treatment, drug and alcohol treatment, employment training, family support, life skills training, and providing for basic needs such as food and clothing. The SLC Health and Human Services Department and the City of Duluth Community Development Division are collectively responsible for managing the *Continuum of Care* process (since 1995) and the *Ten-Year Plan to End Homelessness* (starting in 2007). In 2010, through the *Continuum of Care* SuperNOFA process, Duluth agencies that help the homeless received \$1,065,699 to provide emergency shelter, transitional and permanent supportive housing beds, housing search and placement assistance and other housing services to help homeless families, singles and youth to obtain and maintain housing stability. In addition, the City's Housing and Redevelopment Authority receives \$292,908 annually to provide shelter plus care vouchers to homeless persons in Duluth.

Under the Family Homeless Prevention and Assistance Program (FHPAP), a program funded through the State of Minnesota and the Minnesota Housing Finance Agency, four Duluth agencies, the American Indian Community Housing Organization, Life House, The Salvation Army and Legal Aid, will receive approximately \$325,000 in funding to provide prevention and rapid re-housing assistance, legal aid services and advocacy for homeless individuals, families and

youth in Duluth. Through the FHPAP program Duluth agencies will assist more than 350 households to move toward greater housing stability through the rapid re-housing and prevention assistance provided by these agencies.

In 2009, the City of Duluth received approximately \$1.2 million in Homeless Prevention and Rapid Re-housing Program (HPRP) funds from HUD. These funds were allocated to four Duluth agencies, Churches United in Ministry (CHUM), The Salvation Army, Life House and the Center for Alcohol and Drug Treatment. The majority of these funds were spent in the first two years of the program. During that two-year period, 934 persons (467 households) received homeless prevention and stabilization assistance and 172 homeless persons (97 households) received housing search and placement assistance to become stably housed. Two of the service providers under the HPRP program, Life House and CHUM, will continue to provide prevention and rapid re-housing assistance services to homeless and at-risk persons in Duluth into 2012. Additional HPRP flex funds will be available to homeless and at-risk households served by these two programs.

The City-County coordination of homeless activities under the countywide *Ten Year Plan to End Homelessness* is further supported through the allocation of funds under the CDBG, HOME and Emergency Solutions Grant (ESG) programs. In 2012, the City's allocation of ESG funds (\$194,477) will be used for the operation of six shelter and transitional housing facilities in Duluth. They include the CHUM Emergency Shelter who provides shelter and services to homeless individuals and families, Safe Haven and AICHO Shelters, two emergency shelter facilities for battered and abused women and their children, Minnesota Assistance Council for Veterans (MACV) who provides transitional and permanent supportive housing to homeless veterans, The Salvation Army and Center City Housing who provide transitional and permanent supportive housing to families, single women and women with children. In addition, the City will allocate \$150,147 in 2012 CDBG Public Service funds to support programs and services for homeless persons. These funds will provide emergency shelter and transitional housing support services to help homeless individuals and families obtain permanent housing and improve access to education, employment, medical assistance and other housing support services. Homeless projects funded under the CDBG Public Service category include Safe Haven Shelter, The Salvation Army, CHUM, Life House, AICHO, MAC-V and Center City Housing. Other programs funded under the Public Service category that also assist the homeless include the Duluth Hunger Program, which operates emergency food pantries and soup kitchens throughout the City, Lake Superior Community Health Center, which provides free health care services to homeless and other low-income people in Duluth.

In addition to Public Service funding, the City will allocate \$125,000 in 2012 HOME Program funding to the HRA's Tenant-based Rental Assistance (TBRA) Program, to provide rental vouchers to families and individuals who are homeless and currently not eligible for Section 8 or Public Housing assistance. Program participants may receive rental assistance until they are approved for a rental assistance voucher under the Section 8 program.

Specifically, the City of Duluth, in conjunction with the Consolidated Plan and the

Ten-Year Plan to End Homelessness, will address homelessness in 2012 in a variety of ways. HOME funds will be used to move homeless individuals and families to independent living and housing stability by providing housing vouchers through the Tenant-Based Rental Assistance Program. CDBG Public Service funds and ESGP funds will be used to provide emergency shelter and transitional housing beds and support services to homeless individuals, families and youth. Persons exiting out of these programs will be assisted in obtaining stable housing and moving to independent living. Also in 2012, HPRP funds will be used to provide rapid re-housing assistance and case management services to homeless individuals, families and youth who are homeless to help them move to independent living and achieve housing stability.

The goals established in the Consolidated Plan to address chronic homelessness are to create additional permanent housing units targeted specifically for this population. One of the goals outlined in the *SLC Ten-Year Plan to End Homelessness* was to establish uniform discharge protocols and procedures that prevent people who are being released from county institutions from being discharged into homelessness. Adult Protocol Business Plan was completed in 2008. The discharge plan outlined transition process steps, based on an evidence-based model called Critical Time Intervention, a standardized assessment utilized by all discharging entities upon client admission to identify those at risk of homelessness, specific services to be offered to all clients and additional services offered to at-risk clients. The Discharge Plan also outlines collaborative partner roles and responsibilities, including coordination, information sharing, staffing patterns for institutional-based and community-based staff, and training. In 2010, St. Louis County received funding to conduct a pilot project with County correctional facilities to implement the discharge plan. Implementation of the project went well, but no new funds were allocated toward discharge planning activities once the pilot project ended. However, many of the established protocols implemented under the pilot continue to be used. Members of the Affordable Housing Coalition along with City and County staff, correctional staff and hospital emergency staff, under the leadership of the Minnesota Assistance Council for Veterans, have just begun planning the evaluation of the pilot project and implementation of discharge protocols, and in 2012 will continue to evaluate that aspect of homeless prevention.

In addition, City and County staff, in coordination with members of the Affordable Housing Coalition and the Rural Housing Coalition, have begun evaluation of the Ten-Year Plan as it relates to the HEARTH Act. Beginning now and throughout 2012, committee members and staff will review the existing homeless response system in Duluth and rural St. Louis County and look at 'retooling' the homeless response system to align with state and federal efforts.

Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

Action Plan ESG response:

The City of Duluth does not receive state ESG funds.

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.
2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Action Plan Community Development response:

Table 3A on the following pages outlines the City's response to the long and short-term Community Development objectives. At the end of 2011, the City was notified that the CDBG and HOME Program allocations for FY 2012 were being significantly reduced from previous year's funding. Because of this reduction late in the year, the CD Committee decided to delay making final funding recommendations until January 31, 2012. This allowed additional time for public comments, specifically related to budget cuts. The Committee reduced the initial CDBG funding recommendations by 16.2%, and the HOME recommendations by 27.6%. Funding for CDBG public facility Street Assessment Assistance was deleted; public service project Emergency Heating Assistance was eliminated with the understanding this service will be eligible for ESG funding later in the year; and HOME funding for the Hillside Apartment project was eliminated with the intent to provide FY 2013 dollars next year. Other reductions were made, primarily to individual public service projects and to program administration, that are reflected in the following pages.

Table 3A Summary of Specific Annual Objectives																	
IDIS Code	Housing Objective Priority Need	Funding Source	Performance Indicator	2010 Goal	2010 Actual	2010 Source Amount	2011 Goal	2011 Actual	2011 Source Amount	2012 Goal	2012 Actual	2012 Source Amount	Percent of 5yr Goal	5 Year Goal	5 Year Actual	% Achieved of 5 Yr actual	Outcome/ Objective
05S	Rental Housing Subsidies		Households	8	11		17	0		20	0		90%	50	11	22%	
	Tenant Based Rental Assistance - HRA	HOME	Households	8	11	\$ 37,000	17		\$ 104,500	20		\$ 125,000					DH-1
13	Direct Homeownership Assistance		Households	13	1		12	0		11	0		51%	70	1	1%	
	FAIM IDA's & Down Payment Asst.- Comm. Action	CDBG	Households	13	1	\$ 66,654	12		\$ 60,000	11		\$ 55,000					DH-1
14A	Single Unit Residential Rehab.		Housing Units	40	18		9	0		40	0		25%	350	18	5%	
	Duluth Property Rehab. Program - HRA	CDBG	Housing Units	40	7	\$ 250,000				40		\$ 225,000					DH-2
	Duluth Property Rehab. Program - HRA	HOME	Housing Units				9		\$ 180,000								DH-2
	Duluth Lateral Lines RLF - HRA	CDBG	Housing Units		11												
14B	Multi-Unit Residential Rehab.		Housing Units	76	0		60	0		60	0		78%	250	0	0%	
	Duluth Property Rehab. Program - HRA	CDBG	Housing Units	55	0	\$ 342,500	60		\$ 219,000	60		\$ 200,000					DH-2
	Upper Transitional Rehab - Center City Housing	HOME	Housing Units	12		\$ 255,868											DH-2
	Lower Transitional Rehab - Center City Housing	HOME	Housing Units	9		\$ 99,240											DH-2
14F	Energy Efficiency Improvements		Housing Units	147	62		87	0		44	0		51%	550	62	11%	
	Duluth Weatherization Program - AEOA	CDBG	Housing Units	55	62	\$ 208,376	30		\$ 180,000	44		\$ 171,320					DH-2
	Duluth Energy Efficiency Program - Common Ground	CDBG	Housing Units	92	0	\$ 187,200	57		\$ 116,500								DH-2
14G	Acquisition for Rehabilitation		Housing Units	11	0		40	0		7	0		53%	110	0	0%	
	Rehabilitation & Resale - NCLT	HOME	Housing Units	11	0	\$ 450,000	8		\$ 327,467	7		\$ 316,839					DH-2
	Multi-Family Development - NCLT	CDBG	Housing Units				32		\$ 200,000								DH-2
14H	Rehabilitation Administration		Organization	1	1		1	0		1	0		60%	5	1	20%	
	Duluth Property Rehab. Program - HRA	CDBG	Organization	1	1	\$ 461,000	1		\$ 436,253	1		\$ 325,659					DH-2
21I	CHDO Pre-development		Organization	2	2		2	0		2	0		60%	10	2	20%	
	Predevelopment - NCLT	HOME	Organization	1	1	\$ 22,000	1		\$ 17,999	1		\$ 12,890					DH-2
	Predevelopment - Center City Housing	HOME	Organization	1	1	\$ 15,000	1		\$ 17,999	1		\$ 12,890					DH-2
	Total of Housing Objective					\$ 2,394,838			\$1,859,718			\$ 1,444,598					

IDIS Code	Economic Development Objective Priority Need	Funding Source	Performance Indicator	2010 Goal	2010 Actual	2010 Source Amount	2011 Goal	2011 Actual	2011 Source Amount	2012 Goal	2012 Actual	2012 Source Amount	Percent of 5yr Goal	5 Year Goal	5 Year Actual	% Achieved of 5 Yr actual	Outcome/ Objective
18A	ED Direct Financial Assistance		Jobs	40	41		57	0		35	0		66%	200	41	21%	
	SOAR Duluth At Work - Project SOAR	CDBG	Jobs	20	20	\$ 160,000	20		\$ 160,000	14		\$ 112,000					EO-1
	Employment & Training - CHUMWorks	CDBG	Jobs	15	19	\$ 112,500	15		\$ 120,000	9		\$ 72,000					EO-1
	NYS JET (Jobs, Education & Training) - NYS	CDBG	Jobs	5	2	\$ 40,000	5		\$ 40,000	2		\$ 16,000					EO-1
	Futures Program - Life House	CDBG	Jobs				6		\$ 48,000	3		\$ 24,000					EO-1
	Circles of Support - Community Action Duluth	CDBG	Jobs				11		\$ 90,500	7		\$ 56,000					EO-1
18B	Economic Development Technical Assistance		Businesses	6	10		8	0					35%	40	10	25%	
	Growing Neighborhood Businesses- NE Entrepreneur	CDBG	Businesses	6	10	\$ 18,207	8		\$ 66,500	8		\$ 64,000					EO-1
	Total of Economic Development Objective					\$ 330,707			\$ 525,000			\$ 344,000					

IDIS Code	Public Facilities Objective Priority Need	Funding Source	Performance Indicator	2010 Goal	2010 Actual	2010 Source Amount	2011 Goal	2011 Actual	2011 Source Amount	2012 Goal	2012 Actual	2012 Source Amount	Percent of 5yr Goal	5 Year Goal	5 Year Actual	% Achieved of 5 Yr actual	Outcome/ Objective
03C	Homeless Facilities		Facilities	0	0		0	0		0	0		0%	1	0	0%	
03D	Youth Centers		Facilities	0	0		0	0		1	0						
	Lincoln Park School for Boys & Girls Club									1		\$ 50,000					SL-3
03E	Neighborhood Facilities		Facilities	2	0		0	0		1	0		50%	6	0	0%	
	Memorial Park Community Center	CDBG	Facilities	1	0	\$ 250,000											SL-3
	Damiano Accessibility Project	CDBG	Facilities	1	0	\$ 279,450											SL-3
	Damiano Soup Kitchen Renovations	CDBG	Facilities							1		\$ 313,790					SL-3
03K	Street Improvements		Households	0	0		20	0		0	0		10%	200	0	0%	
	Street Assessment Assistance	CDBG	Households				20		\$ 84,000								SL-2
03L	Sidewalks		Facilities	22	0		20	0		0	0		38%	110	0	0%	
	Curb Ramp Accessibility & Sidewalk Improvement VII	CDBG	Facilities	22	0	\$ 42,020	20		\$ 61,495								SL-3
	Total of Public Facilities Objective					\$ 571,470			\$ 145,495			\$ 363,790					

IDIS Code	Public Services Objective Priority Need	Funding Source	Performance Indicator	2010 Goal	2010 Actual	2010 Source Amount	2011 Goal	2011 Actual	2011 Source Amount	2012 Goal	2012 Actual	2012 Source Amount	Percent of 5yr Goal	5 Year Goal	5 Year Actual	% Achieved of 5 Yr actual	Outcome/ Objective
03T	Transitional Housing Services		People	212	282		245	0		1321	0		198%	900	282	31%	
	Transitional Housing Program - S. Army/WCDO	CDBG	People	180	203	\$ 54,000	180		\$ 52,272								DH-1
	Permanent Support Housing - WCDO	CDBG	People	32	79	\$ 20,000	65		\$ 19,360	91		\$ 15,840					DH-1
	Homeless Stabilization Services - CHUM	CDBG	People							900		\$ 30,055					DH-1
	Oshki Transitional Housing Services - AICHO	CDBG	People							30		\$ 4,290					DH-1
	Transitional Housing Services - CCHC	CDBG	People							120		\$ 19,394					DH-1
	Transitional Housing Services - MACV	CDBG	People							80		\$ 15,000					DH-1
	Family Transitional Housing Services - Salvation Army	CDBG	People							100		\$ 17,616					DH-1
05	Essential Services		People	9100	16910		9100	0		14409	0		76%	43000	16910	39%	
	Duluth Hunger Project - CHUM	CDBG	People	8000	13923	\$ 75,000	8000		\$ 72,600	12000		\$ 64,703					SL-1
	Clothes that Work - Damiano Center	CDBG	People	1100	2987	\$ 20,000	1100		\$ 19,360	1100		\$ 17,617					SL-1
	Feeding Kids thru Youth Programs - YMCA	CDBG	People							1309		\$ 21,170					SL-1
05D	Youth Services		People	800	1638		950	0		0	0		44%	4000	1638	41%	
	Youth Development Collaborative - YMCA	CDBG	People	800	1638	\$ 87,213	950		\$ 84,422								SL-1
05E	Transportation Services		People	0	0		0	0		0	0		0%	100	0	0%	
																	EO-2
05G	Services for Battered/Abused Spouses		People	500	686		550	0		500	0		78%	2000	686	34%	
	Battered Women's Shelter Programs	CDBG	People	500	686	\$ 32,000	550		\$ 30,976	500		\$ 17,617					DH-1
05I	Crime Awareness		People	0	0		0	0		0	0		0%	20000	0	0%	
05K	Tenant/Landlord Counseling		People	208	0		0	0		0	0		17%	1250	0	0%	
	Housing Access Center - Damiano	CDBG	People	208	0	\$ 34,000											DH-1
05M	Health Services		People	2700	7480		2700	0		6300	0		98%	12000	7480	62%	
	Primary Health Care for Low-Income People	CDBG	People	2700	7480	\$ 77,000	2700		\$ 74,536	6300		\$ 66,480					SL-1
05N	Abused and Neglected Youth		People	600	649		600	0		520	0		48%	3600	649	18%	
	LIFELINE Expressway of Youth Services	CDBG	People	600	649	\$ 35,000	600		\$ 33,880	520		\$ 30,943					SL-1
05Q	Substance Payments		People	165	165		165	0		0	0		38%	875	165	19%	
	Emergency Heating Assistance - Salvation Army	CDBG	People	165	165	\$ 25,000	165		\$ 24,200								DH-1
	Total for Public Services Objective					\$ 459,213			\$ 411,606			\$ 320,725					

IDIS Code	Homeless Objective Priority Need	Funding Source	Performance Indicator	2010 Goal	2010 Actual	2010 Source Amount	2011 Goal	2011 Actual	2011 Source Amount	2012 Goal	2012 Actual	2012 Source Amount	Percent of 5yr Goal	5 Year Goal	5 Year Actual	% Achieved of 5 Yr actual	Outcome/ Objective
03T	Transitional Housing Services		People	1355	1206		1355	0		1200	0		57%	6900	1206	17%	
	CHUM Stabilization Services for Homeless	ESGP	People	1100	892	\$ 37,000	1100		\$ 37,000	900		\$ 31,124					DH-1
	MACV-Duluth	ESGP	People	75	111	\$ 19,000	75		\$ 19,000	80		\$ 4,540					DH-1
	Transitional Housing Program - Salvation Army/WCDO	ESGP	People	180	203	\$ 41,000	180		\$ 41,000								DH-1
	Family Transitional Housing Operations - Salvation Army	ESGP	People							100		\$ 26,606					DH-1
	Transitional Housing Operations - Center City Hsg	ESGP	People							120		\$ 30,622					DH-1
	Youth Transitional Housing Opns - Life House	ESGP	People							30		\$ 7,530					DH-1
05G	Battered & Abused Spouses Services		People	500	686		550	0		500	0		52%	3000	686	23%	
	Battered Women's Shelter Programs	ESGP	People	500	686	\$ 23,000	550		\$ 23,000	500		\$ 19,578					DH-1
	Total of Homeless Objective					\$ 120,000			\$ 120,000			\$ 120,000					
	Outcome/Objectives	Availability/ Accessibility		Affordability		Sustainability											
	Decent Housing	DH-1		DH-2		DH-3											
	Suitable Living Environment	SL-1		SL-2		SL-3											
	Economic Opportunity	EO-1		EO-2		EO-3											

West Duluth Target Area



1 minority (2000 Census)

6.4% Minority

Census Tract # with Low/Mod %

29-2 (52.9%)

30-1 (62.4%)

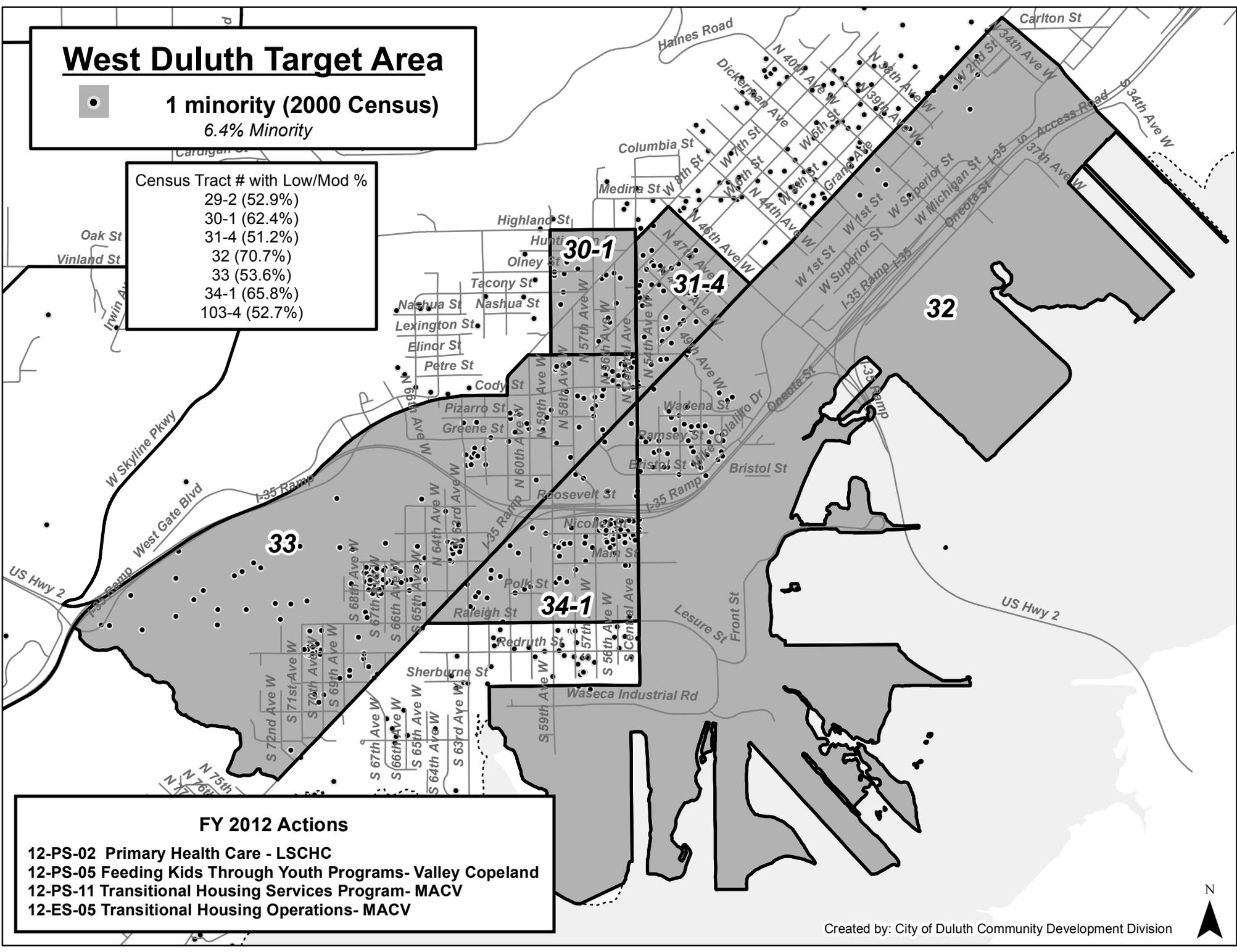
31-4 (51.2%)

32 (70.7%)

33 (53.6%)

34-1 (65.8%)

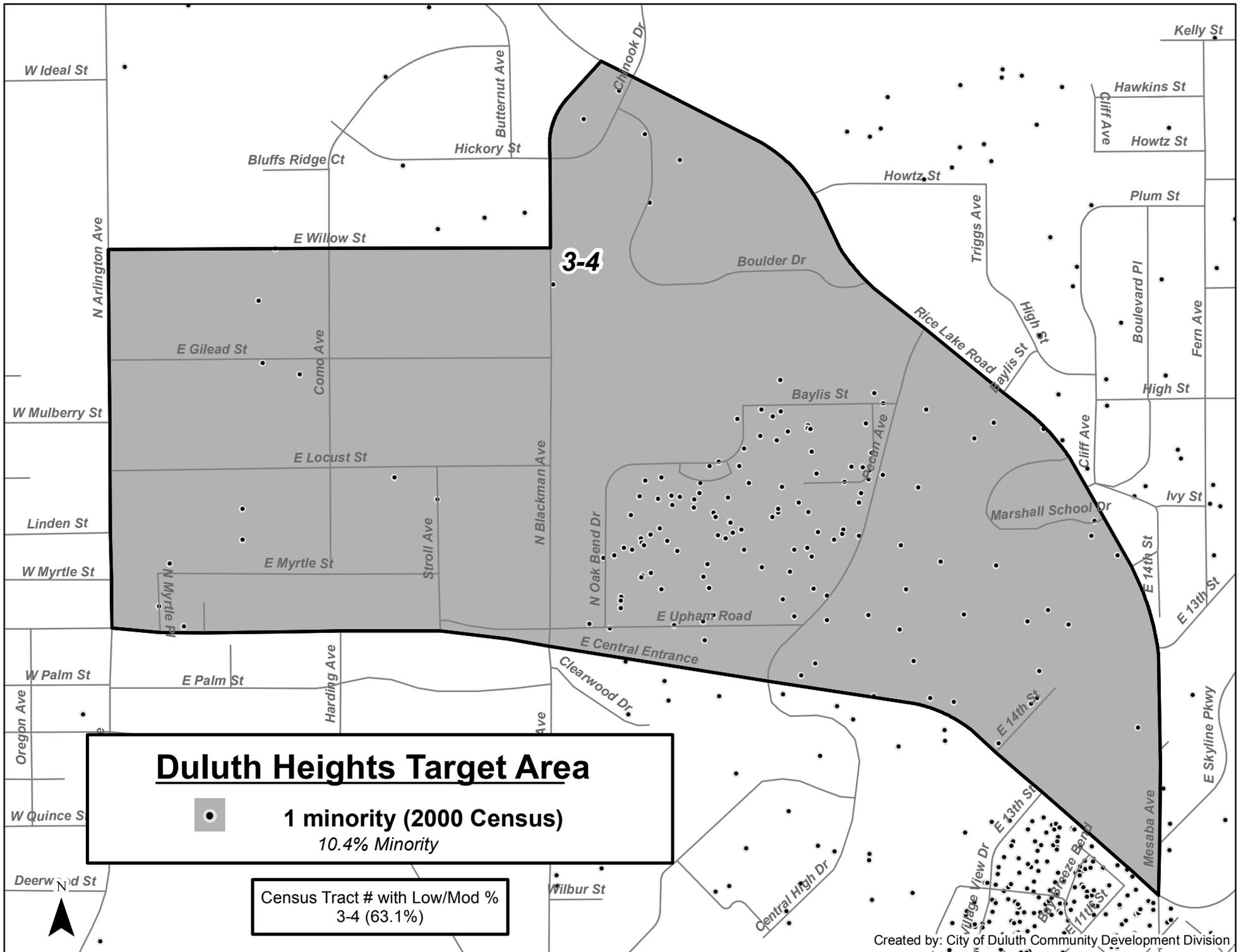
103-4 (52.7%)



FY 2012 Actions

- 12-PS-02 Primary Health Care - LSCHC
- 12-PS-05 Feeding Kids Through Youth Programs- Valley Copeland
- 12-PS-11 Transitional Housing Services Program- MACV
- 12-ES-05 Transitional Housing Operations- MACV

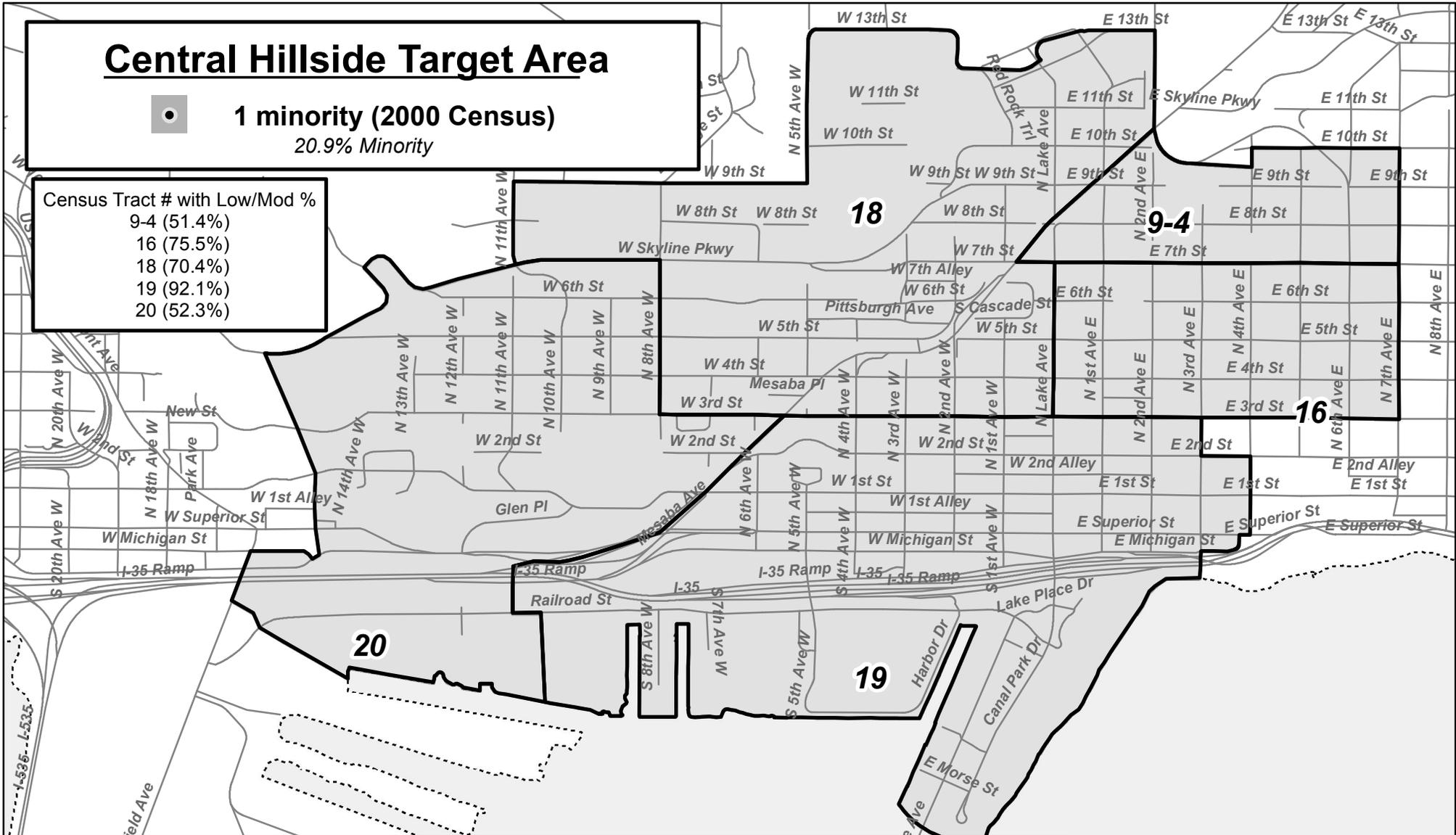




Central Hillside Target Area


1 minority (2000 Census)
 20.9% Minority

Census Tract # with Low/Mod %
 9-4 (51.4%)
 16 (75.5%)
 18 (70.4%)
 19 (92.1%)
 20 (52.3%)



