

**City of Duluth
Minnesota**

DRAFT FY 2017 ACTION PLAN

***Consolidated Plan
for
Housing and
Community Development
FY 2015 – 2019***

Draft FY 2017 Action Plan:
Consolidated Plan for
Housing and Community Development
FY 2015 - 2019
for the
City of Duluth, Minnesota

Community Development Committee (CD Committee)

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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.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2017 Action Plan is the third annual funding plan for implementing the goals established in the 2015-2019 Consolidated Plan. The Department of the Housing and Urban Development (HUD) requires entities that receive funding to develop a five-year Consolidated Plan and annually review the goals to evaluate what has been accomplished and what needs to be accomplished. The goals in the plan were developed through a collaborative planning process, using public feedback and data to assess community needs and plan how to meet those needs with HUD funding. The goals listed in the current Consolidated Plan focus on the need for decent, affordable housing, a suitable living environment, and expanding economic opportunities for all community members. Each year, the City of Duluth receives funds from HUD and the City disperses these funds to meet these goals. HUD provides three types of funds to Duluth: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG). CDBG funds support community development projects including affordable housing, public services, public facilities, and economic development. HOME funds support programs that create affordable housing for low-income households. ESG funds support projects that offer basic needs and housing stabilization services to community members experiencing or at risk of experiencing homelessness.

Every year, local organizations apply to the Community Development Committee (CDC) requesting HUD funds to accomplish the goals listed in the consolidated plan. The CDC holds a public hearing to review the applications and then recommend funding amounts to City Council and Administration.

This year, the CDC heard public input on the 2017 recommendations at a Public Hearing on November 29, 2016 and then made their final funding recommendations to the City Council. The Action Plan, detailed funding recommendations, and information about the Public Hearing are available on the City's website at <http://www.duluthmn.gov/community-development/>

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

DECENT HOUSING - - which includes:

- assisting people experiencing homelessness to obtain affordable housing;
- assisting persons at risk of experiencing homeless;
- retaining the affordable housing stock;
- increasing the availability of affordable permanent housing in standard condition to low income and moderate-income families, particularly members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;
- increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- providing affordable housing that makes job opportunities accessible to residents.

A SUITABLE LIVING ENVIRONMENT - - which includes:

- improving the safety and livability of neighborhoods;
- eliminating blighting influences and the deterioration of property and facilities;
- increasing access to quality public and private facilities and services;
- reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;
- conserving energy resources and use of renewable energy sources.

EXPANDED ECONOMIC OPPORTUNITIES - - which includes:

- job creation and retention;
- establishment, stabilization and expansion of small businesses (including micro-businesses);
- the provision of public services concerned with employment;
- the provision of jobs to low-income persons living in areas affected by those programs and activities, or jobs resulting from carrying out activities under programs covered by the plan;
- access to capital and credit for development activities that promote the long term economic and social viability of the community; and

- empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each program that is funded with CDBG, HOME and ESG funding is monitored annually to make sure that the number of people who were going to be served for a specific need were met. If not, then that program is evaluated to determine if the need for that the program is still a priority or if that need is being met elsewhere due to other new funding sources or if the community dynamics have changed and the demand for a specific need has decreased. Every year, there are public input sessions to gather input on community needs to evaluate if a need should be a goal for this plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City of Duluth Community Planning Division created and distributed a Community Needs Assessment survey to identify the major concerns of community members regarding the ability to meet basic needs, find and/or keep affordable, suitable housing, and maintain economic self-sufficiency. A focus group of community advocates, especially those who work with communities of color in Duluth, helped Community Planning staff develop the survey and strategies to make the survey available to as many community members as possible. The focus group met on April 8, 2016 and May 3, 2016. The survey was made available online and paper copies were distributed at events around the City and at several different nonprofit service agencies. The survey was available for 3 weeks from May 16, 2016 to June 3, 2016. A total of 330 community members took the survey. Just over one-third (34%) of the survey respondents live in the CDBG priority neighborhoods of Morgan Park, Lincoln Park, Central and East Hillside. City staff also collected verbal input from community members at a Community Needs Hearing held at the Harrison Community Center on May 24, 2016. A report of the results of the Community Needs Assessment was published on the City's website and provided to the Community Development Committee to help them identify the funding priorities for the 2017 Community Development Program.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The Citizen Participation Plan lists out the public process that the Community Development Division utilizes throughout the year and uses in developing the Action Plan. The plan includes the process for the development of the Consolidated Plan and the Action Plan. The Citizen Participation Plan can be found online at: <http://www.duluthmn.gov/community-development/>

