



Planning & Development Division
Planning & Economic Development Department

Room 160
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2021 CAPER Summary- Consolidated Annual Performance and Evaluation Report

Summary for the CAPER Public Hearing on June 21, 2022

Each year the City of Duluth's Community Development Program distributes approximately \$3 million of federal funding to local non-profit organizations serving our city's neediest citizens. The program supports Duluth's food shelves and emergency shelters; it funds affordable housing developments and rent subsidies. Veterans experiencing homelessness, survivors of domestic abuse, teenagers without a safe home, and families struggling to pay medical bills all depend on Duluth's Community Development Program.

The responsibility to manage the Community Development Program falls to the Community Development Committee (CD Committee), with support from city staff. Each fall the CD Committee receives and reviews grant applications for three federal programs administered by the Department of Housing and Urban Development (HUD): Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grants (ESG).

In the fall of 2021, the CD Committee received applications requesting a total of \$4.2 million in HUD funding. HUD ultimately awarded the city \$3.2 million, so not all of the applications received their total funding requests. The CAPER is a chance to evaluate whether the projects that were funded are meeting the goals outlined in their applications. The Program Year for the 2021 funds began on April 1, 2021 and ended on March 31, 2022. The COVID-19 pandemic continued to impact ordinary program operations, though many projects that had been delayed in 2020 were able to launch in 2021.

The projects and programs funded fell into four basic categories: Public Services and Emergency Shelter Programs, Economic Development Projects, Public Facilities Projects, and Housing Projects. A summary of these activities is included below and a full Performance Report is also attached.

The City also received an additional \$3,899,957 from the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) for the ESG and CDBG Programs in 2020 and 2021. A summary of those activities is also included below.

Public Services and Emergency Shelter Programs

Public Services and Emergency Shelter funding comes from the CDBG and ESG programs and in 2021 comprised approximately 17% of Duluth's total entitlement allocation from HUD. These funds were distributed among 14 different programs and helped thousands of people find food, shelter, and security. Some highlights include:

- CHUM's early education program served 70 low-income students.



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- Community Action Duluth's Free Tax Site helped 1198 citizens file taxes free of charge.
- Life House's Drop-In Shelter for Youth gave shelter to 651 young people.
- The Duluth Hunger Project (CHUM) fed 21,464 people, 143% of its target.

Economic Development Projects

Economic Development funding comes from the CDBG program, and in 2021 comprised approximately 12% of Duluth's total entitlement allocation from HUD. These funds were distributed among four different programs and provided job training and mentoring services for 162 people. Some Economic Development projects carry the potential for significant long-term impact in targeted communities. In 2021, the Entrepreneur Fund helped eight people develop neighborhood businesses and Family Rise Together's Culturally Specific Entrepreneurship Workshop reached twelve people, which was two more than expected.

Public Facilities Projects

Public Facilities funding comes from the CDBG program and in 2021 comprised approximately 11% percent of Duluth's total entitlement allocation from HUD. These funds were distributed among four different projects and supported investments in crucial community resources like the Spirit Valley YWCA and AICHO's Niiwin Indigenous Foods Market.

Housing Projects

Housing funding comes from the CDBG and HOME programs and in 2021 comprised approximately 45% percent of Duluth's total entitlement allocation from HUD. These funds were distributed among seven different projects and created 59 new units of affordable housing while assisting 9 households with rent subsidies. Several Housing Program contracts have been delayed and extended because of the ongoing COVID-19 pandemic and supply chain shortages causing particular burden to the construction industry.

COVID-19 FUNDING

In 2020 and 2021, HUD awarded additional CDBG and ESG funding to assist with community needs resulting from the COVID-19 pandemic. Community input was critical in deciding how these funds would be spent; priorities were focused on: food, health, technology, business support, stability/outreach, homeless shelters and homeless prevention. Many of these programs have been completed, it is expected the remaining active projects will be completed within this calendar year. Activities funded with those awards are summarized below and are also included in the attached Performance Report.



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CDBG –CV FUNDS

The city received \$1,927,758 in CDBG-CV dollars, and these funds went to support programs for food, health, technology, business support and stability and outreach.

Food Oriented Programs

CHUM used the funds to increase food storage capacity as well as their food delivery service. AICHO used the funds to provide food and needed supplies to people with their Giwiidookodaadimin food distribution, they were able to provide 15,600 bags of food.

Health Oriented Programs

The Damiano Center used the funds for their hygiene unit, providing free shower and or toilets for people in need, so far 304 people have benefited. Community Action Duluth provided health services to 286 people.

Technology Oriented Programs

St. Louis County Social Services used funds to purchase cell phones and chrome books for 102 children in foster care. Center City purchased computers to assist 67 LMI families. Community Action Duluth provided technology and data services to 122 low income individuals. SOAR provided job training on computers and technology to 24 low income individuals. NYS used funds to expand staff and assist 40 children with virtual learning. ECO3 is using the funds for broadband and increasing access to the internet.

Business Support Programs

Both Northeast Entrepreneur Fund and Family Rise Together implemented programs to help small businesses continue operation. Northeast Entrepreneur Fund assisted 29 business, while Family Rise Together assisted 10 small businesses.

Stability and Outreach Programs

Agencies also received additional funds to help them increase staff capacity so they could provide additional support and outreach. Center City used funds to assist 286 families maintain stability. Zeigesit used the funds to increase community outreach in the Hillside neighborhoods. Lifehouse used funds to increase efforts to provide assistance to 571 youth at risk. NYS used funds to assist 609 children. CHUM increased capacity to assist 148 people at the Steve O'Neil apartments.



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ESG-CV FUNDS

The city received 1,972,199 in ESG-CV dollars, this funding was primarily used for shelter improvements and for homeless prevention.

Shelter Improvements

Funding was used to assist CHUM in purchasing the Duluth Inn to create the St. Francis non-congregate shelter and to improve facilities in the existing CHUM shelter. Funding was also used to assist the partnership between CHUM and HRA to make the warming shelter located in Lincoln Park a permanent facility, as of this date 554 people have been assisted. Funds were also allocated to the Safe Haven Shelter and Resource Center for significant building remodel.

Homeless Prevention Programs

Agencies used the ESG-CV funds to provide assistance to people to prevent them from becoming homeless. The HRA provided rental assistance to 26 people. MAC-V provided financial assistance to 24 veterans. Center City provided increased building safety and sanitization for the 72 transitional housing residents. Legal Aid is providing legal assistance, so far 1,933 people have been assisted.