FY 2012 Actions

- 12-CD-01 Housing Predevelopment - NCLT
- 12-CD-02 Housing Predevelopment - CCHC
- 12-CH-02 Rehabilitation & Resale - NCLT
- 12-ED-01 Soar Duluth at Work - Soar Career Solutions
- 12-ED-02 Support Services for Employment - CHUM
- 12-ED-03 JET (Jobs, Education, & Training) - NYS
- 12-ED-04 Growing Nghd Businesses - NE Entrepreneur Fund
- 12-ED-05 Futures Program - Life House
- 12-HS-01 Duluth Property Rehab/Housing Services Center- HRA/City

- 12-HM-01 Homeless Rental Assistance (TBRA) - HRA
- 12-PF-01 Soup Kitchen Renovation - Damiano
- 12-PS-01 Duluth Hunger Project - CHUM/Union Gospel Mission/Damiano
- 12-PS-03 Clothes That Work & Social Services - Damiano Center
- 12-PS-05 Feeding Kids Through Youth Programs- YMCA
- 12-PS-06 Lifeline Expressway of Youth Services - Life House
- 12-PS-07 Homeless Stabilization Services for Shelter- CHUM
- 12-PS-09 Oshki Transitional Housing Services Program- AICHO
- 12-PS-13 Permanent Supportive Housing Program - CCHC
- 12-ES-01 Emergency Shelter Operations- CHUM

Created by: City of Duluth
Community Development Division



East Hillside Target Area



1 minority (2000 Census)
14.4% Minority

Census Tract # with Low/Mod %
12 (58.7%)
13 (61.5%)
17 (82.3%)

12

13

17

FY 2012 Actions
12-PS-05 Feeding Kids Through Youth Programs- Grant Collaborative
12-PS-10 Transitional Housing Services Program- CCHC
12-PS-13 Permanent Supportive Housing- CCHC
12-ES-03 Transitional Housing Operations- CCHC



Endion Target Area

● 1 minority (2000 Census)
9.5% Minority

Census Tract # with Low/Mod %
14 (64.8%)

14

FY 2012 Actions

- 12-ES-02 Shelter Operations - Safe Haven
- 12-PS-08 Shelter Program - Safe Haven

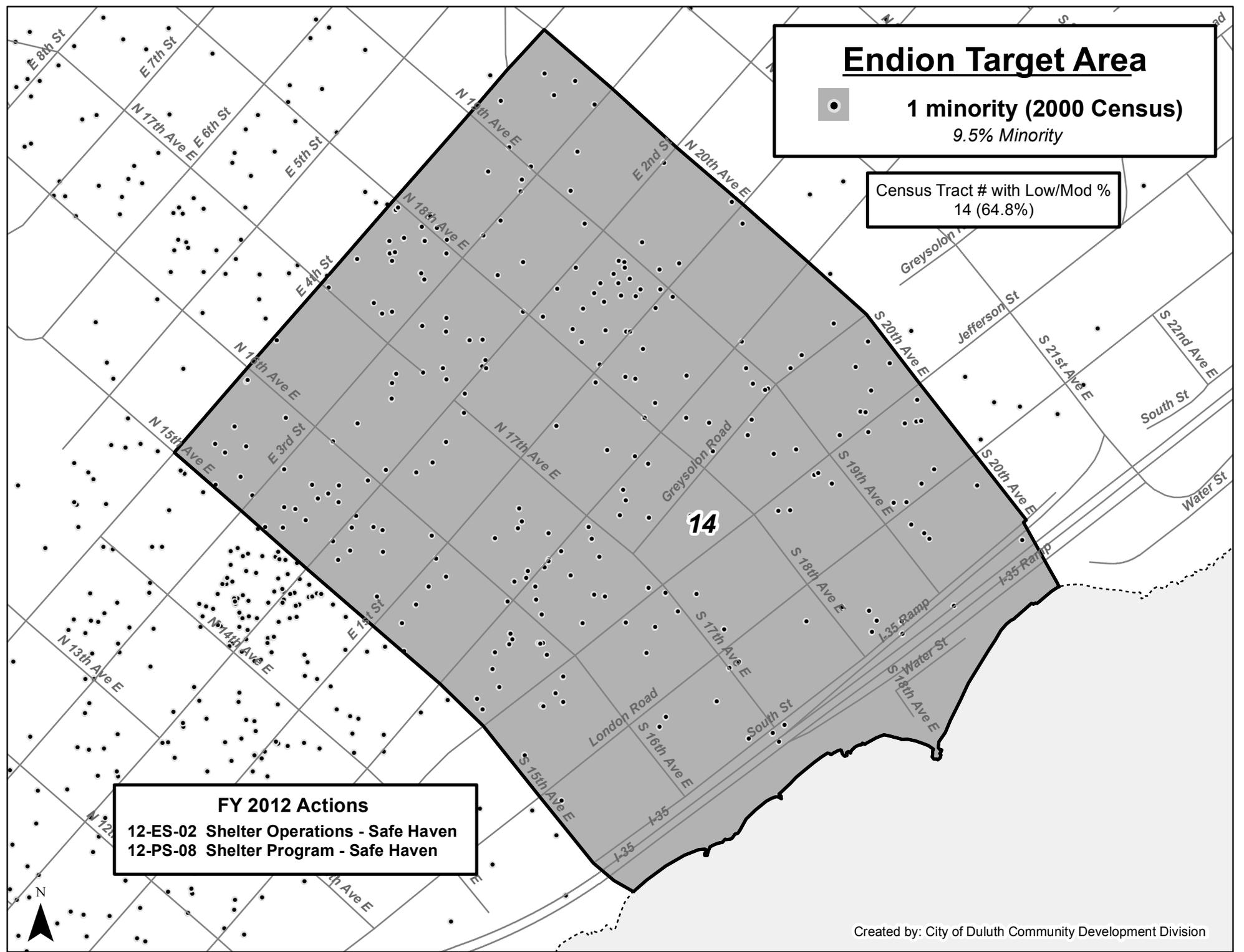


Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Duluth Property Rehabilitation

Activity
Single Unit Residential Rehab

Description
HRA will provide low interest and deferred loans for the rehabilitation of single-family owner-occupied homes in Duluth. Homeowners participating in a Healthy Homes pilot project can apply for up to \$25,000 in deferred 0% interest loans. Homeowners needing emergency repairs can apply for a low interest loan. Applications are accepted at the HRA offices located at 222 East Second Street, Duluth, MN 55805. Eligible participants will be those with incomes less than 80% of the area median income, based upon household size.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Citywide – Preference for housing in 1) Neighborhood Focus areas, 2) CDBG eligible areas
(Street Address): 222 East Second Street
(City, State, Zip Code): Duluth, MN 55805

Specific Objective Number	Project ID	Funding Sources: CDBG \$225,000 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$920,522 Total \$1,145,522
8	12-1	
HUD Matrix Code	CDBG Citation	
14A	507.202	
Type of Recipient	CDBG National Objective	
Local Government	LMH	
Start Date (mm/dd/yyyy)	Completion Date (mm/dd/yyyy)	
4/1/2012	6/30/2013	
Performance Indicator	Annual Units	
Housing Units	40	
Local ID	Units Upon Completion	
12-HS-01	40	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Duluth Property Rehabilitation

Activity
Multi-unit Residential Rehab

Description
HRA will provide low interest and deferred loans for the rehabilitation assistance to rental property owners within the City of Duluth. Rental owners can apply for a 2% interest 15 year loan up to \$20,000 per unit to renovate their properties, which then must serve low to moderate income tenants, less than 80% of the area median income based upon household size. Applications are accepted at the HRA offices located at 222 East Second Street, Duluth, MN 55805.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Citywide – Preference for housing in 1) SNAP areas, 2) CDBG eligible areas, and 3) balance of the City
(Street Address): 222 East Second Street
(City, State, Zip Code): Duluth, MN 55805

Specific Objective Number 4	Project ID 12-2	Funding Sources: CDBG \$ 200,000 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$ 1,482,046 Total \$ 1,682,046
HUD Matrix Code 14B	CDBG Citation 507.202	
Type of Recipient Local Government	CDBG National Objective LMI	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 6/30/2013	
Performance Indicator Housing Units	Annual Units 60	
Local ID 12 HS 01	Units Upon Completion 60	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Housing

Project
Duluth Property Rehabilitation

Activity
Rehabilitation Administration

Description

HRA will provide low interest loans and grants for rehabilitation assistance to eligible homeowners and rental property owners within Duluth, including grants for lead-based paint remediation. Homeowners can apply for State of MN deferred loans, to be a Healthy Homes pilot unit, and emergency repairs. Rental owners can apply for a 2% interest loan to renovate their properties, which then must serve low to moderate income tenants. Applications are accepted at the HRA offices located at 222 East Second Street, Duluth, MN 55805.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

**Citywide – Preference for housing in 1) SNAP areas, 2) CDBG eligible areas, and 3) balance of the City
(Street Address): 222 East Second Street
(City, State, Zip Code): Duluth, MN 55805**

Specific Objective Number 4 & Lead-based Paint	Project ID 12-3	Funding Sources: CDBG \$325,659 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$225,500 Total \$551,159
HUD Matrix Code 14H	CDBG Citation 507.202	
Type of Recipient Local Government	CDBG National Objective LMH	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 6/30/2013	
Performance Indicator 09 Organization	Annual Units 1	
Local ID 12-HS-01	Units Upon Completion 1	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
IDA: Matched Savings for Down Payment Assistance and Housing Counseling

Activity
Direct Homeownership Assistance

Description
The program will assist 11 households with a matched savings program as they save money for homeownership. Financial education, credit counseling, on-going housing counseling, and match money for the downpayment are provided to participants. Eligible participants will be those with incomes less than 80% of the area median family income, based upon household size. Note that the City does not accept applications for this program; interested persons should contact Community Action Duluth at (218) 726-1665.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Community Wide - preference for the At-Home target neighborhoods
19 N 21st Ave W
Duluth, MN 55806-2011

Specific Objective Number 5	Project ID 12-4
HUD Matrix Code 13	CDBG Citation 570.201(n)
Type of Recipient Non-Profit	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 4/01/2012	Completion Date (mm/dd/yyyy) 3/31/2013
Performance Indicator 04-Households	Annual Units 11
Local ID 12-HS-02	Units Upon Completion 11

Funding Sources:

CDBG	\$ 55,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$ 80,000
Total	\$135,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Arrowhead Economic Opportunity Agency (AEOA) Duluth Weatherization

Activity
Energy Efficiency Improvements

Description
Arrowhead Economic Opportunity Agency (AEOA) provides energy conservation measures in homes of income eligible households that are not served by Fuel Assistance within the city of Duluth. Energy Conservation is achieved through mechanical repairs/replacements, air sealing and insulation. The program will provide a grant up to \$6,5000 per eligible household; income eligibility is set at incomes at or below 80% of the City median income.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Community Wide
3112 Truck Center Dr.
Duluth, MN 55806

Specific Objective Number 6	Project ID 12-5
HUD Matrix Code 14F	CDBG Citation 570.202
Type of Recipient Non Profit	CDBG National Objective LMH
Start Date 4/01/12	Completion Date 3/31/2013
Performance Indicator Housing Indicators	Annual Units 44
Local ID 12-HS-03	Units Upon Completion 44

Funding Sources:

CDBG	\$171,320
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$423,387
Total	\$594,707

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
SOAR Career Solutions Duluth At Work (SOAR D@W)

Activity
ED Direct Financial Assistance to For-Profits

Description
SOAR Career Solutions will provide job skills training, case management, job placement and job retention support to assist 14 Duluth residents at or below 50% of Area Median Income to obtain employment and maintain their jobs to increase their income by 25% over three years.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide
(Street Address): 205 West 2nd St.
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 22	Project ID 12-6
HUD Matrix Code 18A	CDBG Citation 570.203(b)
Type of Recipient Non-profit	CDBG National Objective LMJ
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 09/30/2015
Performance Indicator 13 Jobs	Annual Units 14 Jobs
Local ID 12-ED-01	Units Upon Completion 14 Jobs

Funding Sources:

CDBG	\$112,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$590,000
Total	\$702,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
CHUM Support Services for Employment

Activity
ED Direct Financial Assistance to For- Profits

Description
Nine LMI Individuals with limited or poor work histories will be assisted in finding entry level positions and provided supportive services, including case management, to successfully maintain their jobs while building a foundation for advancement and self-sufficiency. Participants will realize a 25% increase in income within 3 years.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: Citywide
(Street Address): CHUM
(City, State, Zip Code): 102 West 2nd Street
 Duluth, MN 55802

Specific Objective Number 22	Project ID 12-7
HUD Matrix Code 18A	CDBG Citation 570.203(b)
Type of Recipient Non-Profit	CDBG National Objective LMJ
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator 9 Jobs	Annual Units 9
Local ID 12-ED-02	Units Upon Completion 9

Funding Sources:

CDBG	\$72,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$275,000
Total	\$347,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs.

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
Neighborhood Youth Services JET (Jobs, Education and Training) Project

Activity
ED Direct Financial Assistance to For-Profits

Description
The Neighborhood Youth Service JET Project will assist two people ages 15-21, from CDBG targeted neighborhoods, in becoming self-sufficient through job readiness training and employment opportunities which will lead to a 25% income increase over a three year period.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 310 N. 1st Avenue West
(City, State, Zip Code): Duluth, MN 55806

Specific Objective Number 22	Project ID 12-8	Funding Sources: CDBG 16,000 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding 20,000 Total \$36,000
HUD Matrix Code 18A	CDBG Citation 570.203(b)	
Type of Recipient Non-profit	CDBG National Objective LMJ	
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 09/30/2015	
Performance Indicator 13 Jobs	Annual Units 2	
Local ID 12-ED-03	Units Upon Completion 2	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
Growing Neighborhood Businesses

Activity
Economic Development Technical Assistance

Description

The Northeast Entrepreneur Fund's Growing Neighborhood Businesses program will provide technical assistance and peer support for 8 existing small business owners in Duluth Target Neighborhoods to help them grow their business revenue by at least 25% within 2 years.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

Community Development Target Areas - Morgan Park, Lincoln Park, West Duluth, Central Hillside & East Hillside

(Street Address): 202 West Superior Street, Suite 311

(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 23	Project ID 12-9	Funding Sources: CDBG \$64,000 ESG 0 HOME 0 HOPWA 0 Total Formula \$64,000 Prior Year Funds 0 Assisted Housing 0 PHA 0 Other Funding \$129,000 Total \$193,000
HUD Matrix Code 18B	CDBG Citation 570.203(b)	
Type of Recipient Non-profit	CDBG National Objective LMA	
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2014	
Performance Indicator 08 Businesses	Annual Units 8	
Local ID 12-ED-04	Units Upon Completion 8	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
Life House Employment Program for Youth

Activity
ED Direct Financial Assistance to For-Profits

Description
The Futures Program will assist three eligible youth ages 16-20, from CDBG targeted neighborhoods, in becoming self-sufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 102 West First Street
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 22	Project ID 12-10	Funding Sources: CDBG 24,000 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding Total \$24,000
HUD Matrix Code 18A	CDBG Citation 570.203(b)	
Type of Recipient Non-profit	CDBG National Objective LMJ	
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 09/30/2015	
Performance Indicator 13 Jobs	Annual Units 3	
Local ID 12-ED-05	Units Upon Completion 3	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Economic Development

Project
Circles of Support – Community Action of Duluth

Activity
ED Direct Financial Assistance to For-Profits

Description
The Futures Program will assist 7 single mothers, from CDBG targeted neighborhoods, in becoming self-sufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period. The employers who've provided job commitments will work with the agency to design customized training to meet the business's needs. This is for a three year program.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 102 West First Street
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 22	Project ID 12-11
HUD Matrix Code 18A	CDBG Citation 570.203(b)
Type of Recipient Non-profit	CDBG National Objective LMJ
Start Date 04/01/2011	Completion Date 09/30/2014
Performance Indicator 13 - Jobs	Annual Units 7
Local ID 12-ED-06	Units Upon Completion 7

Funding Sources:

CDBG	\$56,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$121,000
Total	\$177,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Public Facilities

Project
Damiano Center Soup Kitchen Renovation

Activity
Soup Kitchen Renovation

Description
The project would provide the basic infrastructure for a Damiano Soup Kitchen renovation, including demolition, expansion of the space, making the space accessible, plumbing, electrical, and wall and floor coverings.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

Census Tracts 9-4, 16, 17, 18, 19 and 20
(Street Address): 206 West 4th Street
(City, State, Zip Code): Duluth, MN 55806

Specific Objective	Project ID
Number 12	12-12
HUD Matrix Code 03E	CDBG Citation 570.201(c)
Type of Recipient Non-Profit	CDBG National Objective LMA
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013
Performance Indicator 11 - Public Facility	Annual Units 1
Local ID 12-PF-01	Units Upon Completion 1

Funding Sources:	
CDBG	\$313,790
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$108,500
Total	\$422,290

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Facilities

Project
Lincoln Park School Redevelopment

Activity
School Redevelopment for Youth Activities

Description
The Lincoln Park school building is slated for adaptive re-use which will impact the Boys & Girls Club facilities requiring mechanical (heating system) improvements for the space to remain a usable center for more than 1,000 disadvantaged neighborhood youth.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

Linclon Park Neighborhood
(Street Address): 2424 W. 5th Street (Lincoln Park School)
(City, State, Zip Code): Duluth, MN 55806

Specific Objective Number	Project ID
12	12-13
HUD Matrix Code	CDBG Citation
03D	570.201(c)
Type of Recipient	CDBG National Objective
Non-Profit	LMA
Start Date (mm/dd/yyyy)	Completion Date (mm/dd/yyyy)
4/1/2012	3/31/2013
Performance Indicator	Annual Units
11 - Public Facility	1
Local ID	Units Upon Completion
12-PF-02	1

Funding Sources:

CDBG	\$50,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	-0-
Total	\$50,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Duluth Hunger Project

Activity
Essential Services

Description

The Duluth Hunger Project is a coalition of four agencies 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.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 102 West 2nd Street
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 13	Project ID 12-14
HUD Matrix Code 05	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 12,000
Local ID 12-PS-01	Units Upon Completion 12,000

Funding Sources:

CDBG	64,703
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	705,313
Total	\$770,016

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Public Service

Project
Primary Health Care Services

Activity
Health Services

Description
Support the provision of affordable, primary health care, including dental care, for uninsured and underinsured low and moderate income individuals and families in accessible locations within the City.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: Citywide
(Street Address): Lake Superior Community Health Center
(City, State, Zip Code): 4325 Grand Avenue
 Duluth, MN 55807

Specific Objective Number 18	Project ID 12-15	Funding Sources: CDBG \$ 66,480 ESG HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$3,130,000 Total \$3,196,480
HUD Matrix Code 05M	CDBG Citation 570.201(e)	
Type of Recipient Non-Profit	CDBG National Objective LMC	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator People	Annual Units 6,300	
Local ID 12-PS-02	Units Upon Completion 6,300	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Clothes That Work & Social Services

Activity
Essential Services

Description
The Damiano Center provides low to moderate income people with access to free professional attire and transportation services to help them get to or find work. Clothing is through our Clothes That Work program, transportation services through Damiano Social Services.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 206 W. 4th Street
(City, State, Zip Code): Duluth, MN 55806

Specific Objective Number 13	Project ID 12-16
HUD Matrix Code 05	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 1,100
Local ID 12-PS-03	Units Upon Completion 1,100

Funding Sources:

CDBG	17,617
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	71,940
Total	\$89,557

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Life House Basic Needs Center for Youth

Activity
Abused and Neglected Children

Description
The Life House Basic Needs Center for Youth assists 520 at-risk youth annually, ages 14-20, in Duluth, to address basic needs (food, clothing, shelter) and connect with on-site and community resources that help with stabilization.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): 102 West First Street
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 21	Project ID 12-18
HUD Matrix Code 05N	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 520
Local ID 12-PS-06	Units Upon Completion 520

Funding Sources:

CDBG	\$ 30,943
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$ 47,500
Total	\$ 78,443

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need

Public Service / Emergency Shelter and Stabilization Services

Project

CHUM Emergency Shelter

Activity

Operating Costs of Homeless / AIDS Patients Programs

Description

CDBG funds are requested to provide stabilization services (case management and counseling) for at Duluth's primary facility for serving the general homeless population. The CHUM Emergency Shelter provides overnight shelter and services 24 hrs/day, 365 days/year. The CHUM Center is the primary outreach site for agencies providing services to individuals and families. The ESG funds will be utilized for operational costs of the Congregate and Family homeless shelters.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: Citywide
(Street Address): CHUM
(City, State, Zip Code): 102 West 2nd Street
 Duluth, MN 55802

Specific Objective Number 14	Project ID 12-19
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-Profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013
Performance Indicator 01 People	Annual Units 900
Local ID 12-PS-07 & 12-ES-01	Units Upon Completion 900

Funding Sources:

CDBG	\$30,055
ESG	\$31,124
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$284,720
Total	\$345,899

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs .

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services/Emergency Solutions Program

Project
Battered Women's Shelter Programs

Activity
Battered and Abused Spouses

Description
Safe Haven Shelter for Battered Women (SHS) and the American Indian Community Housing Organization (AICHO) are applying for funding to provide safe, temporary shelter, necessities, advocacy and support for 500 homeless women and children who are victims of domestic violence. This application will provide 39 beds for shelter.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide

(Street Address): PO Box 3558
(City, State, Zip Code): Duluth, MN 55803

Specific Objective Number 15	Project ID 12-20
HUD Matrix Code O5G	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date 04/01/2012	Completion Date 03/31/2013
Performance Indicator People	Annual Units 500
Local ID 12-PS-08 &/12-ES-02	Units Upon Completion 500

Funding Sources:

CDBG	\$ 17,617
ESG	\$ 19,578
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$1,050,888
Total	\$1,088,083

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Oshki Odaadiziwni Waaka'lgan Transitional Housing Program

Activity
Operating Costs of Homeless/AIDS Patients Programs

Description
AICHO's Transitional Housing Program will provide five units of safe, affordable transitional housing services for Native American women and their children for up to 18 months. In addition, participants will receive up to 6 months of follow up services to facilitate their successful transitional programming and into permanent housing.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

(Street Address): 419 North First Avenue West #C
(City, State, Zip Code): Duluth, MN 55806

Specific Objective Number 14	Project ID 12-21
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date 4/1/2012	Completion Date 3/31/2013
Performance Indicator People	Annual Units 30
Local ID 12-PS-09	Units Upon Completion 30

Funding Sources:	
CDBG	\$ 4,290
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$ 64,176
Total	\$ 68,466

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Center City Housing Women's Transitional Housing Program

Activity
Operating Costs of Homeless/AIDS Patients Programs

Description
Center City Housing Corp. will provide transitional housing and supportive services to single women and women with children who are experiencing homelessness through the operation of 21 transitional housing units. ESGP funds will be used for the operation of the 21 units (two facilities) and CDBG funds will be used to provide supportive services to help program participants achieve housing stability.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: **City-wide**
(Street Address): **105 1/2 West First St.**
(City, State, Zip Code): **Duluth, MN 55802**

Specific Objective Number 14	Project ID 12-22
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 120
Local ID 12-PS-10 & 12-ES-03	Units Upon Completion 120

Funding Sources:

CDBG	\$19,394
ESG	\$30,622
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$253,000
Total	\$303,016

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
MACV-Duluth Transitional Housing for Veterans

Activity
Operating Costs of Homeless/AIDS Patients Programs

Description
Minnesota Assistance Council for Veteran's (MACV) regional program, MACV-Duluth, is the only veteran specific housing program that addresses the needs of veterans currently experiencing homelessness. MACV Duluth will provide transitional housing and support services to help 80 homeless veterans to improve their housing stability. ESGP funds will be used for operation of the transitional housing facilities. CDBG funds will be used to provide the housing support services to help participants obtain housing stability.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: City-wide
(Street Address): 101 West Second Street Suite 102
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 14	Project ID 12-23
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 80
Local ID 12-PS-11/12-ES-05	Units Upon Completion 80

Funding Sources:

CDBG	\$ 15,000
ESG	\$ 4,518
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$562,662
Total	\$582,180

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
Transitional Housing Program

Activity
Operating Costs of Homeless/AIDS Patients Programs

Description
Salvation Army will provide transitional housing (53 beds) and support services to assist homeless families (100 persons) move toward greater housing stability.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: **City-wide**
(Street Address): **215 S 27th Ave. West**
(City, State, Zip Code): **Duluth, MN 55802**

Specific Objective Number 14	Project ID 12-24
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator People	Annual Units 100
Local ID 12-PS-12/12-ES-06	Units Upon Completion 100

Funding Sources:

CDBG	\$ 17,616
ESG	\$ 26,606
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	\$232,849
Total	\$ 277,071

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Duluth

Priority Need
Public Services

Project
CCHC Permanent Supportive Housing

Activity
Operating Costs of Homeless/AIDS Patients Programs

Description
Center City Housing will provide 14 units of permanent supportive housing for homeless/long-term homeless and families with children. Programming will include housing, supportive services, advocacy and referral to help residents maintain housing stability.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area: **Citywide**
(Street Address): **1401 East 2nd St.**
(City, State, Zip Code): **Duluth, MN 55805**

Specific Objective Number 14	Project ID 12-25
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 04/01/2012	Completion Date (mm/dd/yyyy) 03/31/2013
Performance Indicator 01 People	Annual Units 91
Local ID 12-PS-13	Units Upon Completion 91

Funding Sources:

CDBG	15,840
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	97,181
Total	113,021

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need

Emergency Solutions Program

Project

Life House Housing Program

Activity

Operating Costs of Homeless/AIDS Patients Programs

Description

The Life House Housing Program provides up to 24 months of transitional housing services for homeless youth ages 16-21. This application is to provide 15 transitional housing beds for homeless youth ages 16-21 in Duluth.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

(Street Address): 102 West First Street
(City, State, Zip Code): Duluth, MN 55802

Specific Objective Number 14	Project ID 12-26	Funding Sources: CDBG ESG \$ 7,530 HOME HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$ 120,290 Total \$ 127,820
HUD Matrix Code 03T	CDBG Citation 570.201(e)	
Type of Recipient Non-Profit	CDBG National Objective LMC	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator People	Annual Units 30	
Local ID 12-ES-04	Units Upon Completion 30	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Tenant Based Rental Assistance Program (TBRA)

Activity
Rental Housing Subsidies

Description

The program will provide rental assistance to approximately twenty households who would otherwise be homeless. The City and the HRA of Duluth have established this program to provide rental assistance as a significant component in the continuum of services to prevent homelessness. Note that the City does not accept applications for this program; interested persons should contact the HRA at (218) 529-6300/

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

Community Wide
222 E 2nd St
Duluth, MN 55805

Specific Objective Number 3	Project ID 12-27	Funding Sources: CDBG ESG HOME \$125,000 HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$ 22,075 Total \$147,075
HUD Matrix Code 05-S	CDBG Citation	
Type of Recipient Local Government	CDBG National Objective	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator Household	Annual Units 20	
Local ID 12-HM-01	Units Upon Completion 20	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Tenat Based Rental Assistance Program (TBRA)

Activity
Program Administration

Description
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, see Project 12-27. This funding will provide for the program administration costs of administering this program on behalf of the Participating Jurisdiction. Note that the City does not accept applications for this program; interested persons should contact the HRA at (218) 529-6300.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Community Wide
301 E 2nd St
Duluth, MN 55805

Specific Objective Number 3	Project ID 12-28	Funding Sources: CDBG ESG HOME 11,450 HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$13,730 Total \$25,180
HUD Matrix Code 05-S	CDBG Citation 570.204	
Type of Recipient Local Government	CDBG National Objective LMH	
Start Date (mm/dd/yyyy) 4/01/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator 09 Organization	Annual Units 1	
Local ID 12-AD-05	Units Upon Completion 1	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Center City Housing Corporation

Activity
CHDO Operating Expenses

Description
This proposal is for funding to pay for staffing costs incurred from April 1, 2012 to March 31, 2013 for project predevelopment for single acquisition, rehab and resale housing development activity in Duluth.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Community Wide
206 West 4th Street,
Duluth, MN 55806

Specific Objective Number 1	Project ID 12-29	Funding Sources: CDBG ESG HOME \$ 12,890 HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$30,000 Total \$42,890
HUD Matrix Code 21 I	CDBG Citation	
Type of Recipient Non-Profit	CDBG National Objective	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator Organization	Annual Units 1	
Local ID 12-CD-02	Units Upon Completion 1	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
Northern Communities Land Trust (NCLT) Housing Predevelopment

Activity
CHDO Operating Expenses

Description
This proposal is for funding to pay for staffing costs incurred from April 1, 2012 to March 31, 2013 for project predevelopment for single acquisition, rehab and resale housing development activity in Duluth.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:
Community Wide
206 West 4th Street,
Duluth, MN 55806

Specific Objective Number 7	Project ID 12-30	Funding Sources: CDBG ESG HOME \$ 12,890 HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$98,000 Total \$110,890
HUD Matrix Code 21 I	CDBG Citation	
Type of Recipient Non-Profit	CDBG National Objective	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 3/31/2013	
Performance Indicator 09-Organization	Annual Units 1	
Local ID 12-CD-01	Units Upon Completion 1	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Duluth

Priority Need
Affordable Housing

Project
NCLT Rehabilitation - Resale

Activity
Acquisition for Rehab

Description
Northern Communities Land Trust will create quality, permanently affordable homeownership opportunities for low to moderate income households through the rehabilitation and resale of nine single family homes in the City of Duluth, with a focus on HOME/CDBG target areas. Applications are taken at the NCLT offices, call for information at (218) 727-5372.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area:

(Street Address): 206 W 4th Street
(City, State, Zip Code): Duluth, MN 55806

Specific Objective Number 7	Project ID 12-31	Funding Sources: CDBG ESG HOME \$ 316,839 HOPWA Total Formula Prior Year Funds Assisted Housing PHA Other Funding \$1,430,000 Total \$1,746,839
HUD Matrix Code 14G	CDBG Citation	
Type of Recipient Non-Profit	CDBG National Objective	
Start Date (mm/dd/yyyy) 4/1/2012	Completion Date (mm/dd/yyyy) 6/30/2013	
Performance Indicator Housing Units	Annual Units 8	
Local ID 12-CH-02	Units Upon Completion 8	

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

Action Plan Antipoverty Strategy response:

The following activities will be funded in the FY 2012 Action Plan to address specific policies of the Antipoverty strategy:

Policy #1: Provide occupational training programs coupled with career development and job placement in partnership with the City's workforce Development Division to enable people to obtain employment.