The process starts with an analysis of the housing market to determine the affordable housing gaps and a community needs assessment. Then the Community Development Division holds a community development and housing needs public hearing, which states the process to develop the Plan and address the general needs of the community that could be addressed with HUD program funds. The purpose of this hearing is to review housing market data to determine housing needs and to analyze other survey data to define community development needs. The CD Division meets with various concerned groups and agencies that deal with community needs, after which a draft Plan priorities and strategies is developed. This is then followed by a summary advertisement in the local newspaper and news release that copies are available for inspection at the local library, as well as the offices of the CD Division in City Hall and on-line on the City's website. All who are interested may obtain copies, at no cost, of the draft Plan during the 30-day public comment period. A summary of any comments, written or oral, received during the 30-day comment period, along with the City response to the same, will be attached to and become part of the "final" Consolidated Plan. An additional Public Hearing is held by the CD Committee or the City Council after the 30-day comment period and prior to the City Council formally approving the Plan and forwarding it to HUD for review and approval.

In addition to this process the Community Development Division conducted a survey for the Consolidated Plan, which is used for the Action Plan. The survey was available both online and in-person to reach more citizens in Duluth. The online survey was advertised on local television news stations, social media, and through word-of-mouth and could be filled out at home, at area branch libraries, program provided public computers, or on smartphones. The survey was also made available at several local food shelves and soup kitchens and at neighborhood events to gain further comments, which assisted in getting to neighborhoods and programs that serve a proportionally high percentage of low income individuals and persons of color.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments were accepted.

7. Summary

The 30-day public comment period will begin on Friday, October 28, 2016 and end on Tuesday, November 29, 2016. The comments received during this time and the minutes from the Public Hearing on November 29 are attached.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	DULUTH	Community Development Division
HOME Administrator	DULUTH	Community Development Division
ESG Administrator	DULUTH	Community Development Division

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Duluth is dedicated to developing a Action Plan that is effective in meeting the needs of low income & moderate income people within the city.

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 nine 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, January 2014 publication. In general terms, the process consists of two tiers. The CD Committee helps to provide community perspectives on the Community Development Program and oversee the funding process. Secondly, the city uses a public hearing, community needs survey, and online forums to hear from the public and agencies that provide services in Duluth's CDBG Target Areas and represent neighborhood perspectives.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The Community Development Division works closely with the Housing and Redevelopment Authority of Duluth (Duluth HRA) which is the local public housing administrator for Duluth. The city, along with the Duluth HRA, One Roof Community Housing, Ecolibrium3, and the Arrowhead Economic Opportunity Agency all collaborated together to form the Housing Resource Connection (HRC), which is a place for Duluth residents to apply for a variety of housing resources and assistance. Since forming the Housing Resource Connection, the agencies have worked to coordinate a single application that allows potential participants to make one application, and then find what programs best suit their needs. The City participates in a group called the Affordable Housing Coalition, which is made up of numerous agencies in Duluth that provide housing and homelessness services and programs to those in need. This group meets regularly to discuss issues and gaps in service, as well as, works to develop strategies to assist those in need of housing assistance.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Duluth, in collaboration with St. Louis County has an active role with the Continuum of Care. This role includes coordinating funding recommendations, community needs assessments, and developing policies and procedures for agencies to insure that people are being adequately assessed for the appropriate housing and coordinating entry. The COC is focused on insuring that the most appropriate housing is provided for the chronically homeless, families with children, veterans, and unaccompanied youth. The City of Duluth funds agencies that focus on providing services to these groups as well as provides funding to prevent homelessness by either rapid rehousing or prevention.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The City of Duluth has worked closely with the St. Louis Continuum of Care (CoC) in developing an ESG manual and guidebook with the City's policies. Specific protocols have been determined for prioritizing services to eligible households. As part of the CoC several committees have been developed that have representation from the City, County, service providers, and clients. These committees and their duties are as follows.