- SOAR Duluth at Work- \$112,000 for 14 participants to obtain jobs
- CHUM Support Services for Employment- \$72,000 for 9 participants to obtain jobs
- NYS Jobs, Employment, and Training- \$16,000 for 2 participants to obtain jobs
- Life House Futures Program- \$24,000 for 3 participants to obtain jobs
- Circles of Support Program- \$56,000 for 7 participants to obtain jobs

Policy #2: Assist families with removing barriers to obtaining employment through long term or sustainable solutions that reduce the cost of essentials or burdens to household incomes (e.g. child care, health care, transportation).

- Clothes that Work and Social Services- \$17,617 for 1,100 people to have work attire for interviews to obtain employment

Policy #3: Focus on efforts to reduce the costs on households' budgets through energy efficiency programs that lower utilities and/or programs that assist with building assets of families through planned savings programs or assistance with homeownership opportunities.

- Duluth Weatherization - \$171,320 for 44 households to make energy efficiency improvements that reduce utility costs.
- HRA and Land Trust rehab programs are now required to make improvements that will result in increased energy efficiency.
- FAIM IDA (Individual Development Accounts) Housing and Down payment assistance with Community Action Duluth - \$55,000 for 11 households.

Policy #4: Increase the amount of affordable housing units within the City that have long-term affordability restrictions (greater than 30 years), to maintain housing for low-to-moderate-income residents within our community.

- Rehabilitation and Resale - \$316,839 for 7 housing units to be acquired and sold to homeowners with a 99-year ground lease for affordability.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Action Plan Specific Objectives response:

The Community Development office is looking into co-locating with several other housing programs in Duluth, as well as streamlining the housing rehabilitation application process. This will allow potential participants to file a housing rehab application on-line or come to a single physical location to submit an application. As a result, applying for programs and getting information will be significantly easier for potential participants, especially those with special needs.

Housing Opportunities for People with AIDS

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.
2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.
3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.

6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

Action Plan HOPWA response:

The City of Duluth does not receive state HOPWA funds.

Specific HOPWA Objectives

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

Specific HOPWA Objectives response:

The City of Duluth does not receive state HOPWA funds.

Other Narrative

Include any Action Plan information that was not covered by a narrative in any other section.

Efforts to Further Fair Housing

Outlined below are the goals and actions from the Fair Housing Plan that will be addressed in Program Year 2012. The full and updated Analysis of Impediments to Fair Housing for Duluth was adopted by City Council on January 25, 2010.

IMPEDIMENT 1: LACK OF INFORMATION AND EDUCATION

Through the key informant discussions in 2009, an overwhelming number of participants indicated that a lack of knowledge and information about fair housing laws and regulations acted as an impediment to fair housing.

Goal A: Disseminate general fair housing information to 500 tenants and landlords.

2012 Action:

1. The Housing Access Program (HAP) was a major player in Fair Housing activities within the City. On March 31, 2010, due to funding issues, they went out of business. As such, 2011 and 2012 are seen as re-building years in terms of a single agency providing fair housing information. Given current availability of resources it does not seem likely that a single agency will be possible. It seems more likely that existing agencies will need to coordinate and cooperate in fair housing as noted in number 3 below.
2. HRA will continue to provide fair housing information in its packets to prospective tenants in public housing and persons who secure housing vouchers.
3. Other agencies such as Legal Aid, Indian Legal Aid, United Way's 2-1-1 Information line, Home Line, and The Salvation Army will provide general information to tenants and landlords.

Goal B: Develop and implement training to increase the knowledge and understanding of fair housing rights and responsibilities, to include reasonable accommodations for CDBG & ESG housing providers and tenants.

2012 Action:

1. As noted under Impediment 1, Goal A, the Housing Access Program (HAP) went out of business. At present the City does not have a single point of contact or an organization providing a wide range of fair housing services which HAP provided in previous years. In 2011 The Salvation Army applied for CDBG funds for a planning grant to determine what to organize or structure for a coordinated effort in Fair Housing. This application was not funded.

Goal C: Coordination of resources to provide community education and outreach.

2012 Action:

1. The Community Development Office will host one annual meeting or summit which is to include representatives from agencies and the private sector that work with persons whom maybe impacted by discrimination in housing. The purpose of this meeting is to increase knowledge of programs, improve communication between agencies, and reduce duplication where possible.

IMPEDIMENT 2: HOUSING DISCRIMINATION AGAINST PROTECTED CLASSES

When asked about housing discrimination, key informants and focus group participants agreed that illegal housing discrimination occurs in Duluth. Discrimination may occur unknowingly at times, or without knowledge of the legal ramifications that may result, or because enforcement through the state or federal process is difficult and time consuming, and therefore, not often pursued, or because it commonly occurs in one's life experience and becomes accepted behavior. Regardless of why, how or where discrimination occurs, activities that discriminate against the more vulnerable of our population, against people

protected under the Fair Housing Act, is an impediment to fair and equal housing choice. It is illegal and acting in accordance with fair housing law is the responsibility of all citizens.

Goal A: Establish guidelines for "acceptable" and "not acceptable" lease language, with "acceptable" language encouraged and "not acceptable" language prohibited in all leases and rental applications used in the City of Duluth.

2012 Action:

1. This was not completed in 2011. For 2012 the Duluth Human Rights Officer and Community Development staff will meet with landlords as well at the Arrowhead Multi-Housing Association and the Housing and Redevelopment Authority, and begin a discussion on "acceptable" and "not acceptable" language in rental leases. The intent is to develop a standard lease or "best management practice" for use by Duluth rental housing property owners, landlords and management companies that is "acceptable" and "not acceptable" and/or discriminatory. Lease "best management practices" will be disseminated to landlords, management companies, the Arrowhead Multi-Family Association, the HRA and secondary education campuses.

Appendix A: Citizen Participation

The City is required by HUD regulations to respond to all substantive comments received during the public review of the draft Action Plan. This section is divided into two parts. The first groups comments into two broad categories - those that concern the project funding decisions and those that pertain to policy aspects of the plan - and offers the City's responses to these items. The second section presents all written comments and, in some cases, the City's written responses, received concerning the plan.

Comments regarding funding: 51

Summary of Comments November 5th Connect the Dots event
Letter from Kris Ridgewell, West Duluth Community Development Corporation
Letter from Kevin Peterson, Chris Francis & Blair Gagne, YMCA
Letter from David Schaeffer, YMCA
E-mail from Rick Klun, Center City Housing Corporation
Letter from Steven Saari, MACV
Letter from Russ Salgy, Copeland Valley Youth Center
Letter from Cindy Petkac, Planning Division
Letter Responding to CD Committee Questions from Todd Johnson, Boys & Girls Club
Letter from Jeff Corey, Affordable Housing Coalition
Letter from Damiano Center Board of Directors
Letter from Tim McLoughlin, Boys & Girls Club
Letter from Pam Kramer, Duluth Local Initiative Support Corporation
E-mail comment via Division's Website from Emily Larson, Duluth@Work

Letter from Steve Saari, MACV
Letter from Jeff Corey, on behalf of Duluth Affordable Housing Coalition
Letter from Jodi Broadwell, Homeowner
Letter from Sarah Priest, Community Action Duluth (also included following)
Michelle Lyons, Port Cities Realty, LLC
Beth Austin, Homeowner
Tanya Oswald, Homeowner
Dennis L. Hansen M. Sc., Homeowner
George Whitebird, Homeowner
Emily Kniskern, Homeowner
Tanya Danner, Homeowner
Rachel Forsyth, Community Action Duluth
Alexis Grounds and family, Homeowner
Coleen J. Chasko, Prospective Homeowner
Sara Softich, Past FAIM Participant
Rheanna, Prospective Homeowner
Debra J. Smith, Prospective Homeowner
Jordan Sundberg, Prospective Homeowner
Lora and Thomas Garvey, Homeowner

Ginga B. Newton, Homeowner
Alex Mohrbacher, FAIM Participant
Lisa Luokka, Homeowner
Letter from Angie Miller, Community Action Duluth
Letter from Sammy Differding, MACV Participant
Letter from James L. Bonneville, MACV Participant
Letter from Michelle Falson, CCHC Transitional Housing Participant
Letter from Amber M Cowley, Women's Transitional Housing Participant
Letter from Anonymous Resident, CCHC Transitional Housing Participant
Letter from Cher Obst, Piedmont Elementary School
Letter from Durbin M. Keeney, MACV (Retired)
Letter from Joyce Lewis, CCHC Transitional Housing Participant

Response: Funding recommendations were adjusted based upon comments received.

Comments regarding policy, background information, CDBG process, and priorities: 0
None received.

Joyce Lewis

216 north 14th Ave East

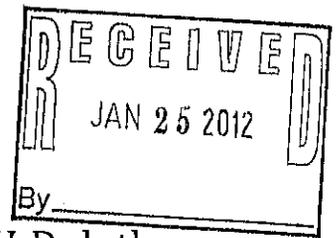
Duluth MN. 55805



To Whom It May Concern: I am a resident of City Center Transitional Housing and I find this place to be safe and it is home for me now. I came from a Woman's Shelter , for battered woman and children. This place (City Center, Transitional Housing) is my stepping stone to being independent and taking care of me better. It would be hard to do when your homeless and going from place to place just to get a good night sleep. Being at this place allows me to have my own space I feel good and can function better and can keep a clear head on things so I can eventually progress to getting my own apartment . I thank God for this place, where would I be if it was not for this place. My time at the Woman's Shelter was running out and I need a decent place to go. In those other shelters it is some bad things going on and I was afraid I would be around that if I went to one after my time ran out. I had put in an application for this place(Center City Transitional Housing) and decided to call them to let them know my situation. Things turned out fine they called me and I got some place to go. This is a Godsent place because I needed a place to go; there are other people in this world that need places like this to help people get on their feet again living a normal life. ir

Today, I am presently working at a job. Now I can function better because I am not homeless on the street. I thank God for this organization and I hope it stays around for others who need a chance too .

Sincerely
Joyce Lewis



Durbin M. Keeney
Retired Regional
Director Durbin M.
Keeney
Retired from Minnesota
Assistance
Council for Veterans

Air Force Association
2009 National Merritt Award
2006 Minnesota Merritt Award
Bong Chapter Vice President &
Governmental Affairs Chair
American Legion
Past Commander Post #71/PUFL
Judge Advocate
8th District Legislative Chairman
City of Duluth Hall of Fame
2003-2010 Nominee
Disabled American Veterans
Second Vice Commander
Life Members/ Chapter #6/
Legislative Chair
Duluth Chamber of Commerce
Private Membership
Military Affairs Committees
Duluth Disabilities Commission
Member
Duluth Honor Guard &
Fond du Lac Honor Guard
Honorary Member
ESGR Employer Award 2011
Grandma's Marathon
1999 Volunteer of the Year
Past Coordinator - Over Twenty Years
Kiwanis Club of Friendly
Duluth
Life Member/ Legion of Honor
George F. Hickson Fellow
Past Distinguished Lt. Governor
Northland Veterans Services
Committee
Founder & Chairman
Northland Vietnam Veterans
Association
Life & Board Member
Outreach & Honor Guard Chair
St. Louis County
Ten-year Plan to End Homelessness
Leadership Committee., Chair Discharge
St. Louis County
Historical Society
Founder Veterans Memorial
Hall Committee
Vietnam Security Police Assn.
Life Member
Vietnam Veterans of America
Life Member
Veterans of Wars Post # 137

To: CDBG: Committee
Subject: Support for MACV-Duluth
Date: January 24, 2012

Dear Member & CDBG Staff:

Even though I have retired from the MACV staff I still have had a great concern for what happens to our veterans and the very important services provided to Duluth by MACV-Duluth. We were scored lower than I certainly expected. It has been many different reports from different sources as to the whys and wherefores. If there were any errors in the application that decreased the scoring for MACV's application I will accept my part in this as we were in the middle of our transition of leadership in Duluth. However, during that time I had many conversations with City staff to make sure that we had a good application and no one would look unkindly on MACV after I left. I am not sure where the communication broke down that has now hurt MACV at this time. My concern is this current process will have a directly affect the lives of those men and women that are part of our community, and those that will depend on the direct support of MACV-Duluth provided by ESGP/CDBG funding.

It breaks my heart that there are any cuts. It seems odd to me who, in the first round, took the deepest cuts and others took little or none. It seems that in some case the "baby may be thrown out with the bath water." It seems to that with needs increasing funds are decreasing. It makes no sense other than the whole country needs to do the right thing at this time are pitting one provider against another.

The reality for those of us who understands the importance of the words "for those who bore the battle" cannot be cut in our community to such an extent as proposed. Are you aware that there are hundreds of 600 Army Guard alone returning in May 2012 with the majority of those living in Duluth. Other rotations in our community between all military units here in Duluth with many of them needing the support provided by MACV, and the sad reality, as much as we do not like it, there will some veterans who will become homeless. The true reality is that MACV has done well with the help of ESGP/CDBG funds over the years. I am concerned that some might think that the war is over and we can begin to forget the needs of our local veterans. Can you tell me who MACV-Duluth should turn away and not to serve if you cut MACV this year? Using the recommended by the City formula the cost per veteran went down and some of you thought it was to mush? Where does it stop?

Congressman Steven Buyer once said, "Because all of us believe and understand in the fabric of the common bond of why we call ourselves American is to care for the men and women who wear the uniform; and when they take off the uniform, we care for them when they are veterans." I trust that you believe it, and I hope in your considerations, no matter how difficult it will be, your choice is to support those who have supported us with our freedoms.

I do not envy you and your choice, but some are clearer than others. I am trusting in your good wisdom and one final thought from

former Senator Even Bayh: "Across the country military families are facing dire financial circumstances due to longer than expected tours of duties. They are being penalized for their patriotism - no one should have to choose between doing right by their country and doing right by their families." I hope that you do the right thing for the veterans of Duluth that are experiencing homeless.

Sincerely,

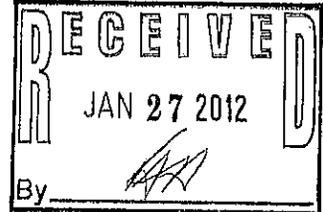
Durbin M. Keeney
"Still Serving My Fellow Veterans"



Piedmont Elementary School

2827 Chambersburg Avenue, Duluth, MN, 55811. (218)336-8950 Fax (218)336-8954

...a community dedicated to life-long learning...



January 25, 2012

Community Development Committee
Room 407, City Hall
Duluth, MN 55802

Dear Community Development Committee Members,

I was recently informed that the Lincoln Park Boys & Girls Club has requested help from the City for CDBG funds to install a new mechanical (heat) system in the B & G Club. I want to emphasize and reiterate the important role the Club plays in the Lincoln Park Community.

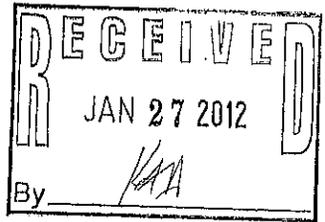
Last fall by the 3rd day of school, Piedmont Elementary had to request an additional after-school bus whose only stop was the B & G Club, because we had so many students who went directly there at the end of the day. Over 900 community children found their way to the Club last year. Many children depend on the Club for food, a safe place with positive role models, recreation, homework help, and tutoring. Parents depend on the consistent, supervised atmosphere the Club provides. Students know they can bring school work to the Club and follow a regular routine of help and work completion in an atmosphere conducive to learning. Some students ONLY do homework at the Club; there is no "homework spot" or uninterrupted time at home. Teachers remind some students daily to "be sure and get your work done at the Club!"

This summer, we plan on collaborating with The B & G Club as a school bus pick-up and drop-off spot for our summer school participants. We communicate with them on a weekly basis, and find their contribution to our community to be invaluable.

Please contact me if you would like any further information or clarification.

Sincerely,

Cher Obst, Principal
218-336-8950 x 2764



To Whom It May Concern:

Center City Housing Transition
Housing has - gave me the
courage to want to work
because mainly, if they can
do it I can do it too.

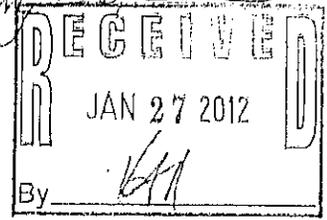
When I first moved
it, I learned to follow the
rules & it has been so peaceful
& I enjoy it.

It's been so nice to have
a home to go to for me
& my family. And now, I'm
moving into permanent
housing soon!

Before being here, we
were in shelter & my kids
weren't all with me. CCHC
transitional housing got me the
help my family needed. Please,
continue to support them!

Sincerely,
Anonymous Resident
with 6 kids

January 26, 2012



To Whom it may concern:

I have been involved with the Women's Transitional housing program since October 2010. I came to this apt. after being accepted due to my circumstances. I had been living at the Safe Haven Woman's shelter for 3 months prior. It was difficult to be accepted by any assistant program due to the fact I was married. (Even though I had left and had been at the shelter) I had been a stay-at-home Mom for 13 years. Where was some one like me to go? My family like ^{my} parents had no room/space for me + my 4 children. Women's Transitional housing knew and saw I had a need of a place to live and accepted by application for a 3 bedroom apt.

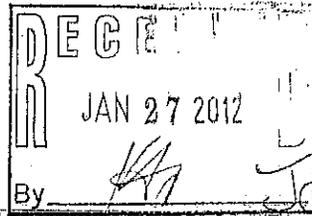
Since being here, I have become stronger, mentally healthy, and prepared to become an independent person. I am currently working now as an RN (part-time). I am also a volunteer for the case workers and

how far I would have come. My
Children have benefitted from my increase
in mental health and also a more
healthier, stable environment. They have
witnessed a mother become a Strong,
Capable woman ready to be a help
and support to others in need.

Please do not cut funding to this
program because where else would
women like us go?

Thank you for hearing our Voices.

Amber M Conboy



Center City Transitional Housing Program has helped me in many ways. It has provided a safe, clean and stable environment for my children and I. Before I came to Center City Housing I was homeless with my children and having a difficult time finding housing for my family. Since being here at the program, with the help of my case manager I was able to be involved in therapy to help with mental health, attend CNA classes, and provide my children with a place they could call home. I was also able to set goals and achieve those goals. My children are able to participate in the after school program Monday thru Friday, which provided them with homework help, daily activities, access to computers, and just a safe place for them to be after school if they wanted.

I really enjoyed Art therapy and being able to participate in special events such as, Christmas parties, chili cook-off and much more.

Center City Housing Program has been very beneficial for my family, and I could never thank them enough for all that they have done and continue to do. This was probably the best program I have ever been involved with.

Being in this program has made it possible

Very Positive. Way.

Thank you,
Michelle Fagan

50 - Community Development Committee, 21 2011

I am writing this letter to voice my concern regarding proposed budget cuts involving Minnesota Assistance Council for Veterans - MACV. I am a Vietnam era veteran, and have recently become homeless, facing Minnesota's cold winter. Thankfully, I found a transitional Housing Program thru MACV. I am forever grateful for this chance to help me get back on my feet again. This to me is a helping hand up, + not a hand out. The motto of a soldier is to never leave a soldier behind. So I'm asking you to please, don't leave a soldier behind, + support MACV.

Thank you for listening
James L. Bonnerille

12-20-2011

From: Sammy D. Differding

To: Community Development Committee

Regarding: Community Development Grant for MACV

To Whom it may Concern

DEC 21 2011

I am a resident of The MACV Transitional housing program at 5209 Ramsey street here in Duluth. I write this letter in regards to cuts that may or may not be made to the community development grant that provides some funding for MACV Duluth.

Folks I am a life long resident of the City of Duluth for over twenty five years. I had been a hard working tax paying member of our community. I am also a six and one half year veteran of the United States Marine Corp and I have two yes I said two daughters that are United States Marine Corp. Combat Veterans.

It has come to my attention that you are considering cutting the grant that provides some of the funding for the program. I currently am a member of First. I would like you to know when my nation asked me to serve there was no question what I was to do so I did the right thing and served.

When my daughters came of age and finished College They did the same my oldest serving in Iraq for over a year and my youngest serving in Afganastan I myself am a Vietnam era Vetran.

After my marriage ended in 2004 I fell off the deep end into Alcohol and drugs and then in 2008 found myself homeless in late 2009 MACV pulled me out of the despair of homelessness Alcohol and drug and helped me get into St. Cloud V.A. hospital where it was determined that I was suffering from P.T.S.D. and sustained treatment for the same in 2010. So that's just a little of my back round.

Let's Talk Grant yellow ribbon Community.

I served my Country when very few wanted to or would long before 9-11 and when it was not very popular to do so I've been spit on called baby killer and some times not even be able to wear the uniform I was so proud of in public and it was not always good have use served or ever experienced that.

I live here at MACV with other Veterans that have experienced much of the same thing.

Look were not asking you to help any more than you should. This grant helps us pay for groceries and laundry among other things. I raised my daughters to do the right thing and they both served. I hope in the future they don't find themselves having to beg for help.

Thanks to the efforts of MAC I am on the mend working part time and trying to get my life back in order to cut this grant to MACV any more than any other recipient is unacceptable. With the war in Iraq have ended now I find it unreasonable that you cut it at all.

As a yellow ribbon community you need to remember something. Those of us who have served never ever forget or take for granted. Freedom is not free.

2. Some gave all but all of US! gave some



engaging our community to end poverty.

DEC 16 2011

December 16, 2011

Greetings Community Development Committee,

Community Action Duluth was notified 2 weeks ago that the state wide FAIM Matched Savings Program has secured a federal grant that will match the portion of the 2012 CDBG allocation that provides down payment for low-income Duluthians to purchase a home. **This means that with our 2012 CDBG funds we would be able to serve 22 first time home buyers instead of 11 with the same amount of CDBG funds!**

Keith Hamre has approved this use of the federal funds (from the Assets for Independence federal grant) in conjunction with the CDBG funds for the CAD IDA Housing Counseling and Down Payment Assistance CDBG grant (12-HS-02).

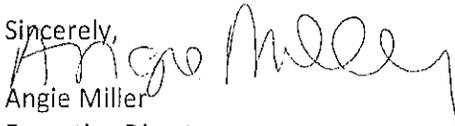
So – for each dollar of CDBG funds to provide down payment assistance, the federal Assets for Independence grant will provide a dollar that matches the dollar that the program participant has deposited into their designated savings account. When paired with on-going housing counseling and homebuyer classes the result is 22 new low-income families with their own house.

Success Stories: Cola is a single mom of a 9 year old son. She enrolled in FAIM 2 years ago, took complete control over her finances after taking the Common Cents Financial class at Community Action Duluth, paid off over \$2,500 in consumer debt, purchased a Jump Start car through Community Action Duluth and now a home! She is consumer debt free! **Her mortgage payment is just a few dollars more than her previous rent payment and now she is building equity.**

My time with the all of the classes and support from Community Action has completely changed my life. Now I am able to purchase my first home, something a few years ago I never thought I would be able to do. FAIM is an amazing program and the goals are very achievable. I needed a strong foundation in my life, with FAIM, I was able to close on my house April 1.... I have a house! My son Mathew is so very happy, and can't stop smiling. I will never ever be able to repay you for what you have done for me and my family. Thank you so, so much for everything. –Cola

Ginga was struggling to make ends meet when she became involved in FAIM to get support to improve her financial security—allowing her to build a savings and purchase a home in Duluth. She explains, *"This was more than a savings program for me. It was a chance to succeed as a single mom and along with all the classes and tax help, gave me the skills and confidence to take control of my finances and plan for the future like I would never have thought possible."* --Ginga

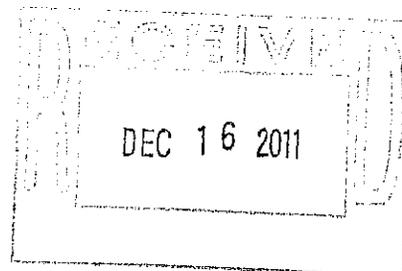
We appreciate your consideration of this exciting news that will allow us to double the impact of the CDBG allocation. We are asking that you fund Community Action Duluth \$55,000 as previously recommended so we do not lose the federal match for the CDBG funds.

Sincerely,

Angie Miller
Executive Director

Community Action Duluth
19 N 21st Avenue West, Duluth, MN 55806



engaging our community to end poverty.



December 16, 2011

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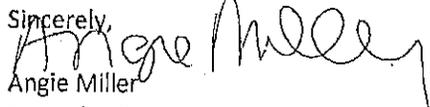
So – for each dollar of CDBG funds to provide down payment assistance, the federal Assets for Independence grant will provide a dollar that matches the dollar that the program participant has deposited into their designated savings account. When paired with on-going housing counseling and homebuyer classes the result is 22 new low-income families with their own house.

Success Stories: Cola is a single mom of a 9 year old son. She enrolled in FAIM 2 years ago, took complete control over her finances after taking the Common Cents Financial class at Community Action Duluth, paid off over \$2,500 in consumer debt, purchased a Jump Start car through Community Action Duluth and now a home! She is consumer debt free! Her mortgage payment is just a few dollars more than her previous rent payment and now she is building equity.

My time with the all of the classes and support from Community Action has completely changed my life. Now I am able to purchase my first home, something a few years ago I never thought I would be able to do. FAIM is an amazing program and the goals are very achievable. I needed a strong foundation in my life, with FAIM, I was able to close on my house April 1.... I have a house! My son Mathew is so very happy, and can't stop smiling. I will never ever be able to repay you for what you have done for me and my family. Thank you so, so much for everything. –Cola

Ginga was struggling to make ends meet when she became involved in FAIM to get support to improve her financial security—allowing her to build a savings and purchase a home in Duluth. She explains, *"This was more than a savings program for me. It was a chance to succeed as a single mom and along with all the classes and tax help, gave me the skills and confidence to take control of my finances and plan for the future like I would never have thought possible."* –Ginga

We appreciate your consideration of this exciting news that will allow us to double the impact of the CDBG allocation. We are asking that you fund Community Action Duluth \$55,000 as previously recommended so we do not lose the federal match for the CDBG funds.

Sincerely,

Angie Miller
Executive Director

Community Action Duluth
19 N 21st Avenue West, Duluth, MN 55806
mail@communityactionduluth.org | www.communityactionduluth.org
phone: 218.726.1665 | tty: 800.627.3529 | toll-free: 866.761.5257

January 23, 2011

Dear Community Development Committee,

My name is Lisa Luukkala, a Duluth resident. I'm a single mom who works for a nonprofit organization. I don't make a whole heck of a lot of money. I love my community, particularly my neighborhood where I rented for three years. When I found out I was pregnant I was concerned because my dream was to offer my child a place to grow up and call home, not moving from rental to rental. I was lucky enough to be born and raised in the same house. I wanted to be able to give my daughter this sense of security of home. In 2007 I enrolled in FAIM. A year and a half later I was able to purchase my first home thanks in large part to the FAIM program.

Community Action Duluth offered me this opportunity. Not only did they give me the opportunity to maximize my savings, they taught me skills that are helping me stay in my home. The money management classes were priceless! I would not have been smart or brave enough to make the commitment to save and invest in a home if it were not for the coaching from Community Action Duluth's staff.

I am still amazed that I am a homeowner. I take great pride in my house and my community. I have had so many people walk by while I am working the yard or the garden and say they are glad that someone who cares is improving a once deteriorating house. I am glad that I am contributing the health and vitality of my neighborhood. I think there are many more people out there like me who would love to own a home and be able to assist in improving blighted neighborhoods throughout Duluth. Please, please, please continue to fully fund the FAIM program. It is transforming lives, strengthening communities and helping our economy. For such a small investment, there is such a big return!

In Support of FAIM,

Lisa Luukkala
City of Duluth Homeowner
1020 N 9th Ave E
Duluth, MN 55805

Dear Community Development Committee,

My name is Alex Mohrbacher and I am currently in the FAIM program. The purpose of this letter is to encourage you not to cut a worthwhile program. Not only did the FAIM program help me to save my money, but it provided classes to teach how to spend the money wisely. I have been wanting to start a market garden business for almost 5 years now. While a lot of the capital I have saved on my own, the FAIM program has provided great education courses on saving and spending wisely which are lessons I will take into the beginnings of my business. I am proud to say that I will be starting my first season in 2012 growing for market which would not have been possible without the little extra boost from the FAIM money to help me purchase a few vital start up purchases.

Please do not cut a program that has proven itself.

Sincerely,

Alex Mohrbacher

To Whom it may concern, 1/10/12
Thank you for taking the time to read this letter and take my statement into serious consideration while making or influencing the decision on whether or not to continue funding for the FAIM home ownership program.

This is my personal story and how the FAIM program supported it.

I came to Duluth, where my mother was living, with my one year old daughter back in 2006 from Seattle, WA. I was a single mother trying to make it in the cities soon realizing I couldn't support us in that economy. When I moved to Duluth I came with a bachelors degree + a lot of life experience, hoping to create a life for my daughter and I. The first job I was able to land here was @ the Brewhouse in the kitchen; not a lot of money to be made there... but it got me started on my path.

It was rough the 1st few years but I worked hard + learned to save... through Community Action of Duluth's services, programs + people. What I learned + love about living in this town is that there is community, and there is support, and there is opportunity to better yourself, but, what I learned + what Community Action of Duluth (here on out referred to as CAD) knows + practices is that you can't always do what you need to or want to do alone! It really does take a village, or a community, to raise a person!

In today's reality families are losing their homes and living surviving homeless. Why in Gods

housing! I was able to buy my first home with the support of CAD. There's no way I could have done it on my own + in the amount of time I was able to. Period. I'd still be saving, in fact, right now I'm unemployed. I lost my job this year + if I didn't own my own home I might be out on the streets or in a shelter myself. My mortgage is so much more affordable than any rent I would have to pay.

I was just listening to Democracy Now this morning, hearing how this man running for president boasted about how he loves to fire people that provide service to him, this guy's a business man + is responsible for bankrupting a company + eliminating 1,700 jobs... I mean come on... in today's reality there's no room for eliminating support for working people who are struggling to survive + better themselves, their lives + their living situation!

It would be a mistake to eliminate funding for the FAHM home ownership program. It works, it helps people, it's very needed in this community.

Thank you for supporting the people + community of Duluth!

Ginga B. Newton

5814 Elinor St.

Duluth, MN

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I came to Duluth, where my mother was living, with my one year old daughter back in 2006 from Seattle, WA. I was a single mother trying to make it in the cities soon realizing I couldn't support us in that economy. When I moved to Duluth I came with a bachelors degree + a lot of life experience, hoping to create a life for my daughter and I. The first job I was able to land here was @ the Brewhouse in the kitchen; not a lot of money to be made there... but it got me started on my path.

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Thank you for supporting the people + community of Duluth!

Ginga B. Newton

5814 Elinor St.

Duluth, MN

January 10, 2012

Dear Community Development Committee,

My name is Lora and my husband, myself and our four boys have recently completed a matched savings program and classes at Community Action that allowed us to invest money and in turn increase the value and condition of our home in Lincoln Park.

I was troubled to hear that the FAIM program may not continue. We were so encouraged by the classes offered, and all the help and support of the staff. They have helped motivate us to increase the value of our property, but more than that, the fence we built provided a safe place for our kids to play in the side yard (next to a busy alley) and a project that our whole family came together to accomplish.

The lessons and memories provided cannot be all listed here, but suffice to say, it took us from a place off complacency to action. I thank them so much for all of their help, and I strongly hope that those in the place to evaluate the worth of this program will reconsider. I imagine there are a lot of projects and programs that waste both time and money... this is clearly not one of them.

With Concern,

Lora and Thomas Garvey

Lora and Thomas Garvey
City of Duluth Homeowner, 55806.

01.10.12

Dear Community Development Committee,

My name is Jordan Sundberg. I am a local business owner - I run and design Tin Cup Design, a graphic design business from our little home, perched in Hillside, which was purchased with help from FAIM funds and classes. My business, too, is running with the help of courses I completed through the FAIM program, with plans to use my remaining funds for future business endeavors.

I was first connected with Community Action Duluth because I had vision, plans and the beginnings of a business and inklings of home ownership, but was technically too poor to achieve those goals. FAIM required discipline of planning, follow-through and financial preparations. Even though I was financially responsible prior to entering FAIM, I simply didn't have the means to move forward. FAIM provided an amazing opportunity to take steps in the right direction.

Today, my husband and I now live in cute, small, but cozy home and pay a mortgage that is about \$200 less than rent for a comparable house. My local, Hillside-based business has grown to 100+ clients and has tripled in income since it started three years ago. Both would be impossible without FAIM.

The encouraging staff at Community Action Duluth have been so very supportive to me and to numbers of other Duluth residents with similar dreams - I've observed them and myself experience hope and tools to move ahead through the programs CAD provides.

Losing FAIM would be losing a key tool for the people of Duluth - one that represents mercy, serious assistance and hope. I ask that this program remain fully funded for the future of so many who need it, to grow Duluth, and reach potential that has felt unreachable.

Thank you for your time and consideration.

With Care and Concern,

Jordan Sundberg

City of Duluth Homeowner

1016 N. 12th Ave. E., Duluth, MN 55805

January 10, 2012

Dear Community Development Committee:

My name is Debra Smith I am a renter of a two-bedroom apartment in West Duluth and for the past two years saving for a big move. It is my personal goal to be moving in a new home that we can call our own.

While for most people this is a simple matter – for many couples with two-incomes it's involves getting a lender and shopping for a home. For me it has been a large goal and a process – taking "Home Stretch", taking classes at Community Action: "The Money Class", accessing the FREE tax site, working with a personal coach related to credit reports and credit repair. Part of that process included applying for an individual development account also through Community Action Duluth and over time supplying that savings account--so that it amounts to something. I have completed my savings goal with Bremer Bank. I feel this has been a significant accomplishment.

At the time I applied for the IDA I needed a bigger place to live. My daughter and her child were living with me, and my sister who is attending UMD. I was supporting all of us--working a full-time job. Today, my daughter is an 11 year old who attends Morgan Park Middle School and we only share space with my sister.

I still have a need and desire to live in our own home. While we have lived in West Duluth-Spirit Valley neighborhood for the past five years, we have worked diligently at our goals of bettering our education (Seminars at CAD) and accessing special programs that will help my daughter achieve graduation--PASS A Duluth Public Schools program and College of St. Scholastic's Talent Search. I plan on continuing to live in Duluth permanently in hopes that my daughter will attend UMD --with the U-Promise grant we have earned.

I have had the privilege of working with Community Action Duluth (CAD) to help me build up my resources, by enrolling in various classes they offer; mostly personal enrichment seminars. Through this two- year process I have learned about special savings accounts that can help me and my family. I have referred a family that lives in Lakeside to the CAD programs. They hired local builders/contractors for a kitchen remodel which enhanced the value of their home, with a matched savings program from CAD. This is true wealth building – being able to leverage funding to increase the value of homeownership. By hiring local builders/contractors they have contributed to the local economy.

I have had an FAIM account for the past two years, and will utilize that money for down payment assistance for a new home this year. While I have this security of knowing I have this account, other low-and moderate income persons in the future may not be as fortunate. It is my understanding that the FAIM funding is in jeopardy related to re-funding of the program. I believe this is a mistake to take away the funding for this important program. Being able to leverage funding for individuals has a big impact on our community:

1. Learning a valuable skill: how to save money -- personal asset building
2. Purchasing homes that contribute to the economic tax base of the community.
3. Leveraging funding for higher education – that is proven to increase income for individuals. It's a known fact that people with college degrees have a higher average income than those without college degrees.

I am urging that the committee consider fully funding the program as it is an important tool that low-and moderate income persons can use to achieve wealth. Thank you for your time and consideration,

Regards,

Debra J. Smith

January 9, 2012

Dear Community Development Committee,

My name is Rheanna. I am a single mom with two boys, Damian and Dominic. They are 5 and 6 years old. I was born and raised in Duluth and I love this city. I came to Community Action Duluth because I needed help getting back on my feet after a divorce. I am a victim of Domestic Violence, and that situation left my sons and I homeless.

My sons and I are active members of the community. We are members at The YMCA. We are involved with many community programs like Community Gardening, and the Chester Bowl Ski Program.

I have been saving \$175 of my \$800 a month living stipend, and I am paying my debts down. I have taken multiple classes Community Action Duluth has offered to learn about homeownership, financial health and investing.

To me, homeownership means a future for my sons and the ability to continue to be active, responsible members of this community. I want my family to save money, not throw it out the window by renting.

Rachel has helped me to feel like there is hope for us. She has helped me navigate my credit report and now I can see a light at the end of the tunnel. I know I will be able to purchase a home, and I am so thankful for that.

Please fully fund the FAIM program so that my sons and I can have a real future.

Thank you for your time and consideration.

With Care and Concern,

Rheanna
City of Duluth Prospective Homeowner

January 5, 2012

Dear Community Development Committee,

My name is Sara Softich.

I am a singer/songwriter who plays the fiddle, guitar, and piano. I was funded by the FAIM program a few years back, and heard that funding for the FAIM program may be cut.

Community Action Duluth was so welcoming and helpful to me.

The teachers of the FAIM program were passionate and educated about the subject material. They were willing to meet with me if I had questions or concerns and truly were great resources.

I felt so much gratitude for the FAIM program and it helped me immensely in my life.

Please fully fund the FAIM program.

Thank you.

*Sincerely,
Sara Softich*

I believed it is important to give my children a home we own and their dream of having a pet to share their love, if you are renting pets are not allowed. This is what living in Duluth has meant to me.

I did it! In the 10 years, while completing these programs there has always been a wonderful staff in all the programs that has supported me, answered my questions and helped with any problems I had.

Please fully fund the FAIM program so other mothers, fathers or families are given the same opportunity I had. I am aware that many others did not have the means to save money and continue with FAIM. This makes me sad, if given the chance I am positive there will be many more success stories like mine in the future for those who complete these programs.

Thank you for your time and consideration,

With Care and Concern,



Coleen J Chasko
35 W. Village View Drive
Duluth, MN 55806

Prospective Homeowner of
507 East 8th Street
Duluth, MN 55805

January 4, 2012

Dear Community Development Committee,

My name is Coleen J Chasko, here is my story I am a single divorced mother of two children. I moved to Duluth in 2002 to rebuild my life with a better future for my family. I applied for Minnesota Assistance and HRA housing; before I could get a place I needed to take the tenant/rental classes because of bad credit and bad rental rating.

I began the Family Self Sufficiency and Hope IV programs; they both helped me with a goal plan helping with transportation to obtain full time work, referral to programs. I attended Project Soar resources that assisted me with applying and getting a job. I also completed (MRC) Flexwork Minnesota Resource Center that teaches a 6 month computer classes.

Minnesota County helped with classes, schools and (PCA's) Personal Care Assistants needed to provide for my Special needs son, while I had time to share with my daughter. I signed up with MURL program, to be placed on waiting list that buys houses, fixes them up to resell to low income people.

The Community Action of Duluth provided the Homestretch and money management classes for those interested in buying or owing a home. That would have been great information to know, before I had to file bankruptcy on my first home when I was married in Indiana. I have also completed the Duluth Saves or FAIM program and classes taught me to clean up my credit, manage my money better, and save toward purchasing my home, that I will be buying in February 2012.

Dear Community Development Committee,

My name is Alexis Grounds.

My husband, daughter and I moved to Duluth in 1996. After one year of working and living here, my husband said, "This is the place I can call 'home.'" and we've stayed here ever since. We rented an apartment for 4 years and then found a house to buy with help from Northern Communities Land Trust. That was a new page in our lives, embossed in gold in our hearts. Our family grew and grew. Now our family is growing to nine!

In a newsletter the Northern Communities Land Trust sent me there was an article telling me about Community Action, Duluth. I had heard a few things about them in the past of helping people buy affordable cars with better mpg and I knew they were involved in a lot of job counseling. I didn't know the extent to what they did until I met with Sarah Priest. I couldn't believe how many little brochures there were --it seemed there was help for nearly everything! If only I had known. I was soon telling my family and friends about the programs offered and the classes they offered to help out our community.

In 2009 my family and I got involved in a Home Repair Matched Savings Program at Community Action, Duluth where I received excellent spending advice, budget education, tips on how to get and stay out of debt and continue to be a successful homeowner. Invaluable information! I saved up enough money in the Matched Savings account to be able to remodel my kitchen for our growing family. We purchased the materials and built our kitchen to our needs --and we LOVE it! It's so show-room perfect, we picked and chose the materials and hand sanded and stained the hardwood cabinets. It's our creation, and it's all ours!

Being able to live in Duluth; a city we feel comfortable in, growing our family in and working in is something neither one of us thought we'd ever do. My husband and I both came from families which were low-income and shuffled from town to city to state every year or so. We feel so fortunate to settle somewhere. Also, we feel comforted knowing we're giving our kids a childhood with consistency, something we never had.

Being able to afford a house payment is something neither one of us thought we would ever be able to do! Our parents never did, why would we?

Being able to save up with a program like the matched savings one we used, or the FAIM program which is so awesome, is a treasure for people like my husband and I. We were so blessed, felt such a sense of accomplishment, and walked away more enamored with our home than we ever had been. There's a sense of pride in home-ownership that cannot be met in renting. Being able to remodel your home is another treat that cannot be ignored; it builds up a sense of empowerment and pride.

To remove the FAIM program would be like chopping off an arm of the city. Duluth is a low-income city full of families trying to make it. Opportunities like these can make or break a city. If there aren't excellent programs to help people step out of poverty into home ownership and self sufficiency, people won't even bother moving up to our challenging climate. And those who do love to live here will be forced to move away to bigger cities for work and affordable homes.

Please fully fund the FAIM program without haste! It's desperately needed --and cherished, in our city.

Thank you for your time and consideration.

With Care and Concern,

*Alexis Grounds and family
1416 101 Ave. West
Duluth, Minnesota 55808*

December 26, 2011

Dear Community Development Committee,

My name is Tanya Danner and in 2008, I made my way to Community Action Duluth after hearing about the FAIM program for business and the JumpStart affordable car purchase program. I learned I needed to start taking control of my finances and credit but didn't know how—I'd never been good with "numbers stuff".

I took the Common Cents the Money Class and learned so much. Truly empowered, I worked closely with Heidi from the JumpStart program and Rach from the FAIM program. After the class ended and I purchased my car, I thought maybe homeownership really was a possibility for me. So I started meeting with Rach more often about the homeownership possibility, although I still had my doubts. She helped me see that homeownership truly was a possibility and could be a wise and good investment.

After completely taking control of my finances and credit, I was able to truly start saving and the dream of homeownership seemed a possibility. I knew I wanted to stay in the Lincoln Park area of Duluth—where I've lived all my adult life and when I found my home, I knew it was the one.

I was able to close on my first home in October of 2010, which I call my "forever home". **My mortgage is more than \$100 LESS than my previous rent was!** This has allowed me to invest more in my business and make more long-term improvements to my home.

I ask that you please fully fund the FAIM program so that others can feel empowered, learn how they CAN be good at this "numbers stuff" and that they *can* make the dream of homeownership a reality.

Thank you for your time and consideration.

Sincerely,

Tanya Danner

Tanya Danner
City of Duluth Homeowner
3056 Devonshire Street
Duluth, Minnesota 55806



December 26, 2011

Dear Community Development Committee,

I write to you with deep concern today in regards to CDBG FAIM IDA program funding. I thank you for your time and dedication to our community in advance and hope you will read the following with care.

I strongly believe that the CDBG FAIM IDA program operated through Community Action Duluth exemplifies all four core areas of your work and deserves your attention and full allocation. As stated by your program office, the Community Development Block Grant was created and instilled by the Department of Housing and Urban development and is intended to:

- Ensure decent and affordable housing
- Provide services to vulnerable communities
- Create jobs through the expansion and retention of businesses
- Promote participation by persons of low or moderate income, particularly residents of predominately low-and-moderate-income neighborhoods

A few examples of how our program fits with your mission and your work:

To ensure decent and affordable housing

We work with people to develop stability through credit, savings and knowledge. Duluth has over 30% of its residents who rent, paying upwards of 35% of their income for housing costs. Industry standards state that no more than 30% of a household's income should pay for housing-related costs. In just the past year, I have personally worked with 4 amazing families who have purchased homes and now pay less for their mortgage than they did for their previous rent. I have worked with another 9 families who now pay just dollars more for their mortgage than their past rent. Not only do they have decent and affordable housing but full control over their housing situation, their budget and their futures. *"My kids are SO EXCITED! They get to finally paint their rooms the color they've always wanted and I only have to pay another \$4/month for something I've always dreamed of!" –Jessica, purchased in the Denfeld neighborhood, Sept. 2011*

Provides services to vulnerable communities

We may not think of the "working-poor" as a vulnerable community but they very much are. They are on the cusp of making-or-breaking it and with our agency's support and a seemingly small investment through the FAIM program, they can and do truly "make it". Out of the current 21 CDBG funded FAIM spots alone, we've helped 4 people with I.D. theft, 15 people escape payday loans and other predatory financial services and all 21 participants increase their savings and gain, re-gain or stabilize their credit to become "mortgage ready". All 21 participants will complete, if they haven't already, our Common Cents: The Money and Homebuyer Class and receive coaching and advisement from our staff on a 1:1 basis. *"We didn't know how to navigate the payday loan trap. It was intense. We were constantly borrowing Peter to pay Paul. Now, we're finally getting our finances under control and can see the light at the end of the tunnel!" Sam and Sharon, expected to purchase in the Lakeside neighborhood, April 2012*

We also work with Duluth's greatest disparity in wealth, people of color. Currently CDBG funded spots serve nearly 40% households of color. We have a strong commitment to undoing a historical stripping of wealth in the homeownership arena and CDBG funds allow us to do that in a very tangible way, making lasting impacts for generations to come. We currently work with 8 families of color in CDBG funded spots with many more on the "waiting list", hopeful for one of the potential 22 spots this coming spring.

engaging our community to end poverty.



the expansion and retention of businesses

According to the National Association of Realtors, 1 job is created for every 2 homes purchased, while an additional \$60,000 is invested/re-invested in our community for every 1 home purchased accounting for more than 15% of our national Gross Domestic Product. Community Action Duluth frequently partners with Northern Communities Land Trust and Neighborhood Housing Services, soon to be One Roof Community Housing, the Housing and Redevelopment Authority of Duluth, numerous lenders, realtors, banks and credit unions, inspectors, insurance agents ect. Homeownership and the act of purchasing a home is not only the American dream but a quintessential piece of our economic system's core. *"Purchasing our home through FAIM has not only provided my husband and other contractors with work, as we are completely remodeling it, but it has provided our family with a sense of what the American Dream truly is."* –Becky and Ben (first-generation immigrants from Eastern Europe), purchased in the East Hillside neighborhood, June 2011

Promote participation by persons of low or moderate income, particularly residents of predominately low-and-moderate-income neighborhoods

Every participant of the CDBG funded homeownership program at Community Action Duluth has a household income of no greater than 80% Area Median Income (AMI) at the time of enrollment *and* at the time of purchase. Of those who are enrolled in CDBG funded FAIM, 14/21 participants live in "target/core neighborhoods" (4 of the other 21 receive HRA assistance for rent and live at Matterhorn Village Apartments). All 3 of the families who have purchased with CDBG funds have purchased in "target/core neighborhoods" (55805 and 55807); 1 of these families partnered with the Northern Communities Land Trust, 1 partnered with the Housing and Redevelopment Authority's Section 8 Homeownership program.

In addition:

The return on investment CDBG dollars gives is more than you might think (267+%)

When CDBG allocates \$31,680 to provide the 3:1 match for 11 participants:

- A Federal Assets for Independence Grant matches the contribution, adding an additional \$31,680/11 spots
- Participants contribute personal savings and investment; a minimum of \$21,120
- **A total up-front, re-investment in our community of: \$84,480.**

That's an up-front return of **267%**, not to mention the revolving business climate homeownership creates for realtors, investors, lenders, inspectors, insurance agents, banks, credit unions and the like, increased property taxes, increased use of local businesses for home repairs, furniture purchases, utility costs, ect.

"It's been a lot of hard work and a long time coming, but it's finally here! You are talking to a future homeowner! I can't stop smiling—this is so much better than I could have imagined—it's so overwhelming! My face is starting to hurt because I just can't stop smiling! I can't believe it. I'm so excited to give my kids a new opportunity without completely uprooting them. They'll stay in the same neighborhood and in the same schools. We're going to get a dog and they couldn't be more excited! Thank you for everything! --Coleen, closes on her first home January 2012 in Central Hillside

My name is Rachel and I personally invest in our programs at Community Action Duluth because I truly believe in our mission and the important work we do. I ask each of you to personally and professionally re-invest CDBG funds in a program that embodies your mission and the important work each of you do. Thank you for your consideration.

With Care and Concern

A handwritten signature in black ink, appearing to read "Rachel Forsyth".

Rachel Forsyth | Financial Coach and Educator | Homeownership Advisor | 218-726-1665 x27
City of Duluth Homeowner | 4135 West 8th Street Duluth, Minnesota 55807 | 218-393-0142

December 22, 2011

Dear Community Development Committee,

Almost immediately after moving to Duluth in 2005, I knew that this was where I wanted to be for the rest of my life. I knew it was tough to find a living wage job in Duluth, but I felt like the quality of life here would make the challenge worthwhile. As a single parent in a tough job market, I struggled for years to pay for rent, food, utilities, gas, etc. I wanted to buy a house, but it seemed like just a fantasy for someone who made \$10.50 an hour. Then a friend told me about the FAIM program at Community Action Duluth and everything changed.

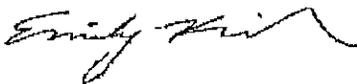
Once my FAIM account was opened, I enrolled in Common Cents, CAD's financial literacy class. Over the course of six weeks, I learned how to keep track of household cash flow, reduce expenses, pay down debt efficiently, access my credit report, protect myself from identity theft, and so much more. Using what I learned, I was able to reduce my monthly expenses by over \$300, money that I put into savings for my future house.

In addition to the support that came directly from Maggie and the staff and Community Action, they also helped me find other community resources that could help make homeownership affordable. Maggie connected me with the Northern Communities Land Trust and their affordable homes as well as Neighborhood Housing Services' 0% interest down payment loans. I thought it was so great the way Community Action worked with other agencies to get me where I needed to be.

With Maggie's support every step of the way, I closed on my very own home on June 15th of 2011. I was so excited and I was also very proud that I had been able to make a 15% down payment due to all my hard work and knowledge that I'd gained at Community Action. My mortgage payment on a gorgeous 3 bedroom house is ***\$23 less than the rent*** I'd been paying on a 300 sq. ft., one bedroom apartment. I have a yard with a cherry tree and enough space for a garden and for the kids to run around. I love that the kids can pretend to be kangaroos in the house without being yelled at by the downstairs neighbors. I love that my neighbors came over to welcome me to the block with a plate of cookies, that has never happened to me before in all my years of renting. *I feel more connected and committed to Duluth than ever.*

Having achieved my goal of becoming a homeowner, I've been able to set new goals for myself. Using the same tools I learned in Common Cents, I've paid off one of my student loans, started a retirement account, and found a better paying job. I couldn't have done any of this without the help of FAIM and the staff at Community Action. The FAIM program is needed to give other Duluthians a chance to do more than just eke by. Please fully fund the FAIM program to help others achieve financial stability, meet their goals and fully participate in the great life that Duluth has to offer.

Sincerely,



Emily Kniskern
City of Duluth Homeowner
819 North 10th Avenue East
Duluth, MN 55805

12-22-2011

Dear Community Development Committee,

My name is George Whitebird and I own a home in Duluth, MN. I am writing this letter to request that the FAIM funding for Community Action Duluth not be diminished. I understand the need to meet crisis in today's economy, but the FAIM program allowed me to finally leave crisis. FAIM allowed me to enter into a world of stability that I did not think was possible for me.

As a child I've lived in many places and I've never had anything I could call a home. Due to high rent and low income, the longest time I've ever spent in one house was just above two years. As I entered adulthood it seemed I would be cursed with the same lifestyle. When I learned about the FAIM program it gave me something to strive for. I sacrificed to meet the required savings and when I did, when I was able to shop for a home, it was the most exciting time of my life. It gave me the drive to work harder than I've ever done to ensure a stable life. All I had before was one crisis after another. With mounting irritation and growing desperation I thought my life would never be something to enjoy having. The FAIM program at Community Action Duluth changed the course of my life. I have lived in my home since 2008. It's better than renting and I don't plan on leaving.

I feel the FAIM program is too important to cut. Too many families could use this. I ask that you please fully fund the FAIM program for those like me who will benefit so much from what this program offers.

Thank you for your time and consideration.

With Care and Concern,

George Whitebird

George Whitebird
City of Duluth Homeowner
518 N 24th Avenue West
Duluth MN, 55806

12-21-2011

Dear Community Development Committee,

My name is Dennis Hansen and I was a participant in Community Action Duluth's FAIM program in 2009. I got involved in the program after hearing how the program helped people in need save over \$4,000 for the down payment on a house and more importantly, provided classes to help me understand finances and the financial system. Before the FAIM program, over half of my income was going towards rent. Without the FAIM program, I would not have been able to save for the down payment on my current house.

My escrowed mortgage payment for my 2 bedroom, 2 bath house on 3 acres is cheaper than my previous rent.

Having my own home gives me a sense of pride in myself and my community. If it was not for the FAIM program, I would still be stuck in the rent trap and have less hope for the future.

I know budgets are tight, but investments in education and providing a hand up will prevent the more expensive and dangerous problems that uneducated and hopeless civilizations produce. If you need to find the resources to fund programs like FAIM, I suggest you tax the land lords that are currently reducing the quality of life in Duluth.

Thank you for taking the time to read this letter,

Dennis L. Hansen M.Sc.

Politically active voter

4284 Kingston Road
Duluth MN 55803
218-728-4040

12/21/2011

Dear Community Development Committee,

I first came to Community Action to attend their Common Sense Money class. I was in need of help to create a budget for my family. After I attended the class I learned that Community Action could help me with a budget, they could also help clean up my credit report and get me on track for purchasing a house. I entered into the FAIM program and was able to save money for the down payment. With advice and assistance from Community Action I purchased my first house in 2008. Since my closing, I was able to do much needed repairs and energy saving additions to the house with saving money using the FAIM housing repair program through Community Action. I would never have known where to even begin with my credit report, to get it cleaned up. I thought I was 10 years from even thinking about being able to purchase a house. Community Action saved my family from having to live in an undesirable neighborhood and paying more in rent then I currently pay for my house. Community Action gave my family the help we needed and a much better life.

My name is Tanya Oswalt. My family consists of my daughter who is 11 years old, and my new husband of a year. Duluth has been in my family since I was a kid. It is a beautiful place to live and we have no desire to move. I originally found out about Community Action from a flyer about the free Common Money Sense class. From the class I learned about the possibility of homeownership and how the FAIM program could help me achieve my goals. I worked on getting my credit report cleaned up and learning the process of purchasing a home. Community Action made the process very down to earth and understandable. Owning a home means the world to my family. We are saving a great deal of money by not paying rent. My mortgage payment is a lot less than what my rent was. Community Action helped me every step of the way. If I had any questions or needed advice on anything, they were always there to help. The FAIM program made it possible to save for a down payment and get a fresh start.

I can't even imagine the amount of families that would be let down and never get to reach their goals and dreams if you didn't fund the FAIM program fully. This program is a vital way to educate and help people and families improve their lives here in Duluth, MN. Please fully fund the FAIM program and Community Action so they can continue to help families in need.

Thank you for your time and consideration.

With Care and Concern,

Tanya Oswalt

Tanya Oswalt
City of Duluth Homeowner
105 98th Ave W
Duluth, MN 55808

December 21, 2011

Dear Community Development Committee,

My name is Beth Austin.

When I was 36 I was pregnant and in an abusive relationship. For my health and the safety of my child I moved back to Duluth. I grew up here, graduated from UMD and much of my family lives here.

As a single mom I doubted that I could afford to buy a house. My son and I were getting by in a 1-bedroom apartment, but there was nothing extra to save for a down payment.

When our 4-plex (housing 6 people) was sold we were told that in a year everyone would be asked to leave. The building was going to be converted into a duplex that could sleep 6-8 per unit. I looked for another apartment and was disheartened. Rent had gone up throughout the city.

I heard about Community Action Duluth, and the Faim program sounded too good to be true. I was skeptical, but was thankful when I was accepted into the program. The matching funds were a lifesaver, but the knowledge gained from the classes was invaluable!

Buying a house felt like an insurmountable goal. With Sarah Priest's and Angie Miller's help I was able to close on a lovely 3 bedroom in Chester Park. Moving into our house meant that my 2 year old had a safe place to play and I had a chance to garden. Both of us love the outdoors and are fortunate to have a park, playground and trails nearby.