Heading Home St. Louis County Leadership Council- Establishes annual targets through strategic planning, decides final funding and reallocation, review and ranks projects, and monitors program performances.

Data/HMIS Committee- Regularly review system level data and identify additional internal and external data sources. Oversees and monitors HMIS data collection and data quality and resolve any issues between provider (s) and Data Collection.

Performance Evaluation Committee- Reviews the annual Point in Time Count, HMIS data, and makes recommendations to the leadership council.

Other ad-hoc workgroups have been created to address Coordinated Access, communication of priorities, and prevention targeting.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	<p>Agency/Group/Organization</p>	HRA
	<p>Agency/Group/Organization Type</p>	<p>Housing PHA Services - Housing</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Public Housing Needs Lead-based Paint Strategy</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The City of Duluth and the Housing and Redevelopment Authority of Duluth (HRA) have an ongoing working relationship, and HRA was consulted throughout the Consolidated Plan process to take into account housing needs and strategies.</p>
2	<p>Agency/Group/Organization</p>	Duluth Affordable Housing Coalition
	<p>Agency/Group/Organization Type</p>	Housing
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homelessness Strategy</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Duluth's Affordable Housing Coalition is made up of over twenty non-profit organizations and governmental agencies working to develop and preserve affordable housing throughout Duluth. The Coalition addresses the need for affordable housing along the entire spectrum from the "hardest to house" through workforce housing. The consultation with this group was extremely helpful in identifying gaps in service and developing priorities and goals. The city will continue to work with this group to prioritize and direct funding.</p>

3	<p>Agency/Group/Organization</p> <p>Agency/Group/Organization Type</p> <p>What section of the Plan was addressed by Consultation?</p> <p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>COMMUNITY ACTION DULUTH</p> <p>Services-Children Services-Education Services-Employment Community Action Agency</p> <p>Economic Development</p> <p>Community Action Duluth is a community action agency and provides a number of services including a Financial Opportunities Center, is a career and personal financial service centers that focus on the financial bottom line for low-to-moderate income individuals. Community Action has a unique perspective and their input on low income needs throughout the community is very useful. They will continue to be consulted for the identification of barriers to employment and increasing income.</p>
4	<p>Agency/Group/Organization</p> <p>Agency/Group/Organization Type</p> <p>What section of the Plan was addressed by Consultation?</p>	<p>Duluth Workforce Center</p> <p>Services-Education Services-Employment Local and State Collaboration</p> <p>Economic Development Anti-poverty Strategy Employment Services</p>

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Duluth Workforce Center is a collaboration of the several agencies including the Duluth Workforce Division and the state Department of Employment and Economic Development. The city relies upon this agency to coordinate city job training, education, and employment connections. The Duluth Workforce Center will continue to be used in identifying growing industry sectors, employment training needs, and other efforts needed to grow jobs and employment in Duluth. As identified by the center, Duluth is now working to encourage economic development efforts to include training for construction and aircraft assembly sectors, which are in great need.</p>
5	<p>Agency/Group/Organization</p>	<p>Community Development Committee</p>
	<p>Agency/Group/Organization Type</p>	<p>Citizen Committee</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Oversees City CDBG HOME ESG Process</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Community Development Committee is a group of appointed citizens who have different incomes and backgrounds that have interest and experience with housing and community development issues. The Committee oversees the entire CDBG Program; including the development of the Consolidated Plan, Annual Action Plan, CAPER Report, and all finding recommendations. The committee makes recommendations to the City Council and Mayor.</p>
6	<p>Agency/Group/Organization</p>	<p>United Way of Greater Duluth</p>
	<p>Agency/Group/Organization Type</p>	<p>Services-Children Services-Education Services-Employment Foundation</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Funding Partner</p>