Please fully fund the FAIM program so other families may be freed from the renting trap and thrive in their own homes. At night after I have turned off the lights and can hear my son snoring I am so thankful that we have a house of our own. We are together, safe and healthy. I wish that for every family☺

Thank you for your time and consideration.

Sincerely,

Beth C. Austin
117 Parkland Ave
Duluth, MN 55805

Sarah and Community Development Committee,

It truly saddens me that the FAIM program could potentially be lost. As one of the leading REO/Foreclosure Brokers in Northern Minnesota I, for one, truly understand the need for the FAIM program not only for all the homes that are being lost to foreclosure that need to be purchased, but for the greatly needed counseling that FAIM provides the new homeowners so that they are educated and will not fall into the same trap that millions of Americans have been hit with over the last few years, losing their homes to foreclosure!

Please include this letter in the packet that you're sending to the Community Development Committee. Although I am not a FAIM recipient, I would hope that the Committee would see the need for this program from my perspective. As a REO/Foreclosure Broker I have seen all sides of the foreclosure issue and deal with them literally on a daily basis. As a member of the Mayor's Foreclosure Task Force I was privileged to sit down and discuss Duluth's issues with people in the "know" in our community and I was very proud to see that Duluth was the trend setter in this area and in the state in dealing with our foreclosure issues. The CDBG funds were discussed at length at every meeting and quite a bit of those funds were used to purchase foreclosed properties that then went to deserving families throughout Duluth. The loss of these programs would be a tragic turn of events in a process and problem that still has no end in sight. If we lose this program, we will lose the footing and forward thinking that is actually helping many families in our area to not only enjoy homeownership, but to truly understand it and the financial requirements required to keep it.

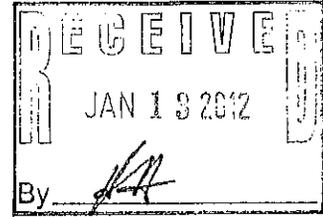
Please let me know if there is anything else I can do to help the process!

Michelle Lyons
Port Cities Realty, LLC
4815 Burning Tree Rd Suite 212
Duluth, MN 55811
Office 218-740-3116
Fax 218-740-3124
Accredited REO Agent™



January 10, 2012

engaging our community to end poverty.



Dear Community Development Committee,

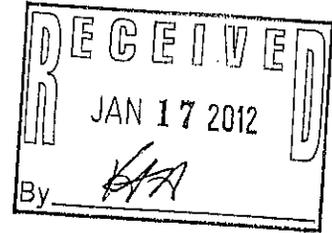
Enclosed please find letters of support for the FAIM program run through Community Action Duluth funded with CDBG dollars. We have asked that participants, industry professionals and community partners willing to speak on behalf of these services tell their stories and how the FAIM program has and is working in their lives and professions.

Thank you for your time and consideration.

Sincerely,
Sarah M. Priest

Sarah M. Priest | Director of Financial Services and Asset Development
218-726-1665 Extension 28 | sarah@communityactionduluth.org

January 11, 2012



Dear Community Development Committee,

I had the pleasure of growing up in a house that my mother owned, here in Duluth, and now I am raising my own daughter, age nine, right here, in Duluth. After her dad and I broke-up, we lived at Irving School Apartment Homes for about five years; it was during this time that Community Action Duluth and Neighborhood Housing Services Duluth taught me how to purchase a home. With the help of the FAIM program, I was able to save enough money for a down-payment, and in the summer of 2010, I bought my first house. By having a mortgage instead of a property manager, I increased the quality of our day-to-day lives, I am saving money, and I am building assets for my future generations.

At first, I was renting a two bedroom apartment at market rate for \$625 a month plus electric, which I kept pretty low, averaging \$13-\$18 a month; after my name came up for a Section 8 voucher, I paid around \$420 a month for rent plus electric for the same apartment. They provided two dumpsters, one for garbage and one for recycling. Parking in the parking lot was free unless I wanted my own parking space with an electric outlet to plug my car into during the winter, then it was \$15 a month to park. The lot was not well lit and there was no security; my car was broken into and/or vandalized about once a year, as were my neighbor's vehicles. There was a small playground for the kids to play on and 2 benches for people to sit on, one on either side of the building. The building manager planted flowers around the building during planting season, but we were not allowed to plant anything ourselves, in fact, there was a beautiful atrium with sky lights on the fourth floor, but we were not allowed to enter, so it sat empty. They provided 4 washing machines and 4 dryers for the entire building to use for a fee of \$.75 per load washing, and \$1.50 per load drying. The property manager kept all the walls in the building painted off-white with no art work on them; we were not allowed to paint the walls inside our apartments, which were also off-white. We were not allowed to have any pets unless we had a medical condition that required a companion, and if we had guests that stayed more than a couple of weeks, we had to report it so we wouldn't lose our vouchers... It was a dreary existence, living at Irving.

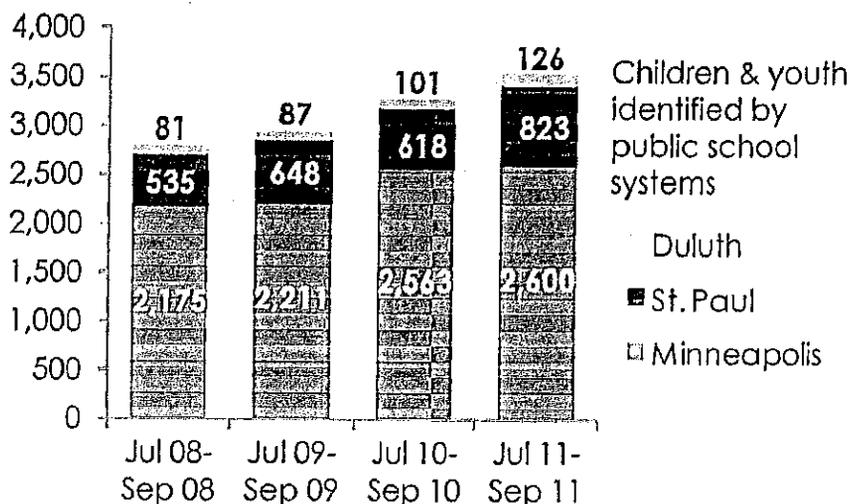
Now we have a three bedroom house with a full basement and a yard with a driveway; I pay around \$400 a month for my mortgage, (no more Section 8), plus my utilities and garbage. With the help of AEOA and Minnesota Power, my house is becoming very energy efficient and I have my own laundry room. Our yard is small, but it is ours; last summer, we spent hours planting beautiful perennials and tending to the peas and carrots we grew in our first vegetable garden. My daughter was so excited to help me paint her bedroom walls her favorite color and her dream came true when we were finally able to adopt the cat she had been longing for, Princess Pawsha. I'm pleased to be able to have family/house guests stay as long as they want without having to get permission or fear of property managers thinking they've moved in. Our lives are so much better now... please; fully fund the FAIM program so other single-mom headed families like mine can enjoy the many benefits of owning their own home.

Sincerely,

A handwritten signature in cursive script that reads "J Broadwell".

Jodi Broadwell
City of Duluth Homeowner
317 N. 22nd Avenue West

Lastly, we request that the CD Committee make a pre-commitment of \$250,000 in FY2013 CDBG funds for the Hillside Apartments development. This project is sited on the most challenged block in Duluth and is designed to serve ultimately the most vulnerable of our citizens—the children of families experiencing multiple incidents of homelessness. Given that part of the funding solution for FY2012 is to divert previously pre-committed HOME funds away from Hillside Apartments, this pre-commitment of FY2013 funds would guarantee the partners in the development—One Roof Community Housing (formerly Northern Communities Land Trust), Center City Housing, and CHUM—along with the current owner of the property—HRA of Duluth—that the acquisition cost of the project could be covered and the project could move forward. A pictorial sense of the growing need for the project is given in graphic below:



Thank you for your consideration regarding our recommendations, and, again, we truly appreciate the challenging situation you are in regarding funding decisions for FY2102 CDBG and HOME funds.

Sincerely,

Jeff Corey
Chair



MINNESOTA ASSISTANCE COUNCIL FOR VETERANS
SERVING VETERANS THROUGHOUT MINNESOTA

To the City of Duluth Community Development Committee:

January 23, 2012

This letter is to address and provide clarification to the suggested cuts made to MAC-V's Homeless Veterans Services program under the CDBG Public Service Proposals. The amount requested was \$17,600 with the recommendation it get cut to \$15,000. Further cuts were recommended to you by the Affordable Housing Coalition across the board after the CD office suggested cuts. If this is the model used for further cuts, then MACV would receive a cut of 32.5%! We would have to reduce the number of Homeless Veterans served from 80 to 54! We have already served 76 clients this year with 2 months to go to the end of the grant.

First of all, we have had to split our 1 ESG grant from years past to 2 grants this year. One is CDBG and the other is ESGP. I have come to find out that it is our Homeless Veteran Services program that is being cut, and not our Transitional Housing, as indicated in my previous letter, since that now falls under ESGP. Would our score have changed if the Committee knew this wasn't Transitional Housing? The Transitional Housing Programs scored the lowest in Public Services.

We are aware that most of the programs under this category had recommended cuts, however, the average cut was 6.2%, and our cut was 15%, more than double the average! I have sent in my concerns with the scoring process to Keith Hamre and I hope they were forwarded to you. E.g. We took several hits on our scoring sheets for costs being too excessive. We used the \$220 per veteran served given in the application instructions from the City. How can that be excessive? Also, there was a math error in the last round where we actually had one more point than was indicated on the scoring.

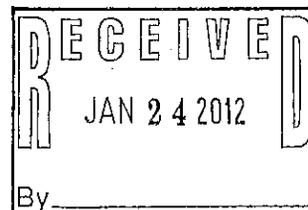
MAC-V would respectfully request that you look at our original proposal request and consider not cutting any of our funding. It would be a shame to have to turn away a veteran in need - after all they served us first. If all agencies must be cut, than please keep us to the average of 6% cut! Many of these veteran clients still carry the burdens, mental, physical, etc. that they incurred, as a result of duties assigned with serving our country. They have served to Protect and Defend our Constitution which guarantees our Freedoms. One such Freedom is the ability of the Community Development Committee to be involved with the process of Federal fund allocation!

Do you really wish to cut funds, and at such a high percentage, for those who have served to guarantee those rights for all of us?

Respectfully,

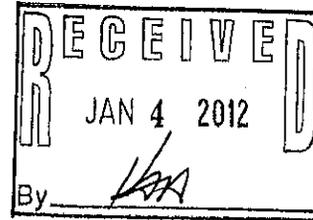
A handwritten signature in black ink that reads 'Steve Saari'. The signature is written in a cursive, flowing style.

Steve Saari, Regional Director



Duluth Affordable Housing Coalition

January 4, 2012



City of Duluth Community Development Committee

Dear Community Development Committee Members,

On behalf of the Affordable Housing Coalition (AHC) of Duluth, thank you for your work with the Community Development Committee. Annually, the volunteers who give of their time and talents to make these funding recommendations have a challenging task at hand when final decisions are made. This year due to cuts made by the federal government, the challenge is even more difficult and the number of meetings is increased. We sincerely appreciate your time and commitment to making the wisest decisions possible in this difficult funding environment.

By our estimates, CDBG and HOME funds for FY2012 are at about 60% of what they were at their highest amount back in the mid-1990s. It goes without saying that a dollar does not buy today what it did 15 years ago (particularly when it comes to construction materials and salaries which are the items that likely most paid for with CDBG and HOME dollars), so having 60% of funds available at a time when needs are higher than ever is a most disturbing conundrum to solve.

This letter is intended as friendly and wise guidance to the Committee from the AHC regarding FY2012 funding. First, we would like to reiterate that in the Public Services category that it seems fairest to us, given the strong need for transitional housing services in the community, that reductions be made on an equal percentage cuts to recommendations made by the CD committee on December 6, 2011 with the caveat that no applications be cut below the amount of \$5,000.

Second, we would encourage the Committee to endorse Community Development staff to reach out to the community and other funders to seek additional funds to help Public Services projects experiencing these cuts. Further, we request that the committee make a statement to the City Council expressing concern about the shrinking CDBG and HOME funds coming to the City and ask the City Council to assist in funding proposals in the Public Services category in light of the both the cuts and the great needs in the community.

Ben VanTassel - Comment Submission from Web Site

From: Webupdate <no-reply@duluthmn.gov>
To: <bvantassel@duluthmn.gov>, <skelley@duluthmn.gov>
Date: 12/2/2011 12:57 PM
Subject: Comment Submission from Web Site

DEC - 2 2011

Emily Larson has sent in a comment from the Community Development Public Input page.

Your name:	Emily Larson
Location:	Duluth, MN
Organization:	Coordinator of Duluth at Work
Phone Number:	218.355.8070
Email Address:	emilylarson@duluthmn.com
Comments/Questions:	<p>Thank you for continued commitment and investment in the Duluth at Work model for Economic Development. The set of projects recommended for funding provide a unique service to the City; the specialized, long term and holistic support to small businesses and job seekers result in a trained and competent workforce, the expansion of small businesses, and lasting job creation. All of which position our City to be successful, now and in the future.</p> <p>Co-facilitated by the City of Duluth Community Development Division and Duluth Local Initiatives Support Corporation (Duluth LISC), Duluth at Work has developed an innovative and efficient system for programmatic collaboration that meets outcomes and exceeds expectations.</p> <p>Of addition relevance, it's important to note that your investment is supported through the additional leverage of philanthropic resources and our 12 member Advisory Committee of established community leaders.</p> <p>On behalf of myself and Duluth LISC Executive Director Pam Kramer, I thank you, again, for your ongoing support of Duluth at Work and its organizational partners.</p> <p>~ Emily Larson, Coordinator, Duluth at Work & Independent Consultant</p>



DEC - 2 2011

December 2, 2011

Community Development Committee
Room 407, City Hall
Duluth, MN 55802

Dear Community Development Committee members:

First let me thank you for all of the volunteer time, effort and hard work that you dedicate to this important process. You deserve thanks and praise for your contribution to strengthening the quality of life in our community. I know that this is a particularly difficult year due to funding cuts so thank you again for your service.

On behalf of Duluth LISC, I wanted to share a few thoughts and suggestions regarding the 2012 CD funding recommendations. As many of you may know, Duluth LISC is a national 501 c3 non-profit intermediary that brings technical, financial, policy and program resources to local communities to build healthy, sustainable communities of choice and opportunity. One of our major strategic goals is to help facilitate the implementation of the At Home in Duluth comprehensive community development plans that are designed to ensure that both people and places prosper. Our focus is on working with local public, non-profit and private partners to implement the At Home in Duluth plans in the Hillside, Lincoln Park, West Duluth and Morgan Park neighborhoods. This involves not only housing and other real estate investment but also helping people who live there to build incomes and assets, access employment and training, goods and services, a good education and live in a safe, healthy environment for children, elders and their families.

As we review the draft recommendations we see many extremely worthy programs and projects that help implement this goal. There are several areas where we would like to share concerns about the proposed funding. They are:

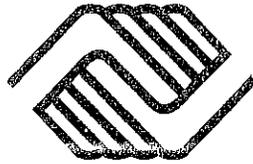
- In light of the reduction in both CDBG and HOME funds, we would urge you to support a one month delay in the funding recommendations to ensure that the community has time to work together to develop alternative strategies and explore other funding options.
- We would recommend that you support the basic needs and academic achievement levels of children and families in the Lincoln Park neighborhood by increasing support for the Boys and Girls Club so that they can remain in the Lincoln Park School building. We would recommend you increase your commitment of Public Facilities funds to this project, while also maintaining support for the Damiano Center Soup kitchen. A pre-commitment of 2013 funds to help fund both projects would be one possible strategy.
- We would ask that you maintain a strong, strong commitment to projects and programs that provide supportive housing to families and individuals who are homeless or at risk of homelessness in your allocation of housing and public service funds.

And finally, we applaud and thank you for your commitment to addressing poverty and helping to create jobs and raise incomes and assets through support for the Duluth At Work program.

Again, thank you for the opportunity to provide input and for your hard work and dedication.

Sincerely,

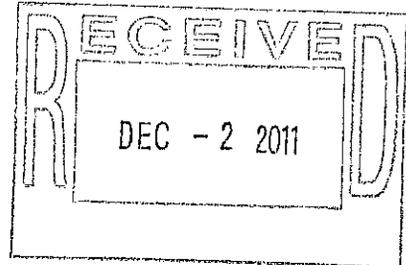
Pam Kramer.
Executive Director, Duluth LISC
202 West Superior St. Suite 401 Duluth, MN 55802



BOYS & GIRLS CLUBS
OF THE NORTHLAND

December 1, 2011

Keith Hamre, Manager
Community Development Division
407 City Hall
Duluth, MN 55802
khamre@duluthmn.gov



Dear Mr. Hamre,

As the Director of Operations for the Boys & Girls Clubs of the Northland I am writing this letter to thank the Community Development Office and Committee for their support of our youth collaborative proposal "Feeding Kids Through Youth Programs". In the Lincoln Park area of Duluth alone we serve over 1000 youth per year. We offer supervised, structured programming 6 days a week for a minimum of 5 hours per day. Between our local sites this is over 5000 collective hours of time spent keeping kids off the streets and engaged in activities and programs that contribute to their educational success and aide in developing positive character, as well as keeping them healthy and active. Currently a membership costs only \$10 per year. There are no other program expenses and members can go to any of our 5 locations.

In order to ensure our members can focus on homework and not hunger we provide a nutritious meal daily. Many of our members come to the Club hungry and at times in pain due to lack of nutrition. We address this problem by serving a snack and meal daily to all members in attendance. In 2010 we served over 28,000 snacks and meals. This basic need is a critical part of our Health and Life Skills programming, as we see first hand the effects hunger has on our members. We know it helps reduce behavioral problems in our youth and increase attentiveness and concentration. All of these programs combined contribute to positive youth development. Prevention at this level leads to a healthy community and long-term cost savings by assisting youth in reaching their full potential.

Our youth need us now more than ever. Please consider keeping the \$24,000 in proposed funding for the 2012 "Feeding Kids Through Youth Programs" (YMCA, Boys & Girls Clubs of the Northland, Copeland Valley, and the Grant Community Schools Collaborative.)

Sincerely,


Tim McLoughlin
Boys & Girls Clubs of the Northland
Director of Operations
218-727-1549
tmcloughlin@bgcnorth.org

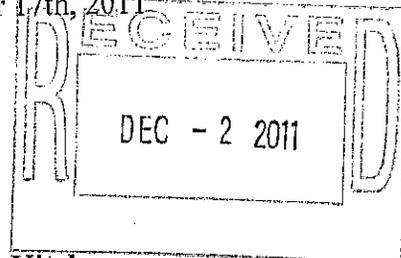




Building a Stronger Community, Serving People in Need.

Community Development Committee
City of Duluth
407 City Hall
Duluth, MN 55802

November 17th, 2011



Dear Committee Members,

Thank you for your support of our proposal, **12-PF-01 Damiano Soup Kitchen Renovation**, and for your public service as members of the committee. For almost 30 years, the Damiano Soup Kitchen has been a key element in the safety net for Duluth residents who rely on prepared meals. This is true now more than ever, and the kitchen's current capacity is stretched to its limit.

We, the members of the Board of Directors, are writing to request your continued support of the Soup Kitchen project. This project will allow us to ensure that we can continue to handle the needs of our community and will make us ready to handle increased need in the years ahead. The Damiano Center will gladly participate in assessment of Duluth's Emergency Food Delivery network and other efforts to improve the work we do together.

This is a necessary and important proposal, and we applaud your efforts to join with us in making it a reality.

Sincerely, The Board of Directors of the Damiano Center

Brian Forcier

Mary Dragich

Paul Holt

Matthew Thibodeau

Jim Doyle

Emily Johnson

Luciya Miner

SEE ATTACHED

Mark J. Carlson, MD

Sister Lois Eckes, OSB

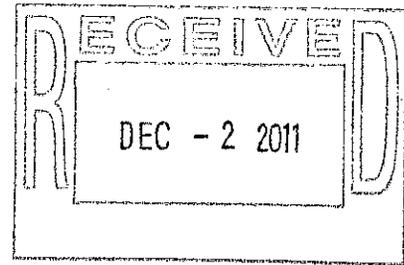
Laurie O'Melia O'Neill

Lt. Jeff Kazel

Richard Howell

Duluth Affordable Housing Coalition

December 1, 2011



Chair, Duluth Community Development Committee

Dear Chair of the Community Development Committee:

I write this letter as chair of the Duluth Affordable Housing Coalition (AHC). At the November AHC meeting, we passed two resolutions relating to the preliminary funding recommendations the Community Development Committee (CDC) has made for fiscal year 2012 HOME and CDBG funds.

The first resolution was to ask that the CDC refrain from making final funding recommendations until January to allow the applicants to work with Community Development staff to create potential new alternatives to recommend given the cuts to CDBG and HOME that were determined in mid-November by Congress. We believe that 30 days' time will allow us sufficient time to come up with viable alternatives that allow the community as whole to be best served by these very important resources. We have been assured by Keith Hamre that waiting one month will have no negative impacts with HUD or with funds coming to Duluth in a timely fashion.

The second resolution was to ask that when the CDC does have to make cuts (hopefully in January) to the public service funding recommendations (which are capped at a percentage of the whole, so no matter what scenarios may be proposed, this category has to receive cuts equal in percentage to the cut made by Congress) that the cuts are not concentrated more on the transitional housing projects than on the other services applications. We strongly believe that transitional housing is vital to the web of housing services and resources in our community, especially in this challenging economy. As such, we ask that if you make cuts to transitional housing they not exceed the percentage cut recommended by Congress for CDBG.

Thanks to you and the other CDC members for your service to our community. We understand that your challenge to make decisions in this environment is not easy, and we thank you for your consideration and wise process.

Sincerely,



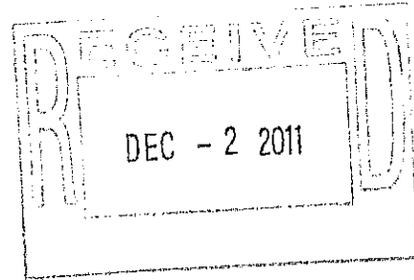
Jeff Corey



**BOYS & GIRLS CLUBS
OF THE NORTHLAND**

December 2, 2011

Community Development Committee
Room 407, City Hall
Duluth, MN 55802



Dear Community Development Committee members:

I'd like to first give you a little background information on the Boys & Girls Club in Lincoln Park. The Boys Club (now Boys & Girls Club) first started serving young people in 1971. Our programming started in Lincoln Park at the intersection of Garfield Avenue and Superior Street in a building owned by Minnesota Power. Lincoln Park was chosen because it was determined that that neighborhood had a lot of children but not many positive activities for them. The same holds true today.

Lincoln Park has one of the highest concentrations of low to moderate income families in Duluth. Youth in Lincoln Park are in need of positive afterschool programs and supportive role models in order to avoid negative behaviors and develop into healthy, productive adults. The Lincoln Park School Boys & Girls Club serves over 900 youth between the ages of 6-18 from over 400 families. The Lincoln Park neighborhood is comprised of 6,492 households of which 92% are identified as low to moderate income by HUD poverty guidelines. According to Kids Count Census Data 26% of children in the county live in single parent households, however according to our membership applications approximately 56% of our members reside in single parent households (19% 2-parent, the remainder "other family" or foster care). This demographic information suggests Lincoln Park youth are at greater risk for academic failure, criminal behavior, gang activity, drug/alcohol use, teen pregnancy, victimization, and other negative behaviors than the general youth population. Our programs are tailored specifically to address these concerns and reduce such negative outcomes.

According to the United Way 2010 Impact Report, only 74.72% of Duluth's incoming freshman will graduate high school on time and that number is as low as 50.41% for youth living in poverty, and less than 49% for non-white students. At the Boys & Girls Club we offer programs that address the specific academic needs of our members and intervene with homework help, tutoring, mentoring, reading and technology programs. We employ a full-time licensed teacher who is a liason between the schools/teachers and staff in order to identify members needs and design tailored interventions. Boys & Girls Club staff track grades and school attendance as a

way to monitor needs, success, and level of intervention. We run a 2-hour a day Power Hour program where members come to get help with and complete their homework. Staff track the amount of homework completed with the ultimate goal of grade progression.

Children “who are unsupervised during the hours after school are more likely to use alcohol, drugs, tobacco . . . , receive poor grades, and drop out of school than those children who have the opportunity to benefit from constructive activities supervised by responsible adults” (U.S. Department of Justice, 2008). In addition to programs geared towards prevention, simply having a safe place to go afterschool leads to avoidance of these behaviors and harm reduction within the community.

We also provide basic needs as well. Many of our members come to the Club hungry and at times in pain due to lack of nutrition. We address this problem by serving a snack and meal daily to all members in attendance. In 2010 alone we served over 15,000 meals at our Lincoln Park Club (approx. 50 meals per programming day). This basic need is an important part of our Health and Life Skills program, as we see first hand the effects hunger has on our members. We know it is vital in order to help reduce behavioral problems and increase attentiveness and concentration. All of these factors combined contribute to positive youth development in our local youth. Prevention of this level leads to a healthy community and long-term cost savings by assisting youth in reaching their full potential.

The youth who attend the Club do so because one or more needs are not being met at home, school, or elsewhere. For many it is the mentoring, supportive relationship they develop with staff, for others it is a safe place to be afterschool where they can avoid peer pressures, boredom, negative behaviors, and/or a dysfunctional home life. For some it is a place to get help with homework, recognition for their accomplishments, to participate in athletics and be a part of a team, to get a warm meal, to feel a sense of belonging and purpose, and/or to have fun. It is a place that brings hope and opportunity to so many youth who have given up on childhood dreams. We offer all this for only \$10 per year.

The Lincoln Park neighborhood has long been neglected by the city and the closing of Lincoln Park School is the latest in a long line of negatives for this neighborhood. If Lincoln Park were to lose the Boys & Girls Club it would be devastating for the community. The Lincoln Park School Boys & Girls Club is open fifty-one weeks each year, six days a week for six hours a day during the school year and seven hours a day during summer and holiday breaks. The Boys & Girls Club has been the one constant for many of the children living in Lincoln Park. Please help us to continue to serve the children and families of Lincoln Park.

I'd also like to make it clear that this funding would be used to support the Boys & Girls Club and its' programs. The new property owner, Sherman Associates has committed to selling (for

\$1) or entering into a long term lease with the Boys & Girls Club. The School District has made this a condition for closing the sale with Mr. Sherman. The Boys & Girls Club cannot continue to operate in that facility without a new mechanical system. Mr. Sherman is pursuing his plans to renovate the other portions of the building for housing completely separate from the Boys & Girls Club. His renovations may not be started for 2 years as he gets his funding in place. There is a commitment to incorporate other potential partners into the facility. These partners may include Community Action Duluth and the Lincoln Park Family Services Collaboration (an early childhood organization).

Responses to CDBG Committee Questions

1. What is the B&GC plan for sustaining this facility, ie. On-going operating costs?

The Boys & Girls Club of the Northland is a facility based organization with a forty year history and a very solid reputation in our community. We have grown strategically over the past 10 years to 5 sites as a result of our sound fiscal management. The concept of keeping the Boys & Girls Club in the Lincoln Park School site has been encouraged and supported by multiple local foundations and organizations whose missions are focused on supporting youth especially those from disadvantaged circumstance (social, economic and family). Several have already indicated their interest and commitment in providing us with additional financial support for sustaining the Club in Lincoln Park School. Other potential funding sources include the City of Duluth's new fund for parks and youth programming, corporations, businesses, individuals and rental income. The projected operating costs reflect an increase of \$25,000. We already have a commitment of an additional \$16,000 from a local foundation for the Lincoln Park School club for 2012.

2. Has the B&GC explored other facility locations?

We have looked at other possible sites in the Lincoln Park neighborhood but there is nothing available with the space we need. The facility at Lincoln Park School was built for us in 1998. It was designed specifically for our needs. Lincoln Park School is perfectly located in the center of the neighborhood with easy access for all.

3. Please detail the ownership that the B&GC will have for their building, either long term lease or ownership.

Mr. Sherman has committed to sell the building to us for \$1 or enter into a long term lease with us just paying operating costs, whichever works best for us. He stated this in his letter to the School District and the School District is making it a condition in the closing.

4. What are the projected overhead and operating costs for the B&GC facility?

Our current overhead for the Lincoln Park Boys & Girls Club is \$340,671 we don't see these costs changing as the staffing and programming will remain the same. Our current lease with the school district costs us \$5,000 a year. John Scott from DSGW Architects has estimated operating costs with a new mechanical system to be approximately \$30,000. As mentioned earlier we have already secured \$16,000 of the projected \$25,000 increase.

5. Please provide a more detailed use of CDBG funds for the future years commitments.

The first priority is to replace the mechanical system. Without a new mechanical system our operating costs would be considerably higher. DSGW Architects has placed that cost at \$309,426, this would be done in year one. Along with the new mechanical system there needs to be some electrical and fire suppression upgrades totaling \$245,160 to be done in year two and three. Finally year three and four would include a new roof for the gym(\$168,250), refinishing of the gym floors (\$30,175), and new carpeting for the activity room and corridors (\$25,600).

6. Will the project be able to proceed if the amount is only \$29,500 for the redevelopment, or what would be the minimum amount needed for the B&GC building to be renovated?

We would not be able to proceed if the amount is only \$29,500. The minimum amount needed would be \$554,586 for the mechanical system, electrical and fire suppression.

I know your job is not easy and you have to make some difficult decisions. Thank you for your consideration and your time and effort in this important process.

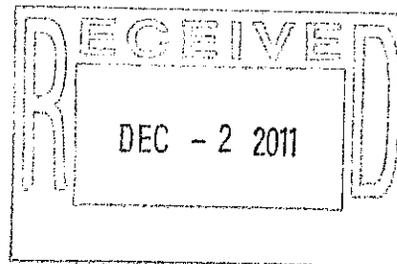
Todd M. Johnson
Chief Professional Officer
Boys & Girls Clubs of the Northland



City of Duluth
Planning Division

411 West First Street • Room 208 • Duluth, Minnesota 55802-1197
218-730-5580 • Fax: 218-730-5904 • www.duluthmn.gov

An Equal Opportunity Employer



December 2, 2011

Keith Hamre
Manager
Community Development Division
Business and Community Development Department
407 City Hall
411 W. 1st St.
Duluth, MN 55802

Dear Keith,

On behalf of the City of Duluth Planning Division, I would like to submit comments for consideration as part of Community Development's 2012 Action Plan.

As you know, the Planning Division is currently conducting the Higher Education Small Area Plan for areas around two of Duluth's colleges. The market study completed for the area includes findings regarding some of the neighborhoods covered by the Action Plan. In short, as new student-oriented housing is developed in Duluth, many of the students currently living in rented single-family homes will choose to relocate to new housing. Because the market study shows no increased demand for single-family homes in Duluth, this could have negative implications, particularly for neighborhoods further from campus such as East Hillside.

One of the recommendations from the market study that will be carried forward in the small area plan is to implement neighborhood stabilization activities in the East Hillside. The study further recommends focusing on two targeted areas, called Neighborhood Investment Zones, that would act as catalyst areas for investment and improvement throughout the East Hillside. These investment zones are centered on 1) 4th Street and 6th Avenue East, and 2) London Road and 12th Avenue East, as shown in the attached map. Please note that based on consultation with key members of the At Home in Duluth Collaborative, the map will be changing as follows: The 4th Street/6th Avenue East zone will extend to 9th Street, and the London Road/12th Avenue East zone will not extend below London Road.

As you move forward with 2012 initiatives, I urge you to support those investments and programs that will implement the Neighborhood Investment Zones. Recommended models to follow include the Neighborhoods in Bloom program in Richmond, Virginia, and the Healthy Neighborhoods approach in Baltimore, Maryland.

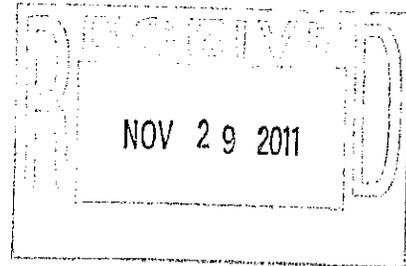
Thank you for your continued work in the city,

Cindy Petkac
Planning Manager

COPELAND VALLEY
YOUTH CENTERS

November 15, 2011

Keith Hamre, Manager
Community Development Division
407 City Hall
Duluth, MN 55802
khamre@duluthmn.gov



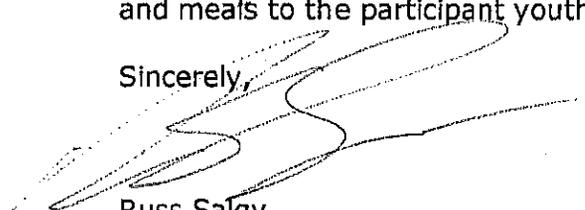
Dear Mr. Hamre,

I am writing to show our organization's support of the CDBG process thus far in taking the position to fund the "Feeding Kids Through Youth Programs" application.

It is great to know that our services are recommended for funding because our service delivery to youth covers a broad base of services. We offer services from academics, mentoring, positive recreation, and basic needs. Being recognized as having high quality basic needs services showcases our ability to fill this need in our neighborhood(s)

It is our hope that the recommendation becomes finalized so that for the 2012-2013 funding cycle year, our organization can continue serving snacks and meals to the participant youth that come through our doors every day.

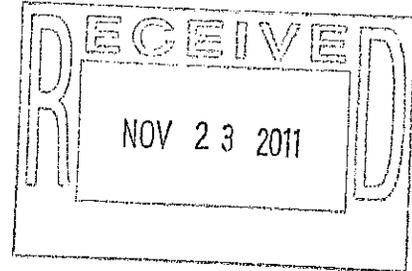
Sincerely,



Russ Salgy
Agency Director
Copeland Valley Youth Centers
720 N. Central Ave. Duluth, MN 55807



MINNESOTA ASSISTANCE COUNCIL FOR VETERANS
SERVING VETERANS THROUGHOUT MINNESOTA



November 21, 2011

To the City of Duluth Community Development Committee:

This letter is to address the suggested cuts made to MACV's transitional housing program under the 2012 CDBG Public Service Proposals. The amount we requested was \$17,600, with the recommendation it get cut to \$15,000.

We are aware that many of the programs under this category had recommended cuts, however, the average cut was 6.2%, and our cut was 15%, more than double the average.

As I am sure you are aware, homeless veterans are a top priority with HUD and the Department of Veterans Affairs (VA). The President has included in his most recently announced Federal Plan to End Homelessness, that Veteran Homelessness is to be eliminated by 2015. Veterans are also a high priority in our own St Louis County Continuum of Care's 10 year plan to end homelessness. This plan calls for the establishment of and maintenance of 16 beds of Permanent Supportive Housing for veterans. MACV has added 12 additional beds for Permanent Supportive Housing in the last year alone! In addition, we have added 9 units of Transitional Housing. The money we have applied for though this committee is used to provide food, utility costs, and staff case management for our resident homeless veterans. Without these dollars food is literally being taken away from homeless veterans in our community.

As a non-profit we have to work very hard to provide services in the most streamlined manner possible, with increasing utility and food costs. In addition, we anticipate the number of veterans that will be served will be increasing over last year. In fact, we increased our clients served goal from 75 to 80 in our most recent application. We are in greater need than ever.

Following the application guidelines, we have requested the application's suggestion of \$220 dollars per client. With this proposed cut, this number drops to \$187.50 per client served. You can see what a significant difference this is.

It is our understanding that the decision to cut funds was based by an organization's score on the application itself, not on the quality of the program, or on the numbers served. During this application process a few mitigating factors happened which resulted in a lower score for MACV. These include: transition from one City Community Development (CD) staff member working with MACV to another, transitioning of new Regional Directors at MACV, and the splitting of our always held one grant, into two

grants this year. This year MACV has one for CDBG and one for ESGP. We are getting cut because of the clarity of our paperwork, not due to the quality and performance of the public services we provide.

MACV would respectfully request that you look at our original proposal request and consider not cutting any of our funding. This money goes to help support homeless veterans in our community. They have provided an incredible service to our community and our country. It would be a shame to have to turn away a veteran in need. After all, they served us first. It is our time to serve them, not take it away!

If all agencies must be cut, than please keep us to the average of 6% cut.

Sincerely,

A handwritten signature in cursive script that reads "Steven P. Saari".

Steven. P Saari, Regional Director

Minnesota Assistance Council for Veterans (MACV)

Duluth, MN

Cc: Kathleen Vitalis, President/CEO, Minnesota Assistance Council for Veterans

Keith Hamre - Two Luncheons, Three Programs

From: "Rick Klun" <rklun@centercityhousing.org>
To: "Keith Hamre" <khamre@ci.duluth.mn.us>
Date: 11/18/2011 9:43 AM
Subject: Two Luncheons, Three Programs

Hi Keith-

I'm gonna take a couple of minutes to wax philosophic, and I hope you receive it in the spirit that it's meant.

I was sick on Tuesday and was unable to attend the AHC Meeting. I've heard from a number of attendees, (and probably to your surprise, not Cashman yet cuz our energies right now are on opening Rochester,) about trans housing funding concerns. I went home last night thinking about the issues. And the first things that came to mind were the Woman of Distinction Luncheon and the Salvation Army's Civic Luncheon. I don't know if you attended the first one but they had two young ladies from the teen moms transitional housing program speak. You know I'm kind of a softy at times, but mine were far from the only wet eyes in a room of probably 400. I left thinkin' "these young gals should be the poster kids for the value of transitional housing". Then I go to the Sa Luncheon and their video focuses on the value of transitional housing in one families life, another real story of real effective program success. So that's two programs and I'd add ours because we see the same effectiveness and HUGE value every day, not that the work's easy.

I know that "Transitional Housing" is not the flavor of the month anymore, but in our town, for our folks, IT WORKS REALLY WELL. I know you've got real tough decisions coming up, but I felt I had to speak up.

Last comment, then I'll quit. Three years ago I was a private naysayer about it's value.

Best, Rick

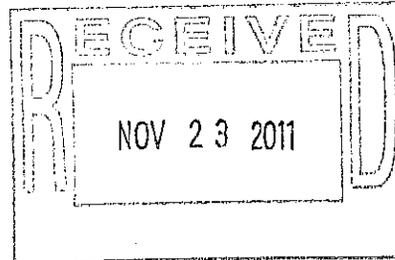
Rick Klun
Executive Director
Center City Housing Corp.
105 1/2 W 1st ST
Duluth, MN 55802
218-722-7161
218-720-3483 Fax
rklun@centercityhousing.org



November 17, 2011

FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Keith Hamre, Manager
Community Development Division
407 City Hall
Duluth, MN 55802
khamre@duluthmn.gov



Dear Mr. Hamre,

I am writing in support of the "Feeding Kids Through Youth Programs" application. I want to share our appreciation to the Community Development Office and Committee for their initial funding recommendations for fiscal year 2012, and I urge you to keep the funding at this level in the final allocation.

Feeding Kids Through Youth Programs is part of the food security network of Duluth, providing over 70,000 meals and snacks annually to the children of Duluth through our existing Out of School Time Programs.

With the financial pressures on our organizations from reduced funding, we are struggling to continue to provide quality services to all of the children that need them, and our agencies are forced to contemplate reduction of services. Therefore, Feeding Kids Through Youth Programs would use this funding to help us maintain our current levels of services and staffing with regards to serving food to children. We anticipate serving 29,258 meals and 43,116 snacks to 1540 children and youth during the 2012 fiscal year. With your support, we can ensure that no children are hungry during our programming time!

I want to thank the Community Development Office and Committee for their initial funding recommendations for fiscal year 2012, and urge you to keep the funding at this level in the final allocation. Thank you for supporting the youth of Duluth and quality youth programming in our community.

Sincerely,

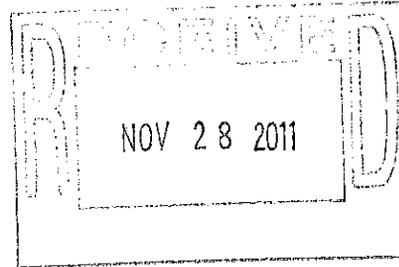
David N. Schaeffer
YMCA Mentor Duluth Director
Member and Fiscal Agent of the Feeding Kids through Youth Programs Collaborative



November 17, 2011

FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Keith Hamre, Manager
Community Development Division
407 City Hall
Duluth, MN 55802
khamre@duluthmn.gov



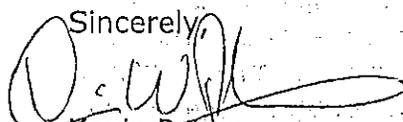
Dear Mr. Hamre,

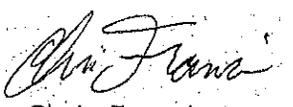
We are writing in support of the "Feeding Kids Through Youth Programs" application. We want to share our appreciation to the Community Development Office and Committee for their initial funding recommendations for fiscal year 2012, and we urge you to keep the funding at this level in the final allocation.

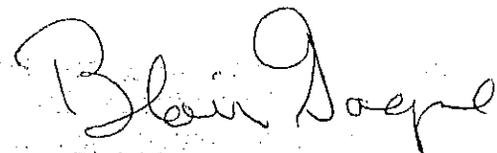
The Duluth Area Family YMCA will use its collaborative funding to support Mentor Duluth and Out of School Time Programming. Within Mentor Duluth, YStyle is an academic mentoring program that matches positive adults and youth. Together, matches learn how to work hard, set goals and be healthy, ending with matches participating in either an indoor triathlon or a 5K race. A component of our YStyle curriculum is healthy eating; YStyle provides nutritious snacks afterschool directly following the YStyle workouts, and CDBG funding will allow us to continue this practice.

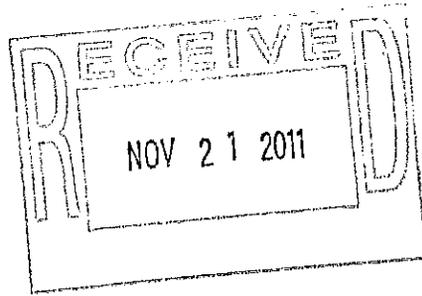
The Y's Out of School Time programs operate at five elementary schools in the Duluth area. Academic and enrichment based programming is available to families before and after school and is focused on "helping students develop confidence and motivation for school and life." Funding will provide snacks at Homecroft and Lakewood Elementary Schools at the beginning of afternoon programming, ensuring that no children in our programming will be hungry.

As professionals who have made a career out of helping the youth of our community, we want to thank the Community Development Office and Committee for their initial funding recommendations for fiscal year 2011, and urge you to keep the funding at this level in the final allocation. Thank you for supporting the youth of Duluth and quality youth programming in our community.

Sincerely,

Kevin Peterson
Chair, Board of Directors
Duluth Area Family YMCA


Chris Francis
Chief Executive Officer


Blair Gagne
Chief Operating Officer
Community Services Director



November 15, 2011

Keith Hamre, Manager
Community Development Division
407 City Hall
Duluth, MN 55802
khamre@duluthmn.gov

Dear Mr. Hamre,

I am writing to show our neighborhood organization's support of funding "Feeding Kids Through Youth Programs" application.

As the West Duluth Community Development Corporation, the services the Copeland Valley Youth Centers does for our neighborhoods youth is immeasurable.

It is our hope that the recommendation becomes finalized so that for the 2012-2013 funding cycle year, our organization can continue serving snacks and meals to the participant youth that come through our doors every day.

Sincerely,

Kris Ridgwell
Executive Director
West Duluth
Community Development Corporation
331 N. Central Ave.
Duluth, MN 55807
(218) 624-2317
svcnda@aol.com

Public Comments from the At-Home "Connect the Dots" event held on Saturday, November 5th where the Community Development staff had a table and a display of the FY 2012 Action Plan recommendations:

Cheryl Skafte
430 N. 84th Ave W

Thank you to the Community Development department for supporting the "Feeding Kids through Youth Services". It is so important and a critical part of the food security network for youth & families.

Warren High
507 N. 5th Street
Go for all.

Mel Heinovich
2962 Devonshire St
Singles housing apartment for low income, jail returnees, reformance to Seaway Hotel.

Shalimar
627 E. 5th St
I support your recommendations.

Jeanne Kogl
21st Ave East
Soup kitchen update but supports all of them.

Kendall Doom
4330 W. 6th
I love the emphasis on supportive housing.

Kristin Stuchis
432 E. 10th St
Duluth Hunger Project - CHUM
Feeding Kids through Youth Services and Life House, both of these programs would benefit from on-site gardening programs that empower and involve the community to grow and eat local plus organic fruits and veggies.

Appendix B / Public Process

- Neighborhood Forums / May 11 and 17, 2011
- Public Hearing on the Monitoring & Implementation of CDBG Programs / June 28, 2011
- Community Development Meeting to make Funding Recommendations on FY 2012 CDBG, HOME and ESGP Applications / October 25, 2011
- Public Hearing on FY 2011 Action Plan / December 6, 2011- Continuation on January 31, 2012
- Council Resolution Approving the 2012 Annual Action Plan portion of the 2010-2014 Consolidated Plan and Authorizing a Request for HUD Federal Community Development Block Grant (CDBG), HOME Program and Emergency Shelter Grant Program (ESGP) Funds. / February 13, 2012
- Council Resolution Authorizing a Request for HUD Federal Community Development Block Grant (CDBG) Funds for the 2012 Program Year as well as Approving the Reallocation of Certain Prior CDBG Funds and Authorizing Agreements with Appropriate Agencies. / February 13, 2012
- Council Resolution Authorizing a Request for HUD HOME Funds for the 2012 Program Year and Authorizing Contracts. / February 13, 2012
- Council Resolution Authorizing a Request for HUD Emergency Shelter Grant Program (ESGP) Funds for the 2012 Program Year and Authorizing Contracts. / February 13, 2012

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Page 1 of 1

NEIGHBORHOOD FORUMS ON COMMUNITY DEVELOPMENT AND HOUSING NEEDS

- May 11 - 6:30-8:00 p.m. - Goodfellowship Hall, 1242 88th Avenue West
- May 17 - 6:30-8:00 p.m. - Central Hillside Community Center, 12 East 4th Street
- May 9-20 - Online Forum - www.duluthmn.gov/community_development

The City of Duluth annually receives substantial funding from the U.S. Department of Housing and Urban Development (HUD) to assist persons with low and moderate incomes (up to \$48,000 for a family of four) and neighborhoods where a majority of low and moderate income people reside. Prior to awarding these funds, a comprehensive citizen participation process occurs, which includes a general community needs assessment as the first step.

The purpose of these public forums (conducted by the Community Development Division) is to hear from Duluth residents, especially persons with low and moderate incomes, persons of color, and persons with disabilities, and service providers in an interactive setting about the community's needs. These needs include four major categories: 1) economic development initiatives which includes job training; 2) affordable housing; 3) public facility improvements including parks, child care centers, senior centers, street and sewer improvements in neighborhoods eligible for Community Development Block Grant (CDBG) funds (Morgan Park, West Duluth, Lincoln Park, Central Hillside and East Hillside/Endlon neighborhoods); 4) public services, such as affordable health care services and nutrition. An online forum will also be held to encourage more input.

These public forums are also the essential first step in the City of Duluth's preparation of the 2012 Action Plan. This Plan outlines the City's assessment of community needs and strategies to meet those needs during the coming HUD fiscal year. The Plan also serves as the City's application to HUD for CDBG, Home Investment Partnerships Program (HOME) funds and Emergency Shelter Grant Program (ESGP) funds (both the HOME and ESGP programs are strictly for housing and homeless needs). Also, in collaboration with the At Home Partners, input will be sought regarding future activities and efforts within the Duluth's eligible neighborhoods.

If a member of the public is unable to attend one of these forums but wishes to comment on the programs, (s)he may do so in one of the following ways:

- 1) Send written comments to:
Community Development
Room 407, City Hall
Duluth, MN 55802
- 2) Fax comments to Community Development at (218) 730-5915
- 3) E-Mail comments to khamre@duluthmn.gov

Comments may be submitted after the public forums, since the planning and funding process will continue throughout the fall. If you have special needs, such as an interpreter, please contact the Community Development Division at 730-5480 so your needs can be accommodated.

For hearing impaired persons please call the City's TTY/Information Assistance at 730-5230 or the Minnesota Relay Service at 1-800-627-3529.

D.N.T. April 29, 2011

242748



Creating Neighborhoods That Work - At Home in Duluth
Central Hillside, East Hillside, Lincoln Park, West Duluth, Morgan Park

Central Hillside CDBG/HOME Forum Agenda
6:30 pm – 8:00 pm
Tuesday, May 17, 2011

A. Introduction and Purpose Community Forums

Hosted By: Committee Members of the Community Development Committee
City of Duluth Community Development – Keith Hamre, Manager

B. CDBG/HOME Overview and Updates

City of Duluth Community Development – Keith Hamre, Manager

C. Review of At Home Plans Focus Areas Accomplishments

SVCNDA - Kris Ridgewell, Director
NHS – Cliff Knettel, Director

D. Prioritization Process - Breakout into Small Groups

Breakout Tables by Neighborhoods – Lincoln Park / Hillsides / Other
Community Development/LISC/NHS/SVCNDA – Staff Assistance

E. Next Steps / Process - Keith Hamre

F. Resident Updates and Comments

Creating Neighborhoods That Work - At Home in Duluth

- LISC • Duluth HRA • City of Duluth • NHS Duluth • SVCNDA • CHUM
 - Community Action Duluth • NCLT • United Way of Greater Duluth • Center City Housing
 - LPBG • Northeast Entrepreneur Fund • Habitat for Humanity • ISD 709 • Fit City Duluth
-

For more information about At Home Plans or the CDBG / HOME Process

Contact:

City of Duluth Community Development at 730-5480

Duluth LISC at 727-7761

NHS Duluth at 727-8604

SVCNDA

**COMMUNITY FORUM ON
COMMUNITY DEVELOPMENT AND HOUSING NEEDS
Tuesday, May 17, 2011- 6:30 - 8:00 p.m.
Central Hillside Community Center, 12 East 4th Street**

ATTENDANCE

Debbie Isabell-Nelson, Morgan Park
Dan Ollhoff, NHS-Hillsides
K. L. Lewis, Hillside
Pat Tyler, CD Committee
Mel Heinrich, Lincoln
Mona Cheslak, East Hillside
Larry Sharp, East Hillside
Gene Johnson-McKeever, Central
Dan Nyquist, CD Committee
Martin Lepak, AEOA
Kathy Bogen, East Hillside
Emily Kniskern, East Hillside
James Guttormson, East Hillside
Jackie Halberg, City Council-4th District
Tony Svalls, Lincoln Park
Jerry Rossik, Hillside
Sharla Gardner, Central Hillside-City Council
Mechelle Nelson, Catherine Booth House, Cental Hillside
Brian Rink, Downtown
Archie Davis, East Hillside Community Club

**PUBLIC FORUM COMMENTS
CENTRAL HILLSIDE COMMUNITY CENTER
MAY 17, 2011 – 6:30PM**

East Hillside Comments

Quality programs for young children, young school age – after school and summer

- Youth meals, nutrition
- Mentor opportunities

More green – trees, plants, flowers (not green space) In public space (6th Avenue and 4th Street)

To address safety, less setback from street

- Lighted stop signs

Mold issues in older homes

- Programs that address this

Micro-enterprising – business opportunities for large and small businesses

- Affordability of/for small business

Accessibility for seniors to services

Different housing types – family, income subjected

- Diverse housing stock

Promote home ownership in East Hillside

Median wage jobs

Pipe/sewer infrastructure

- Lateral lines promotion to residents

Central Hillside Comments

Public Service

Youth – summer, after school programming is important to neighborhood

Physical Improvements/Facilities

Water/sewer improvements needed in whole neighborhood

Utilize existing parking better, seek better parking at neighborhood amenities like the 4th Street Market

Washington Pool – utilize the pool- seek partnership with the “Y”

Cascade Park- more swings, flowers/landscaping, beautify it, lights always burn out

Farmers Market needed in Central Hillside

Housing

Home ownership – encourage more home ownership, all of Central Hillside

Rehab – weatherization for the old housing stock

- Help economically
- Existing stock

Help in rehabs – with people that are median income or lower

Hold landlords responsible for upkeep/maintenance of rental properties

Lead paint abatement in rentals and single-family homes

Economic Development

Job training opportunities needed

Micro-enterprise assistance – five or less employees

Assistance for professional business- business startup assistance

Homeless facilities

- Especially for sex traffic victims
- Abused/neglected kids

Transportation Services

- DTA support- more service in Central Hillside
- Trolley in Central Hillside
- Express connect to Whole Foods for groceries

Change all avenues to 2-way traffic – easier for local driving



Creating Neighborhoods That Work - At Home in Duluth
Central Hillside, East Hillside, Lincoln Park, West Duluth, Morgan Park

Morgan Park CDBG/HOME Forum Agenda
6:30 pm – 8:00 pm
Wednesday, May 11, 2011

- A. Introduction and Purpose Community Forums**
City of Duluth Community Development – Keith Hamre, Manager
- B. CDBG/HOME Overview and Updates**
City of Duluth Community Development – Keith Hamre, Manager
- C. Review of At Home Plans Focus Areas Accomplishments**
SVCNDA - Kris Ridgewell, Director
NHS – Cliff Knettel, Director
- D. Prioritization Process - Breakout into Small Groups**
Breakout Tables by Neighborhoods – Morgan Park / West Duluth / Other
Community Development/LISC/NHS/SVCNDA – Staff Assistance
- E. Next Steps / Process - Keith Hamre**
- F. Resident Updates and Comments**

Creating Neighborhoods That Work - At Home in Duluth

- LISC • Duluth HRA • City of Duluth • NHS Duluth • SVCNDA • CHUM
- Community Action Duluth • NCLT • United Way of Greater Duluth • Center City Housing
- LPBG • Northeast Entrepreneur Fund • Habitat for Humanity • ISD 709 • Fit City Duluth

For more information about At Home Plans or the CDBG / HOME Process

Contact:

City of Duluth Community Development at 730-5480

Duluth LISC at 727-7761

NHS Duluth at 727-8604

SVCNDA

**COMMUNITY FORUM ON
COMMUNITY DEVELOPMENT AND HOUSING NEEDS
Wednesday, May 11, 2011- 6:30 - 8:00 p.m.
Good Fellowship Club, 1242 - 88th Ave West**

ATTENDANCE

Helen Lind, Irving
Jeanne Koneczny, Irving
Fred and Patty Geist, Morgan Park
Erin Evans, Riverside
Lynne E. Snyder, Morgan Park
Polly Purser, Morgan Park
David Peterson, HRA
Mike Casey, West Duluth
Aurine Casey, West Duluth
Pam Kramer, LISC
John Strongitharm, NHS Neighborhood
Karin Swor, SVCNDA
Martin Lepak, AEOA
Kris Ridgewell, SVCNDA
Kathy Lee, MPCC
Lee Stuart, LISC
Ginger Beleben, Spirit Valley
Lucille Kolberg, MPCC
Julie Hillman, NCLT
Beverly Strongitharm, Norton Park
Gary Maraud, Fairmont Park
Shari Mortorelli, Morgan Park
Jackie Morris, Morgan Park
Jennifer Snyder, SVCNDA
Will Munger, Fairmont/Norton

**PUBLIC FORUM COMMENTS – MORGAN PARK
GOODFELLOWSHIP CLUB
MAY 11, 2011 – 6:30PM**

Morgan Park Comments

Get rid of/replace junk yard – 1000 Block of 88th Avenue West

Market rate rental for seniors, with heated garages

Maybe school reuse as senior housing

More firefighters

Exterior rehab

More police protection summer (less winter)

Youth programs – school or center – after school/summer

Homeownership – convert rentals – buy/fix/sell

U.S. Steel site become industrial park with amenities

Rehab Lakeview Building

Expand Waterfront Trail shore amenities – access

Make 88th historic from east to west – allow other renovations without historic requirements

School reuse – satellite site for higher education (i.e., Fond du Lac)

LSC classes for nursing classes

Other – Non-CDBG

Train stop in Morgan Park for high speed rail line

Condo agreements – MF Building

Commercial development

- Coffee Shop and Pie
- Grocery
- Dog Park
- Laundromat

- Pharmacy
- Post Office
- Rental – canoes, kayaks, bikes

Surveillance system for crime prevention – Community Center playground – 90th Avenue West and Idaho

Cleanup at mobile home park (Pleasantview)

Better lighting

AFFORDABLE HOUSING COALITION FORUM
May 11, 2011

CDBG / HOME Program Activity Voting

<u>Category</u>	<u>\$100 FY 2010</u>	<u>\$100 FY 2011</u>
Homebuyer Assistance (Individual Saving/Downpayment)	\$3.00	\$3.00
Rent Vouchers	\$1.50	\$6.50
Homeowner Rehab	\$21.00	\$20.00
Rental Property Rehab	\$36.50	\$24.00
Purchase, Rehab & Re-sell Single Family Homes	\$19.50	\$17.50
Build New Single Family Homes	0	0
Build New Apartments	0	\$11.00
Pre-Development Activities For Non-Profit Agencies	\$1.50	\$2.00
Residential Energy Improvements	\$17.00	\$16.00
Other (such as):	0	0
Housing Demolition		
Code Enforcement		
Loans to For-Profit Housing Developers		
Converting Existing Buildings to Housing		
Pre-Development Loans		
Converting Rental Units to Homeownership		

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Page 1 of 1

**Notice of Public Comment Period
on the City of Duluth's 2010
Consolidated Annual Performance
and Evaluation Report (CAPER)
and Community Development
Monitoring Public Hearing**

The City of Duluth's Community Development Division announces a 15-day comment period on its 2010 Consolidated Annual Performance and Evaluation Report, prior to the submission of the report to the U.S. Department of Housing and Urban Development (HUD). The public comment period is Wednesday, June 15 - Wednesday, June 29.

The Consolidated Plan is both a planning document and application for funding through the Community Development Block Grant (CDBG) program, HOME Investment Partnerships Program (HOME) and the Emergency Shelter Grant Program (ESGP). It describes the community's needs, specific goals and objectives that are designed to achieve the community vision. The 2010 Performance Report will summarize the annual and five-year accomplishments and assess progress toward meeting the vision in the Plan.

Duluth's Consolidated Plan has the following three goals against which an assessment of performance in the City's previous fiscal year will be summarized: 1) An adequate supply of quality housing so that safe, affordable and appropriate housing opportunities are available for all Duluthians; 2) Quality, stable neighborhoods for Duluth's citizens; and 3) Creation and preservation of employment opportunities in the City across the entire spectrum of job skills.

Copies of the 2010 Consolidated Annual Performance and Evaluation Report will be available beginning June 15 at the City of Duluth Community Development Office (Room 407, City Hall), the City Clerk's office (Room 302), on the City's web site, and at the Duluth Public Library and all branches.

Comments may be mailed, faxed or transmitted via E-mail. For more information or to receive a copy of the report, contact the Community Development Division, Room 407 City Hall, Duluth, MN 55802. Phone: 730-5480. Fax: 730-5616.

E-mail: khamre@duluthmn.gov

Also, a public hearing (conducted by the Community Development Committee), will be held to review the activities and progress of current recipients of CDBG, HOME and ESGP funding. The Consolidated Annual Performance and Evaluation Report (CAPER) will be reviewed at the public hearing. This is an opportunity to come and find out about the program or to ask any questions about activity accomplishments.

**Tuesday, June 28, 2010 - 6:00 p.m.
Duluth City Council Chambers
Third Floor, City Hall
411 West First Street**

The public is strongly encouraged to attend this important public hearing. Committees making decisions on this funding need to hear from the general public, especially from these programs' beneficiaries - persons with low and moderate incomes, persons of color and persons with disabilities.

If you have special needs, such as an interpreter, please contact the Community Development Division at 730-5480 so that your needs can be accommodated.

For hearing impaired persons please call the City's TTY/Information Assistance at 730-5000 or the Minnesota Relay Service at 1-800-627-3529.

D.N.T. June 13, 2011

252989

**PUBLIC HEARING ON MONITORING OF
COMMUNITY DEVELOPMENT PROGRAM
TUESDAY, JUNE 28, 2011 - 6:00 P.M.
COUNCIL CHAMBERS - THIRD FLOOR - CITY HALL**

ATTENDANCE

Renee Switzer, Copeland Valley Youth
Kathy Bogen, GCS Collaborative
John Cadotte, Life House
Tim Peterson, Life House
Jessica Crowley, LSCHC
Kalli Kvcharyski, LSCHC
Tammi Johnson, YWCA
Pam Benson, HRA
Angela Ryan, AICHO
Janet Olson, Safe Haven Shelter
Amy Westbrook, SOAR
Kira Kallberg, TSA
Jim Soderberg, CHUM
Emily Larson, Duluth At Work
Nancy Cashman, CCHC
Pam Kramer, LISC
Kate Wigren, CAD
Richard Howell, Housing for Inmates
Dave Benson, Damiano
Rebecca Ellenson, SOAR
David Mattson, SOAR
Kelly Looby, NYS
Jeff Woolverton, Life House
Erich Lutz, Life House
Jodi Slick, Common Ground
Kris Ridgewell, SVCNDA/WDCDC
Lynne Snyder, HRA
Martin Lepak, AEOA
Jeff Corey, NCLT
Dave Schaeffer, Youth Dev. Collaborative
Sarah Priest, Community Action Duluth

Notice of Public Comment Period and Public Hearing on the City of Duluth FY 2012 Action Plan for Housing and Community Development

* Federal Funding Recommendations Included *

The City of Duluth is seeking citizen comment on the Draft FY 2012 Action Plan for Housing and Community Development. Current community issues, especially those affecting persons with low and moderate incomes, persons of color, and persons with disabilities, and the City's progress toward five-year community development goals are outlined in the Plan.

This Plan includes the recommendations for approximately \$3.4 million in funds to the City of Duluth from three programs of the U.S. Department of Housing and Urban Development. The Community Development Committee (CD Committee) plans and advises on the use of these funds to the Duluth City Council.

CD Committee Recommendations for 2012 Funding:

Community Development Block Grant (CDBG) Program

(at least 70% of CDBG funds must benefit persons with low or moderate incomes)

Housing (all are applications are for housing Improvements that will benefit people with low or moderate incomes)

Duluth Property Rehab Program/Housing Service Center – HRA.....	\$ 760,659
CAD IDA Housing Counseling/Downpyt Assist. - Community Action	\$ 55,000
Duluth Weatherization Program - AEOA	\$ 171,320

Economic Development (all applications will create full-time jobs or assist businesses to create jobs to be filled by persons having low or moderate incomes at the time of employment)

SOAR Duluth At Work – SOAR Career Solutions	\$ 120,000
CHUM Support Services for Employment – CHUM	\$ 80,000
NYS JET (Jobs, Education & Training) – Neighborhood Youth Services	\$ 24,000
Growing Neighborhood Businesses – Northeast Entrepreneur Fund	\$ 64,000
Futures Program – Life House	\$ 32,000
Circles of Support – Community Action	\$ 64,000

Public Facility Improvements (all applications will provide improvements to neighborhoods having a majority of persons with low and moderate incomes)

Soup Kitchen Renovation – Damiano Center.....	\$ 325,000
Lincoln Park School Redevelopment – Boys & Girls Club.....	\$ 28,500
Street Assessment Assistance – Community Development	\$ 105,000

Public Service (all applications will provide programs or services to persons with low or moderate incomes) Federal regulations stipulate a maximum of 15% of grant funds to public service applications.)

Duluth Hunger Project - CHUM.....	\$ 78,000
Primary Health Care Services - Lake Superior Community Health Ctr.....	\$ 75,000
Clothes that Work & Social Services – Damiano Center.....	\$ 20,000
Emergency Heating Assistance - Salvation Army.....	\$ 24,000
Feeding Kids through Youth Services – Life House.....	\$ 24,000
LIFELINE Expressway of Youth Services – Life House	\$ 85,000
Homeless Stabilization Services for Shelter – CHUM.....	\$ 34,000
Safe Haven Shelter Programs – Safe Haven Shelter	\$ 20,000
Oshk Transitional Housing Services Program – AICHO	\$ 5,000
Transitional Housing Services Program – Center City Housing Corp.	\$ 22,000
Transitional Housing Services Program – MACV-Duluth.....	\$ 15,000
Family Transitional Housing Services Program - Salvation Army	\$ 20,000
Permanent Supportive Housing Services Prog.– Center City Housing	\$ 18,000

Planning

Program Administration – CD Division	\$ 493,580
Neighborhood Revitalization Planning – CD Division.....	\$ 20,000
HOME Program Administration – CD Division	\$ 63,600
ESGP Program Administration – CD Division	\$ 5,000
HOME TBRA Administration – Duluth HRA.....	\$ 18,300

HOME Investment Partnerships Program - Proposed Year 2012 Funding Recommendations

Homeless Rental Assistance Program (TBRA) – Duluth HRA	\$ 104,500
Housing Predevelopment – NCLT	\$ 15,000
Housing Predevelopment – Center City Housing Corp.	\$ 15,000
Multi-Family Development – NCLT	\$ 200,000
Rehabilitation & Resale – NCLT	\$ 313,500

Emergency Solutions Grants Program - Proposed Year 2012 Funding Recommendations

CHUM Emergency Shelter Program – CHUM.....	\$ 31,124
Safe Haven Shelter Operations - Shelter for Battered Women	\$ 19,578
Transitional Housing Operations – Center City Housing Corp.	\$ 30,622
Youth Transitional Housing Operations – Life House	\$ 7,530
MACV Transitional Housing Operations - MACV-Duluth.....	\$ 4,518
Family Transitional Housing Operations – Salvation Army.....	\$ 26,606

There is a 30-day public review period on this Draft Plan and the funding recommendations which runs from November 1 – December 2, 2011. Copies of the Plan are available at the City of Duluth Community Development Division (Room 407 City Hall), Duluth City Clerk's Office (Room 330 City Hall), the Duluth Public Library and all branches of the library. Also included in the Consolidated Plan is an analysis of impediments to Fair Housing.

A public hearing will be held by the CD Committee at 6:30 p.m. on Tuesday, December 6, 2011, in Room 303 - 3rd Floor - City Hall. The purpose of the public hearing is for citizens to comment on the Draft Plan and the funding recommendations. Members of the public, especially persons having low and moderate incomes, persons of Color, and persons with disabilities, are encouraged to attend and comment on the 2012 Action Plan.

For more information or to forward comments on this Draft Plan, contact:

Keith Hamre
Community Development
Room 407 City Hall
Duluth, MN 55802

730-5480 (phone) 730-5915 (fax)
khamre@duluthmn.gov

A brief summary of the funding recommendations is available on the City's website, please visit <http://www.duluthmn.gov/planning/cd/index.cfm>.

If you have special needs, such as an interpreter, please contact the Community Development Division at 730-5480 so that your needs can be accommodated.

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**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC)
MEETING AND PUBLIC HEARING
TUESDAY, JANUARY 31, 2012 – 6:00 P.M.
CITY COUNCIL CHAMBERS – DULUTH CITY HALL**

Present: Debra Branley, Daniel Nyquist, Bill Kimbler, Michael Ramsey, Daryl Yankee, Patricia Tyler, Jim Gaylord, and Kristi Gordon

Staff: Keith Hamre, Char McLennan, Karen Olesen, Suzanne Kelley, Charles Froseth, and Ben VanTassel.

Others Present: List Attached.

Roll Call: A quorum was present. Kimbler acting as Chair called the meeting to order at 6:04 p.m.

1. Introductions

Hamre gave an overview of the funds and reductions. He stated that the budget would go to City Council on February 13, 2012 and then it would be sent to HUD on February 15, 2012.

Hamre stated that it was important for speakers to explain the impact of the budget cuts on the project.

Chair Kimbler stated that this was a long and very difficult process.

2. Public Hearing-Continuation from December 6, 2011 Opportunity to on the FY 2012 Action Plan Funding Recommendations

Chair Kimbler opened the Public Hearing and advised those planning to speak that their comments will be limited to 3 minutes. Speakers included:

Mavis Brehn-spoke on behalf of Lake Superior Community Health Center, and stated the funds were critical to provide health care to people who could not afford it. Without the funds, there could be fewer staff and/or longer waits. She asked for the least impact option, prorating the reduction among all the agencies.

Lynn Snyder-spoke on behalf of Housing Redevelopment Authority, and stated that the HRA was working with the City to consolidate services in the new housing service center and making progress.

Thomas Flaschberger-spoke in support of of MAC-V, and stated that Duluth was a yellow ribbon community and asked the Committee to not cut funding to MAC-

V. He stated with more veterans coming back from the war, the need for MAC-V programs was high and that MAC-V also helps families of veterans.

Eric Lutz-spoke on behalf of Life House, and stated that over 600 youths age 14-20 were served every year by their programs. He stated that 654 youths were served last year and 31% of them were homeless. He stated of the 91 youths that were housed, 71 are still stable today. He spoke to the program empowering youth and ending the cycle of poverty.

Tim Peterson-spoke on behalf of Life House, and stated it was hard to say what would happen with the budget cuts, but it would impact all parts of the program and efficiencies would be lost. With cuts, there could be fewer staff which would hurt services which would mean fewer successes.

Kim Crawford- spoke on behalf of Life House, and stated they were the only drop- in center in Northern Minnesota and that there has been a 46% increase in the number of homeless youth since 1996. In 2011, 650 kids were assisted, 9600 meals were served, 500 articles of clothing were given out, 218 kids learned life skills, 78% have stable housing, 77% increased their academic level, and 68% were stabilized. She said the cuts would put a strain on services and staff and that she welcomed new partnerships.

Steve Saari- spoke on behalf of MAC-V, and stated that his agency provided vital services and he is passionate about providing housing for veterans. He said the need is not going down and any cut will result in cuts in services.

Tim Caines-spoke on behalf of Boys and Girls Club, and stated they have a great relationship with the schools. Their program tutors children, giving them a greater chance to succeed in life. They provide evening meals to 600 kids a year. Many parents could not afford this type of daycare program if they didn't have this option and the Lincoln Park neighborhood doesn't have any other similar programs.

Dustin Anderson- spoke on behalf of Boys and Girls Club, and stated that the program was providing the opportunity for every child to be successful and teachers noticed improvements in the children attending the program.

Todd Johnson- spoke on behalf of Boys and Girls Club, and stated 900 families were assisted with the program, 600 children/families at the center and 300 children/families with outreach. He said the school district provides buses from Piedmont Elementary to the site. There was a delay in George Sherman purchasing the building due to the change in superintendent. He said the first year, Mr. Sherman will be responsible for costs, but they will need to either update or have a new mechanical system. The potential cost would be \$50,000 for this work.

Heather Smith-spoke on behalf of Salvation Army, and stated the cuts would impact staff, could reduce daycare and/or case management. She said there were 16 units for homeless families, 31 families were served and 133 were turned away.

Bruce Solem-spoke in support of MACV, and stated that national homelessness is a national disgrace. He said ¼ of homeless people are veterans. He said the lack of employment after coming home from serving is a major distress and that the jobless rate for veterans is 11.1%.

Susan Utech- spoke on behalf of Safe Haven, and stated that they had a 39 bed emergency shelter which has a 98% occupancy rate. She said the state shutdown had a huge impact. The reductions will impact staffing and food.

Rebecca Ellenson- spoke on behalf of SOAR, and stated the Duluth at Work program has produced positive results. The deeper cuts would threaten long term stability of the program. She said the Duluth at Work program has created tax payers and is making a real difference in people's lives.

Dave Shaeffer-spoke on behalf of YMCA, and stated that they have already reduced their staff levels. They provide the only dinner many children receive. With the proposed cuts, staffing or food would be impacted. He encouraged the prorated option when making the cuts.

Amber Watheson-spoke on behalf of YMCA, and stated the importance of feeding children and how it helps them think. Without their program, many children would be hungry.

Dave Benson-spoke on behalf of the Damiano Center and represented three applications, the Duluth Hunger Project, the Clothes that Work, and Soup Kitchen Renovation, he stated that they could survive cuts to Clothes that Work, but not to the Hunger project. He is very worried about the condition of the Soup Kitchen and is working with architects to make the most cost effective changes. He said the Soup Kitchen provides food to the Kids Café, about 500 meals a year.

Jim Sodenberg-spoke on behalf of CHUM, and represented two applications, the Duluth Hunger Project and Homeless Stabilization Services for Shelter, he said these programs provide basic services for people. The cuts would reduce the quality in food and demand for food has increased. The shelter program is providing shelter to the highest number of people in 30 years and the demand continues to increase. He said there was a 34% increase in the number of families with children being housed at CHUM. They have had 8 to 10 families a night at the shelter. Churches are assisting with the sheltering of families, but it is difficult to provide case management in these situations.

Rachel Forsyth-spoke on behalf of CAD ,and stated the down payment assistance to first time homebuyers has allowed many people to purchase homes and have lower mortgage rates that are less than the rent people were paying.

Sarah Priest-spoke on behalf of CAD, and stated how the program was a pilot and only a small handful of jurisdictions have similar programs. The success of this program is an innovative way to address homelessness in the cycle of poverty.

Rick Klun-spoke on behalf of Center City Housing, and stated that without the funds, the 88 units of affordable housing acquired from WCDO would not be able to be maintained which would negatively impact housing stability. He said the prorated option was the preferred option. He also said Center City was willing to withdraw their application for 12-CD-02 Housing Predevelopment for \$15,000.

He also said that they would withdraw their application for 12-CH-01 Multi-family development (Hillside apartments) for \$200,000 in exchange for a precommitment for the 2013 year in the amount of \$250,000.

3. Overview of Public Comments received since December 6, 2011- Keith Hamre

Keith Hamre listed the public comments that were received by the Committee since December 6, 2011.

Letter from Steve Saari, MACV

Letter from Jeff Corey, on behalf of Duluth Affordable Housing Coalition

Letter from Jodi Broadwell, Homeowner

Letter from Sarah Priest, Community Action Duluth (also included following)

Michelle Lyons, Port Cities Realty, LLC

Beth Austin, Homeowner

Tanya Oswald, Homeowner

Dennis L. Hansen M. Sc., Homeowner

George Whitebird, Homeowner

Emily Kniskern, Homeowner

Tanya Danner, Homeowner

Rachel Forsyth, Community Action Duluth

Alexis Grounds and family, Homeowner

Coleen J. Chasko, Prospective Homeowner

Sara Softich, Past FAIM Participant

Rheanna, Prospective Homeowner

Debra J. Smith, Prospective Homeowner

Jordan Sundberg, Prospective Homeowner

Lora and Thomas Garvey, Homeowner

Ginga B. Newton, Homeowner

Alex Mohrbacher, FAIM Participant
Lisa Luokka, Homeowner
Letter from Angie Miller, Community Action Duluth
Letter from Sammy Differding, MACV Participant
Letter from James L. Bonneville, MACV Participant
Letter from Michelle Falson, CCHC Transitional Housing Participant
Letter from Amber M Cowley, Women's Transitional Housing Participant
Letter from Anonymous Resident, CCHC Transitional Housing Participant
Letter from Cher Obst, Piedmont Elementary School
Letter from Durbin M. Keeney, MACV (Retired)
Letter from Joyce Lewis, CCHC Transitional Housing Participant

At this time, the Public Hearing was closed.

4. Approval of Meeting Summary for January 17, 2012.

Motion by Bill Kimbler, seconded by Daniel Nyquist to approve the Summary for January 17, 2012. Motion Passed, unanimously.

5. Final FY 2012 Action Plan and Funding Recommendations for Transmittal to City Council

Emergency Solutions Grant (ESG) Category Discussion: Hamre stated that the Action Plan will be amended in April to include the additional funds that the City will be receiving for the ESG program later on this year. He stated that programs for these funds would be coordinated with the County and were to focus on rental assistance. Nyquist asked if the funds could be used to offset the CDBG cuts, Hamre responded that may be possible.

At this time, no changes were needed to be made to the ESG fund line item, because all of the existing money had been allocated.

Motion by Bill Kimbler, Seconded by Daniel Nyquist to accept the ESG Funding. Motion Passed, unanimously.

HOME Program Discussion: Kimbler stated Center City's offer to remove applications CH-01 for \$200,000 and CD-02 for \$15,000 was generous. Hamre stated that due to HOME regulations, a percentage of funds had to be used for predevelopment dollars. It was agreed that the funding for the predevelopment programs, CD-01 and CD-02 could be reduced by \$2,110 respectively.

Motion by Bill Kimbler, Seconded by Darryl Yankee to remove CH-01 in the amount of \$200,000 and reduce CD-01 and CD-02 in the amount of \$2110 respectively, resulting in the budget amount of \$12,890 each and make a precommitment in the amount of \$250,000 for the Hillside Apartment project. Motion Passed, unanimously.

Motion by Bill Kimbler, Seconded by Jim Gaylord to accept the revised HOME funding. Motion Passed, unanimously.

Hamre stated with the removal of CH-01 and the reductions of CD-01 and CD-02, the amount of funds in the Program Administration would need to be reduced. Home Program Administration AD-03 would be reduced by \$13,100 and AD-05 would be reduced by \$7,300.

Motion by Darryl Yankee, Seconded by Patricia Tyler to reduce the Program Administration funds in AD-03 and AD-05. Motion Passed, unanimously.

Hamre stated with these reductions, there was \$20,289 that could be reprogrammed.

Motion by Daniel Nyquist, Seconded by Darryl Yankee to add \$20,289 into HM-01, Homeless Rental Assistance Program. Motion Passed, unanimously.

Administration Program Discussion: Hamre told the Committee that due to the resignation of the Planning Manager, he was now temporarily functioning as the Planning Manager as well as the Community Development Manger. This allocation in time to the Planning Department would be paid by the General Fund and not by CDBG funds; therefore \$17,215 could be reprogrammed from the AD-01 and put in the CDBG projects.

Motion by Bill Kimbler, Seconded by Jim Gaylord to reprogram the \$17,215 into CDBG projects. Motion Passed, unanimously.

CDBG Economic Development Discussion: Although the Committee thought this project was an investment in Duluth's future, cutbacks were needed to have a balanced budget. The submitted funding proposal was to reduce the Duluth at Work projects (ED-01, ED-02, ED-03, ED-05 and ED-06) by one person or \$8,000 a piece. Hamre told the Committee that a LISC program, NWAFF could provide an additional \$16,000 to ED-03 and \$8,000 to ED-05.

Motion by Daniel Nyquist, Seconded by Michael Ramsey to approve the submitted funding proposal, reducing the Duluth At Work (ED-01, ED-02, ED-03, ED-05 and ED-06) projects \$8,000 a piece. Motion Passed, unanimously.

Housing Category Discussion: Discussion was to go along with the submitted proposal.

Motion by Daniel Nyquist, Seconded by Michael Ramsey to approve the submitted funding proposal for HS-01, HS-02, and HS-03. Motion Passed, unanimously.

Public Facilities Discussion: Committee members discussed Todd Johnson's (Boys and Girls Club) statement that the mechanical system could be repaired or replaced for \$50,000. Mr. Johnson verified this statement when asked. Committee members asked Mr. Hamre about the City's reimbursement program for street repairs. Mr. Hamre stated that eligible households could defer the assessment costs until there was a change in ownership. Based on this reasoning, Committee members agreed to eliminate the funding for PF-03, Street Assessment Assistance. Dave Benson, representing the Damiano Center was asked if the repairs to the soup kitchen could be made if the project was reduced by \$25,000. Dave Benson said he could not guarantee the project's progress with a \$25,000 reduction.

Motion by Bill Kimbler, Seconded by Jim Gaylord to allocate \$313,790 to PF-01 Soup Kitchen Renovation, to allocate \$50,000 to PF-02 Lincoln Park School Redevelopment, and to not fund PF-03, Street Assistance. Motion Passed with a 7 to 1 vote.

Public Services Category Discussion: Hamre told the Committee that PS-04, the Emergency Heating Assistance program could be removed because it could be funded with the new ESG funds coming in later this year.

Motion by Bill Kimbler, Seconded by Michael Ramsey to remove PS-04, the Emergency Heating Assistance from CDBG programming. Motion Passed, unanimously.

Motion by Jim Gaylord, Seconded by Patricia Tyler to reduce the remaining Public Service projects by \$40,275 on a prorated basis. Discussion: Kimbler stated some groups were taking a larger hit than others with this selection. Committee members discussed not reducing MAC-V by the prorated amount of \$1,673 and distributing that amount among the remaining Public Service projects. Gaylord withdrew his Motion.

Motion by Dan Nyquist, seconded by Debra Branley to reduce the remaining Public Service projects by \$40,275 on a prorated basis, except to MAC-V and thereby redistributing the \$1,673 amount. Motion Failed on a 6 vote nay, 1 vote yes, and 1 vote abstained.

Kimbler asked Mavis Brehm, of Lake Superior Community Health Center, if a \$20,000 reduction would have a significant impact on services. Mavis stated the entire budget includes patients who receive health insurance and pay fees on a sliding scale and the money being requested from the CDBG funds goes only to low income people who could not contribute any money.

Motion by Jim Gaylord, Seconded by Michael Ramsey to reduce the remaining Public Service projects by \$40,275 on a prorated basis. Motion Passed with a 5 to 3 vote.

Hamre told the Committee that this item would be heard at the February 13, 2012 City Council Meeting at 6:30.

Motion by Darryl Yankee, Seconded by Debra Branley to adjourn the meeting. Motion passed, unanimously.

Meeting adjourned at 8:22 p.m.

Submitted:
Suzanne Kelley

Attendance for Public Hearing (1/31/12)

NAME	ORGANIZATION
Erich Lutz	Life House
Tim Peterson	Life House
Kim Crawford	Life House
Rebecca Ellenson	SOAR Career Solution
Jim Sodenberg	CHUM
Kelly Looby	NYS
Dave Schaeffer	Duluth YMCA
Amber Warthesen	Duluth YMCA
Rachel Forsyth	Community Action Duluth
Dave Benson	Damiano Center
Martin Lepak	AEOA
Sarah Priest	Community Action Duluth
Bruce Solem	Disabled American Veteran
Paula A. Dallum	Disabled American Veteran
Don Person	Disabled American Veteran
F. Lasehbergert	Disabled American Veteran
Mavis Brehm	Lake Superior Community Health Center
Lynne Snyder	HRA of Duluth
Steve Sarri	MACV
Beth Elstad	Safe Haven
Pam Benson	HRA
Susan Utech	Safe Haven
Todd Johnson	Boys & Girls Club
Dustin Anderson	Boys & Girls Club
Tim Caines	Boys & Girls club
Angie Miller	Community Action Duluth
Pam Kramer	LISC

Heather Smith
Kim Crawford
Jerry Uecker
Mary Mathews

Salvation Army
Life House
Disabled Veteran
Entrepreneur Fund

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0072R

RESOLUTION APPROVING THE 2012 ANNUAL ACTION PLAN PORTION OF THE 2010-2014 CONSOLIDATED PLAN AND AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME PROGRAM AND EMERGENCY SOLUTIONS GRANT PROGRAM (ESGP) FUNDS.

CITY PROPOSAL:

WHEREAS, Regulation 24 CFR Part 91 issued by the U.S. department of housing and urban development (HUD) requires the city to submit and receive HUD approval of an annual action plan as part of a HUD-approved five-year consolidated plan for the city of Duluth; and

WHEREAS, Title 1 of the Housing and Community Development Act of 1974, as amended, establishes a community development block grant (CDBG) program for the purpose of developing viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities and preventing and/or eliminating conditions of slum and blight, principally for persons of low and moderate income; and

WHEREAS, the City of Duluth desires to continue to carry out HUD-funded programs;

NOW, THEREFORE, BE IT RESOLVED, that the FY 2012 action plan portion of the FY 2010-2014 city of Duluth consolidated plan for housing and community development required by HUD federal legislation is hereby adopted and approved.

BE IT FURTHER RESOLVED, that the City of Duluth hereby makes a finding that expenditures as set forth in Resolution 12-0075R are necessary and appropriate and, further, that said expenditures for the CDBG program will serve to assist low- and moderate-income individuals/families (no less than 70 percent as described in federal regulations) and/or serve to prevent or eliminate conditions of slum or blight in the community.

BE IT FURTHER RESOLVED, that the city of Duluth hereby makes a finding that expenditures as set forth in resolutions 12-0074R and 12-0073R are necessary and appropriate and, further, that said expenditures for the HOME and ESG programs will serve to assist low- and moderate-income people.

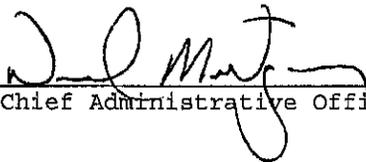
BE IT FURTHER RESOLVED, that the city of Duluth and its officials are authorized and directed to assume full responsibility for assuring that its community development program is carried out in full compliance with the provisions of the acts implementing the programs and all regulations of HUD issued pursuant thereto and authorizing appropriate city officials to execute any documents with HUD to implement the program. This authorization shall also apply to existing programs with the city and HUD under the HUD CDBG, HOME and emergency shelter grant programs.

Approved:



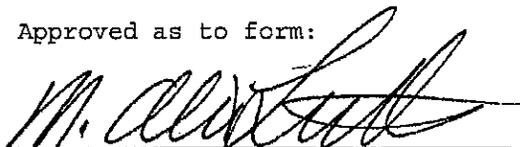
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

CD KH:bel 02/02/2012

STATEMENT OF PURPOSE: This resolution reflects comments from organizations and citizens as related to funding for three HUD-funded programs: the community development block grant (CDBG) program, the HOME program, and the emergency shelter grant program (ESGP). In addition to citizens, the neighborhood forums and the community development committee (CD committee) each played a role in the recommendations contained in the resolution. There was also a 30-day public comment period from November 1, 2011, to December 2, 2011, on the draft 2012 annual action plan portion of the 2010-2014 consolidated plan, which includes recommended funding for the 2011 CDBG, HOME and ESG programs. The CD committee held a public hearing on December 6 to hear comments on the funding recommendations and this hearing was continued on January 31st. The final recommendations were approved on January 31, 2012, with the concurrence of the CD manager. The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions:

- (a) Approves 2012 annual action plan portion of the 2010-2014

- consolidated plan under HUD regulations;
- (b) Allocates funds to the projects as listed for the 2012 CDBG program;
 - (c) Allocates funds for the 2012 HOME and ESG Programs; and
 - (d) Authorizes execution of documents with HUD.

Source of funds:

\$2,138,165	in new 2012 CDBG funds
519,569	in new 2012 HOME funds
<u>124,465</u>	in new 2012 ESG funds
\$2,782,199	

\$ 343,659 Reprogrammed CDBG funds from Resolution 11-0679R

\$3,125,858 2012 community development program total

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0073R

RESOLUTION AUTHORIZING A REQUEST FOR HUD EMERGENCY SOLUTIONS GRANT PROGRAM (ESGP) FUNDS FOR THE 2012 PROGRAM YEAR AND AUTHORIZING CONTRACTS.

CITY PROPOSAL:

WHEREAS, City Council Resolution No. 12-0072R, adopted February 13, 2012, approved FY 2012 annual Action Plan portion of the 2010-2014 Consolidated 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 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:

2012 ESG PROGRAM - FUND 262, AGENCY 020, OBJECT 5434, PROJECT CD12ES

<u>SUBPROJECT</u>	<u>PROJECTS</u>	<u>AMOUNT</u>
1244	CHUM Stabilization Services for Homeless	\$ 31,124
2109	MACV - Duluth	\$ 4,540
2509	Battered Women's Shelter Programs-Safe Haven	\$ 19,578
2511	Transitional Housing-Salvation Army and/or CCHC	\$ 26,606
1974	Transitional Housing - Life House	\$ 7,530
1226	Transitional Housing - Center City Housing Corp	\$ 30,622
AD-04	Program Administration - City	\$ 4,465
	Total	\$124,465

BE IT FURTHER RESOLVED, that the following is hereby designated as the financial resource for the above program:

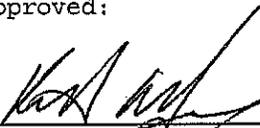
Source of Funding

2012 ESGP Grant \$124,465
Total \$124,465

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.

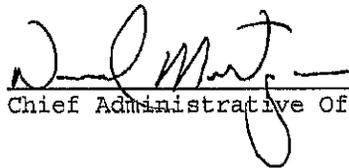
BE IT FURTHER RESOLVED, that the appropriate city officials are authorized to execute the appropriate agreements with these agencies upon receipt of approval of HUD funds.

Approved:



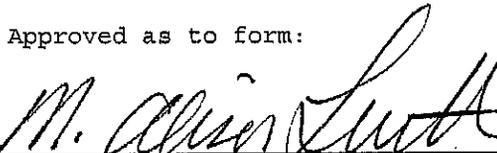
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

CD KH:bel 02/02/2012

STATEMENT OF PURPOSE: This resolution This resolution reflects comments from organizations and citizens as related to the fund for the Emergency Solutions Grant Program (ESGP). In addition to citizens, the Community Forums and the Community Development Committee (CD Committee) each played a role in the recommendations contained in this resolution. There was a 30-day public comment period from November 1- December 3, 2011, on the draft FY 2012 Annual Action Plan portion of the 2010-2014 Consolidated Plan, which includes

recommended funding for the 2012 CDBG, HOME and ESG programs. The CD Committee held a public hearing on December 6th and then continued this hearing on January 31st to hear comments on the funding recommendations and then modified the initial recommendations to reflect the comments and the final grant amounts. These recommendations were approved on January 31, 2012, with the concurrence of the Community Development Manager. The new legislation title, HEARTH (Homeless Emergency Assistance and Rapid Transition to Housing) Act will provide the City with additional funds for FY 2011 and FY 2012. An amendment to the FY 2011 and FY 2012 Annual Action Plans will need to be completed prior to adding those new funding to the programs, this will take place in April of 2012.

Source of Funds:
\$124,465 in new 2012 HUD ESGP 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 2012 ESGP Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process.

12-ES-01

Project Name: CHUM Stabilization Services for the Homeless - CHUM
Project Summary: Operating funds are requested for Duluth's primary facility for serving the general homeless population. The CHUM Center and emergency shelters, the program's main components, provide shelter and services 24 hrs/day, 365 days/year. The CHUM Center is the primary outreach site for agencies providing services to people who are homeless.
Goal: 900 persons
Amount Recommended: \$31,124

12-ES-02

Project Name: Battered Women's Shelter Programs - Safe Haven Shelter for Battered Women (SHS)
Project Summary: Safe Haven Shelter for Battered Women (SHS) will provide safe, temporary shelter, necessities, advocacy and support for 500 homeless women and children who are victims of domestic violence.
Goal: 500 persons
Amount Recommended: \$19,578

12-ES-03

Project Name: Transitional Housing Program - Center City Housing Corp.
Project Summary: Center City Housing will provide transitional housing and support services to assist homeless families and single women to move toward greater housing stability.
Goal: 120 persons
Amount Recommended: \$30,622

12-ES-04

Project Name: Transitional Housing Program - Life House
Project Summary: Life House will provide transitional housing (and support services to assist homeless youth to move toward greater housing stability and address educational, health and job training needs through a coordinated assessment process.
Goal: 30 Youth
Amount Recommended: \$7,530

12-ES-05

Project Name: MACV-Duluth

Project Summary: Minnesota Assistance Council for Veteran's (MACV) regional program, MACV-Duluth, is the only veteran specific program that addresses the needs of those that are currently experiencing homelessness or at-risk of becoming homeless in this community. MACV-Duluth will provide transitional housing and support services to help 60 homeless/at-risk veterans access housing and improve housing stability.

Goal: 60 Veterans

Amount Recommended: \$4,540

12-ES-06

Project Name: Transitional Housing Program - Salvation Army

Project Summary: Salvation Army will provide transitional housing and support services to assist homeless families and single women to move toward greater housing stability.

Goal: 100

Amount Recommended: \$26,606

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0074R

RESOLUTION AUTHORIZING A REQUEST FOR HUD HOME FUNDS FOR THE 2012 PROGRAM YEAR AND AUTHORIZING CONTRACTS.

CITY PROPOSAL:

WHEREAS, City Council Resolution No. 12-0072R, adopted February 13, 2012, approved FY 2012 annual Action Plan portion of the 2010-2014 Consolidated 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 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:

2012 HOME PROGRAM - FUND 260, AGENCY 020, OBJECT 5434, PROJECT CD12HM

SUB

<u>PROJECT</u>	<u>ACTIVITY</u>	<u>PROJECTS</u>	<u>AMOUNT</u>
GN12	1736	Homeless Rental Asst. Program (TBRA) - HRA	\$ 125,000
GN12	1737	TBRA Admin - HRA	\$ 11,450
CH12	2270	Housing Predevelopment - NCLT	\$ 12,890
CH12	1226	Housing Redevelopment - Center City Housing	\$ 12,890
CH12	2271	Rehabilitation - Resale - NCLT	\$ 316,839
GN12	AD03	Program Administration (City)	\$ 40,500

Total

\$ 519,569

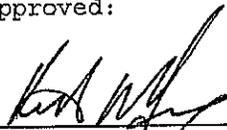
BE IT FURTHER RESOLVED, the following are hereby designated as the financial sources for the above program:

Year 2012	HOME Grant	\$ 519,569
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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.

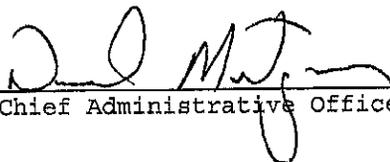
BE IT FURTHER RESOLVED, that the appropriate city officials are authorized to execute the appropriate agreements, with these agencies upon receipt of approval of HUD funds.

Approved:



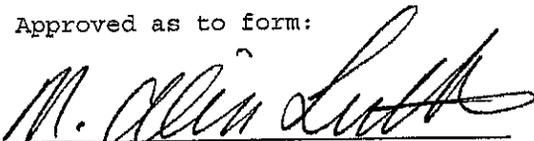
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

CD KH:bel 02/02/2012

STATEMENT OF PURPOSE: This resolution reflects comments from organizations and citizens as related to the fund for the HOME Investment Partnerships Program (HOME). In addition to citizens, the Community Forums and the Community Development Committee (CD Committee) each played a role in the recommendations contained in this resolution. There was a 30-day public comment period from November 1- December 3, 2011, on the draft FY 2012 Annual Action Plan portion of the 2010-2014 Consolidated Plan, which includes recommended funding for the 2012 CDBG, HOME and ESG programs. The CD Committee held a public hearing on December 6th and then continued this hearing on January 31st to hear comments on the funding recommendations and then modified the initial recommendations to reflect the comments and the final grant amounts. These recommendations were approved on January 31, 2012, with the concurrence of the Community Development Manager.

Source of Funds:

\$519,569 in new 2012 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 2012 HOME Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process.

12-HM-01

Project Name: Homeless Rental Assistance Program - 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. Note that the City does not accept applications for this program; interested persons should contact the HRA at (218) 529-6300.

Goal: 20 homeless families to be served

Amount Recommended: \$125,000

12-CD-01

Project Name: Housing Predevelopment - Northern Communities Land Trust (NCLT)

Project Summary: This proposal is for funding to pay for staffing costs incurred from April 1, 2012 to March 31, 2013 for project predevelopment for single and multi-family housing development activity in Duluth for 2013-14.

Goal: 1 Organization

Amount Recommended: \$12,890

12-CD-02

Project Name: Housing Predevelopment - Center City Housing Corp.

Project Summary: Center City Housing (CCHC) will conduct pre-development activities that will focus on implementing needs identified in a completed homeless needs study. They will also complete housing development planning activities that will assist in implementing future housing projects.

Goal: 1 Organization

Amount Recommended: \$12,890

12-CH-02

Project Name: Rehabilitation & Resale - Northern Communities Land Trust

Project Summary: Northern Communities Land Trust will create quality, permanently affordable homeownership opportunities for low to moderate income households through the rehabilitation and resale of nine single family homes in the City of Duluth, with a focus on HOME/CDBG target areas. Applications are taken at the NCLT offices, call for information at (218) 727-5372.

Goal: 7 Housing Units

Amount Recommended: \$316,839

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE
AMENDED

12-0075R

RESOLUTION AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2012 PROGRAM YEAR AS WELL AS APPROVING THE REALLOCATION OF CERTAIN PRIOR CDBG FUNDS AND AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

CITY PROPOSAL:

WHEREAS, City Council Resolution No. 12-0072, adopted February 13, 2012, approved FY 2012 annual action plan portion of the 2010-2014 consolidated 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 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:

2012 CITY OF DULUTH COMMUNITY DEVELOPMENT BLOCK

GRANT (CDBG) PROGRAM-FUND 262, AGENCY 020, OBJECT 5434 PROJECT CD12CD

<u>SUBPROJECT</u>	<u>ACTIVITY</u>	<u>AMOUNT</u>	<u>PROJECTS</u>
<u>HOUSING PROJECTS</u>			
HOUS	1734	\$ 750,659	Duluth property rehabilitation program - HRA
HOUS	1291	\$ 55,000	IDA housing counseling/downpayment assistance - Community Action Duluth
HOUS	1091	\$ 171,320	Duluth weatherization program - AEOA
<u>ECONOMIC DEVELOPMENT PROJECTS</u>			
ECDV	2412	\$ 112,000	SOAR Duluth At Work - SOAR Career Solutions
ECDV	1244	\$ 72,000	CHUM Support Services for Employment - Churches United in Ministry

ECDV	2805	\$	16,000	NYS JET (jobs, education and training) - Neighborhood Youth Services
ECDV	2264	\$	64,000	Growing Neighborhood Businesses - Northeast Entrepreneur Fund, Inc.
ECDV	1974	\$	24,000	Futures program - Life House
ECDV	1291	\$	56,000	Circles of Support -Community Action Duluth

PUBLIC FACILITY IMPROVEMENT PROJECTS

PFAC	PF01	\$	313,790	Soup kitchen renovation - Damiano Center
PFAC	PF02	\$	50,000	Lincoln Park School redevelopment - Boys & Girls Club

PUBLIC SERVICE PROJECTS

PSVC	1244	\$	64,855 <u>64,703</u>	Duluth hunger project - CHUM
PSVC	1929	\$	66,632 <u>66,480</u>	Primary health care services - Lake Superior Community Health Center
PSVC	1348	\$	17,769 <u>17,617</u>	Clothes That Work and social services - Damiano Center
PSVC	124A	\$	30,207 <u>30,055</u>	Homeless stabilization services - CHUM
PSVC	1974	\$	31,095 <u>30,943</u>	LIFELINE Expressway of Youth Services - Life House
PSVC	1226	\$	15,992 <u>15,480</u>	Permanent supportive housing - Center City
PSVC	2509	\$	17,769 <u>17,617</u>	Battered Women's Shelter program - Safe Haven Shelter
PSVC	2511	\$	17,769 <u>17,616</u>	Transitional housing program - Salvation Army
PSVC	1168	\$	21,322 <u>21,170</u>	Feeding Kids Through Youth programs - YMCA

PSVC	2109	\$	13,327	Services for Homeless Veterans - MACV
			<u>15,000</u>	
PSVC	122A	\$	19,546	Transitional housing program - Center City
			<u>19,394</u>	
PSVC	1050	\$	4,442	Oshki transitional housing - AICHO
			<u>4,290</u>	

PLANNING/PROGRAM ADMINISTRATION

ADMC	AD01	\$	476,330	CDBG program administration
ADMC	AD02	\$	20,000	Neighborhood revitalization planning

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

SOURCE OF FUNDING

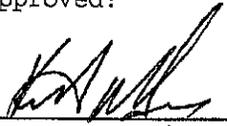
Year 2012	CDBG grant - city	\$2,138,165
Resolution 11-0679		\$ 343,659

Total		\$2,481,824
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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.

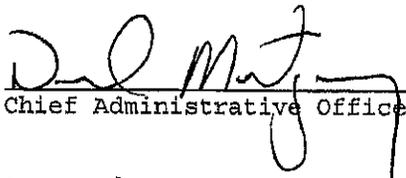
receipt of HUD funds.

Approved:



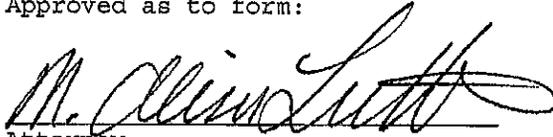
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

CD KH:bel 02/02/2012

STATEMENT OF PURPOSE: This resolution This resolution reflects comments from organizations and citizens as related to the fund for the Community Development

Block Grant Program (CDBG). In addition to citizens, the Community Forums and the Community Development Committee (CD Committee) each played a role in the recommendations contained in this resolution. There was a 30-day public comment period from November 1- December 3, 2011, on the draft FY 2012 Annual Action Plan portion of the 2010-2014 Consolidated Plan, which includes recommended funding for the 2012 CDBG, HOME and ESG programs. The CD Committee held a public hearing on December 6th and then continued this hearing on January 31st to hear comments on the funding recommendations and then modified the initial recommendations to reflect the comments and the final grant amounts. These recommendations were approved on January 31, 2012, with the concurrence of the Community Development Manager.

Source of Funds:

\$2,138,165 in new 2012 HUD CDBG Funds
\$ 343,659 in reprogrammed CDBG funds - Resolution #11-0679R
\$2,481,824 2012 Program Total

The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions:
1 Allocates funds by project for 2012 CDBG Program.
2 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

12-HS-01

Project Name: Duluth Property Rehabilitation Program - Duluth Housing & Redevelopment Authority (HRA)

Project Summary: HRA will provide low interest and deferred loans for rehabilitation assistance to eligible homeowners and rental property owners within the city of Duluth. Homeowners can apply for up to \$20,000 in loans 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: 100 units (40 Single-family and 60 Rental Rehab)

Amount Recommended: \$750,659

12-HS-02

Project Name: IDA Housing Counseling and Down Payment Assistance - Community Action Duluth

Project Summary: The program will assist 11 households with a matched savings program as they save money for homeownership. Financial education, credit counseling, on-going housing counseling, and match money for the downpayment are provided to participants. Eligible participants will be those with incomes less than 80% of the area median family income, based upon household size.

Goal: 11 Households

Amount Recommended: \$55,000

12-HS-03

Project Name: Duluth Weatherization Program - AEOA
Project Summary: Arrowhead Economic Opportunity Agency (AEOA) provides energy conservation measures in homes of income eligible energy assistance clients within the city of Duluth. Energy Conservation is achieved through mechanical repairs/replacements, air sealing and insulation. The program will provide a grant up to \$6,5000 per eligible household; income eligibility is set at incomes at or below 80% of the area median income.

Goal: 44 Housing Units

Amount Recommended: \$171,320

ECONOMIC DEVELOPMENT

12-ED-01

Project Name: SOAR Career Solutions Duluth At Work (SOAR DAW) - SOAR Career Solutions

Project Summary: SOAR Career Solutions will provide job skills training, case management, job placement and job retention support to assist 14 Duluth residents at or below 50% of Area Median Income to obtain employment and maintain their jobs to increase their income by 25% over three years.

Goal: 14 Jobs

Amount Recommended: \$112,000

12-ED-02

Project Name: CHUM Support Services for Employment - CHUM

Project Summary: 8 LMI Individuals with limited or poor work histories will be assisted in finding entry level positions and provided supportive services, including case management, to successfully maintain their jobs while building a foundation for advancement and self-sufficiency. Participants will realize a 25% increase in income within 3 years.

Goal: 8 Jobs
Amount Recommended: \$72,000

12-ED-03

Project Name: NYS JET (Jobs, Education & Training) - Neighborhood Youth Services

Project Summary: The Neighborhood Youth Service JET Project will assist two people ages 15-21, from CDBG targeted neighborhoods, in becoming self-sufficient through job readiness training and employment opportunities which will lead to a 25% income increase over a three year period.

Goal: 2 Jobs
Amount Recommended: \$16,000

12-ED-04

Project Name: Growing Neighborhood Businesses - Northeast Entrepreneur Fund

Project Summary: The Northeast Entrepreneur Fund's Growing Neighborhood Businesses program will provide technical assistance and peer support for 8 existing small business owners in Duluth Target Neighborhoods to help them grow their business revenue by at least 25% within 2 years.

Goal: 8 LMI neighborhood small business owners grow their business revenue by 25% within 3 years.
Amount Recommended: \$64,000

12-ED-05

Project Name: Futures Program - Life House

Project Summary: The Futures Program will assist three at-risk and/or homeless youth ages 16-20, from CDBG targeted neighborhoods, in becoming self-sufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period.

Goal: 3 Jobs
Amount Recommended: \$24,000

12-ED-06

Project Name: Circles of Support - Community Action Duluth

Project Summary: The Circles of Support Program will assist seven single female head of households, from CDBG targeted neighborhoods, in becoming self-sufficient through employment training, job placement, education, and other services which will lead to a 25% income increase over a three-year period.

Goal: 7 Jobs
Amount Recommended: \$56,000

PUBLIC FACILITY IMPROVEMENTS

12-PF-01

Project Name: Soup Kitchen Renovation - Damiano Center

Project Summary: This project will complete improvements to the Kitchen and meal service area to meet the growing needs for serving on-site meals for accessibility. Also, included in this proposal is the expansion of the kitchen area for food preparation.

Goal: 1 Facility
Amount Recommended: \$313,790

12-PF-02

Project Name: Lincoln Park School Redevelopment - Boys & Girls Club

Project Summary: The Boys & Girls Club will be participating with the new

owner of the Lincoln Park school to separate their current club facility from the rest of the building to facilitate the overall redevelopment. This funding will assist to separate and improve the HVAC system for the Youth Center.

Goal: 1 Facility

Amount Recommended: \$250,000

PUBLIC SERVICES

12-PS-01

Project Name: Duluth Hunger Project - Churches United in Ministry (CHUM)

Project Summary: The Duluth Hunger Project is a coalition of four agencies 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: 12,000 people

Amount Recommended: \$64,855

12-PS-02

Project Name: Primary Health Care Services - Lake Superior Community Health Center

Project Summary: Support the provision of affordable, primary health care, including dental care, for uninsured and underinsured low and moderate income individuals and families in accessible locations within the City.

Goal: 6,300

Amount Recommended: \$66,632

12-PS-03

Project Name: Clothes that Work & Social Services - Damiano Center

Project Summary: The Damiano Center provides low to moderate income people with access to free professional attire and transportation services to help them get to or find work. Clothing is through our Clothes That Work program, transportation services through Damiano Social Services.

Goal: 1,100 persons

Amount Recommended: \$17,769

12-PS-05

Project Name: Feeding Kids through Youth Programs - YMCA

Project Summary: This Collaborative of four agencies will provide nutritional meals during the time youth are participating in the youth development programs. This funding will provide the foods and services for the meal service.

Goal: 1540

Amount Recommended: \$21,322

12-PS-06

Project Name: LIFELINE Expressway of Youth Services - Life House

Project Summary: Life House "LIFELINE Expressway" will assist 600 at-risk and/or homeless youth annually, ages 14-20, in Duluth, to address basic needs (food, clothing, shelter) and connect with on-site support services that help with stabilization.

Goal: 600 People

Amount Recommended: \$31,095

12-PS-07

Project Name: Homeless Stabilization Services for shelter - CHUM

Project Summary: Operating funds are requested for Duluth's primary facility for

serving the general homeless population. The CHUM Center and emergency shelters, the program's main components, provide shelter and services 24 hrs/day, 365 days/year. The CHUM Center is the primary outreach site for agencies providing services to people who are homeless.

Goal: 900 persons

Amount Recommended: \$30,207

12-PS-08

Project Name: Battered Women's Shelter Programs - Safe Haven Shelter for Battered Women

Project Summary: Safe Haven Shelter for Battered Women (SHS) and the American Indian Community Housing Organization (AICHO) are applying for funding to provide safe, temporary shelter, necessities, advocacy and support for 500 homeless women and children who are victims of domestic violence.

Goal: 500

Amount Recommended: \$17,769

12-PS-09

Project Name: Oshki Transitional Housing Program - AICHO (American Indian Community Housing Organization)

Project Summary: AICHO will provide transitional housing and support services to assist homeless families and single women (30 persons) move toward greater housing stability.

Goal: 30

Amount Recommended: \$19,546

12-PS-10

Project Name: Transitional Housing Program - Center City Housing Corp.

Project Summary: Center City Housing will provide transitional housing and support services to assist homeless families and single women (120 persons) move toward greater housing stability.

Goal: 120

Amount Recommended: \$19,546

12-PS-11

Project Name: Services for Homeless Veterans - MACV-Duluth

Project Summary: Minnesota Assistance Council for Veteran's (MACV) regional program, MACV-Duluth, is the only veteran specific program that addresses the needs of those that are currently experiencing homelessness or at-risk of becoming homeless in this community. MACV-Duluth will provide transitional housing and support services to help 60 homeless/at-risk veterans access housing and improve housing stability.

Goal: 60 Veterans

Amount Recommended: \$13,327

12-PS-12

Project Name: Family Transitional Housing Program - Salvation Army

Project Summary: Salvation Army will provide transitional housing and support services to assist homeless families (100 persons) move toward greater housing stability.

Goal: 100

Amount Recommended: \$17,769

12-PS-13

Project Name: Permanent Supportive Housing - Center City Housing Corp.

Project Summary: Center City Housing will provide 14 units of permanent supportive housing for homeless/long-term homeless individuals and families

with children. Programming will include housing, supportive services, advocacy and referral to help residents maintain housing stability.

Goal: 91 People

Amount Recommended: \$15,992

Appendix C: Recapture/Resale Guidelines for Home Buyer Activities

CITY OF DULUTH (City) HOME PROGRAM HOMEOWNERSHIP ASSISTANCE HOMEBUYER ASSISTANCE, RESALE AND RECAPTURE GUIDELINES

REVISED November 2009

Eligibility:

The following applies to all homebuyers or homeowners of HOME funded housing.

1. Homebuyers and homeowners must be low-income households defined as: households whose income does not exceed eighty percent (80%) of the area median income, adjusted for family size, as determined, from time to time, by the United States Department of Housing and Urban Development (HUD).
2. Homeowners and homebuyers must occupy the property as a principal residence.

Eligible Property Types and Forms of Ownership:

1. The property can be an existing property or newly constructed.
2. The property can be privately or publicly held prior to sale to the homebuyer.
3. An eligible property may include: a single-family property (one unit) to four-unit property, a condominium unit, a manufactured or mobile home, or a cooperative or mutual housing unit.
4. Homeownership means ownership in fee simple title, a 99-year leasehold interest, ownership in a cooperative or mutual housing unit, or an equivalent form of ownership approved by HUD.

Property Standards:

1. Any property acquired under the HOME Program Homeownership Assistance program must meet all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401.
2. Any property acquired where rehabilitation is needed at the time of initial occupancy must be free from all noted health and safety defects before

occupancy and not later than 6 months after the transfer of ownership to the buyer being assisted. The housing must meet the property standards, indicated in number 1. above, not later than 2 years after the transfer of the ownership interest.

Property Value At Time of Purchase:

1. Properties will require an appraisal before HOME assistance is provided.
2. Appraised value (not purchase price) of HOME-assisted property to be acquired must not exceed the 203(b) mortgage limit established in February 2008 (the “pre-stimulus” mortgage limit) or the actual 95% of median sales price for the area for the type of home being purchased. If the HOME-assisted property is also a Community Land Trust property, the value of the land may be excluded from the total value to determine the value of the property being acquired by the homebuyer.
3. If rehabilitation is required, the appraised property value after rehabilitation cannot exceed the 203(b) mortgage limit or the actual 95% of median sales price. An after-rehabilitation value estimate must be completed prior to investment of HOME funds.

Guidelines for Recapture, Resale, and Restrictions to Ensure Long-term Affordability

The City of Duluth HOME written agreement with the organization will state if the resale requirement or the recapture requirement will be utilized. For the recapture requirement, the City HOME agreement with will also state if the recapture will be full or partial repayment of the direct HOME subsidy (See Recapture Guidelines). Resale or recapture requirements will also be stated in the “Agreement Between the Participating Jurisdiction (*PJ*) and the Homebuyer” signed by the homebuyer.

Recapture is the preferred option of the City of Duluth. Resale will only be considered for those projects with significant long-term affordability guidelines and where the organization and homebuyer have an ongoing relationship after the original sale of the HOME assisted unit.

In the event of a possible foreclosure, the City may use purchase option, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. (See Foreclosure Guidelines.)

A restrictive covenant will be used to ensure compliance with the resale or recapture requirement.

Guidelines for Resale

1. If the housing is sold during the period of affordability, there will be a resale restriction to ensure long-term affordability on properties assisted by the HOME-funded Homeowner Assistance Program.
2. Properties must be affordable to the **first purchaser and all subsequent purchasers for the term of affordability**. Affordability means that the principal, interest, property taxes and insurance (PITI) may not exceed 30% of the gross income of a family with an income that is 80% or less of the median income for the area, adjusted for family size.
3. The affordability provision will continue in effect for the remainder of the original period of affordability.
4. If the property is sold within the affordability period, the subsequent purchaser must also be an income eligible household that will occupy the property as its principal residence. And, should the property be sold within the second half of the affordability period, the City has the option to require an additional five year affordability period for the property.
5. If the property does not continue to be the principal residence of the family for the duration of the affordability period, the housing must be sold at a price consistent with the affordability restriction.
6. Upon the resale, documentation must be provided to the City of Duluth, who will make the determination if the original HOME-assisted owner is provided with a fair return on investment including the homeowner's investment and any capital improvements. Fair return will be defined either by compensating the owner for improvements made or through a diminishing subsidy method agreed upon as a part of the initial sale. The value of improvements will be determined through the use of IRS definitions of property improvements and homeowner verification of costs.
7. If the sale price is still not affordable to a new low-income family, the City may choose to reduce what is due to the City under the sale and require the seller to reduce the sale price by that amount.
8. Community Land Trusts (CLT):
A community land trust acquires land and makes the land available to individual families, cooperatives and others through long-term (99 year) leases. While the leaseholders do not own the land, they may own their buildings or housing units. The CLT, while providing fair equity for the owners of the improvements, maintains affordability at the time of purchase and sale through the leasehold agreement. Where there is a subsidy or loan with the use of HOME funds to a CLT for property acquisition, or to a family (or cooperator if the CLT is in the form of a cooperative), the provisions of the leasehold agreement between the CLT and the occupant must ensure the long-term affordability of the units for the period of affordability both at the time of purchase and resale. Because the leasehold agreement in the CLT model is between the CLT and the homeowner or cooperator, the terms of

the leasehold must be determined to be consistent with the qualifications of affordable housing (Sec. 92.254) prior to the provisions of the subsidy. The subsidy may take the form of a loan or grant to the CLT for acquisition of the land (or building in the event of a cooperative) or may be in the form of a loan or grant to the homeowner or cooperator for acquisition and/or rehabilitation of the improvements (building). Where there is a subsidy or loan with the use of HOME funds to a CLT for a purchase/ rehab home ownership project, the CLT will execute a UCC financing statement in favor of the CLT. Where there is a subsidy or loan with the use of HOME funds to a CLT for a new construction project, the CLT must file a mortgage lien on the properties in favor of the City in the amount of the grants as required by the HOME agreements between the CLT and the City. This process was agreed upon following meetings and discussions between the City of Duluth attorney and the CLT attorney and is stated in the Memo to the Duluth CLT dated August 29, 2002 from the CD Manager and copied to CD staff and the City attorney for CD. The leasehold agreement has also been reviewed and approved by HUD.

Guidelines for Recapture:

The City may require full or partial repayment of the direct HOME subsidy when a resale occurs during the affordability period or when the housing unit is no longer the principal residence of the HOME-assisted owner. A direct HOME subsidy consists of any HOME Program financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., downpayment or closing cost assistance, subordinate financing). However, if there are no net proceeds or insufficient proceeds to recapture the full amount of HOME investment due, the amount subject to recapture will be limited to what is available from net proceeds.

The option for repayment will be incorporated into the program guidelines, which must be approved by the City and included in the HOME agreement between the City and the organization. The following three options may be considered:

- 1) recapture the entire amount;
- 2) reduction (or forgiveness) during the affordability period of the amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period; or
- 3) through shared net proceeds if the net proceeds are not sufficient to recapture the full HOME investment plus enable homeowner to recover their downpayment and any capital improvement investment made by the owner since purchase. The net proceeds are defined as the sales price minus the superior loan repayment (other than HOME funds) and any closing costs.

Guidelines for Foreclosure

The organization is required to ensure that the City is notified of any possible foreclosure. This shall be accomplished by the organization filing a “Request for Notice of Foreclosure” document on the property in the St. Louis County Records Office naming the City of Duluth Community Development Office, 407 City Hall, Duluth, MN 55802, as the party to be notified.

In the event of a possible foreclosure of a first mortgage, the City may use purchase option, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. However, the affordability restrictions may be terminated in instances of foreclosure, a transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the property. The restrictive covenant will include the provisions of this paragraph.

Buyer Agreement

The City may delegate in the HOME agreement with the organization the PJ’s responsibility for executing the HOME program written agreement with the buyer of the HOME assisted unit. The organization must ensure the “Agreement Between the Participating Jurisdiction and the Homebuyer” (which is provided as an attachment to the organization’s HOME agreement), is reviewed with the buyer prior to closing on the purchase of the house, and that the buyer understands and agrees to the HOME requirements. The organization must make the sale of the house contingent on the execution of the PJ and Homebuyer agreement.