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The United Way of Greater Duluth helps the community through strategic investments in a network of local programs and initiatives, United Way helps meet the health and human care needs of people in the Greater Duluth area by investing in the building blocks of a good life: Education, Income Health and Basic Needs. As a funding partner with the City, the two agencies will continue to work together to identify gaps and work to avoid duplication of services/funding.</p>
7	<p>Agency/Group/Organization</p> <p>Agency/Group/Organization Type</p> <p>What section of the Plan was addressed by Consultation?</p> <p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Ordean Foundation</p> <p>Private Foundation</p> <p>Foundation</p> <p>Funding Partner</p> <p>The Ordean Foundation works to fund projects and efforts in the Duluth area, often times with much overlap of CDBG related activities. The City of Duluth will continue to collaborate with the Ordean Foundation to continue to ensure that gaps in services are met and avoid duplication of services/funding.</p>
8	<p>Agency/Group/Organization</p> <p>Agency/Group/Organization Type</p> <p>What section of the Plan was addressed by Consultation?</p> <p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Northland Foundation</p> <p>Private Foundation</p> <p>Foundation</p> <p>Funding Partner</p> <p>The Northland Foundation is a regional foundation serving the communities of northeastern Minnesota, emphasizing funding projects to help children, youth, families, small/medium businesses, and the elderly. The City will continue to work with the Northland Foundation to identify funding gaps and eliminate the duplication of services/funding.</p>

9	Agency/Group/Organization	Duluth Superior Area Community Foundation
	Agency/Group/Organization Type	Private Foundation Foundation
	What section of the Plan was addressed by Consultation?	Funding Partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Duluth Superior Area Community Foundation works to improve the region through funding projects that include the arts, community and economic development, education, environment, and human services. The City will continue to collaborate with the foundation to identify the gaps in services and avoid the duplication of services.
10	Agency/Group/Organization	Generations Health Care Initiatives
	Agency/Group/Organization Type	Private Foundation Foundation
	What section of the Plan was addressed by Consultation?	Funding Partner
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Generations Health Care Initiatives is a private foundation that supports innovative, local programs that expands access to health care and improves the health of underserved people in the Duluth/Superior area and northeastern Minnesota. Generations place in Duluth is important and the city relies upon Generations to provide health related information, like the report titled "Bridge to Health" which provides information that helps to identify gaps and health needs in the region.
11	Agency/Group/Organization	Duluth Local Initiatives Support Corporation
	Agency/Group/Organization Type	Local Initiative Support Corporation

<p>What section of the Plan was addressed by Consultation?</p>	<p>Economic Development Funding Partner</p>
<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Duluth Local Initiative Support Coalition (Duluth LISC) is an agency in Duluth that works to help nonprofit community development organizations transform distressed neighborhoods into healthy and sustainable communities. Duluth LISC also helps to coordinate the neighborhood revitalization plans that Duluth has completed for each of the four core neighborhoods in Duluth. The city works with LISC to coordinate the Duluth At Work program which is a job training program for low income people. Duluth works with LISC to identify needs, coordinate revitalization efforts, and collaborate to reach the low income neighborhoods and CDBG Target areas in Duluth.</p>
<p>12 Agency/Group/Organization</p>	<p>Saint Louis County Health and Human Services Dept</p>
<p>Agency/Group/Organization Type</p>	<p>Services-Children Services-Health Other government - County Other government - Local</p>
<p>What section of the Plan was addressed by Consultation?</p>	<p>County Government</p>
<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The St. Louis County Health and Human Services Department manages the county Continuum of Care process and works to coordinate homeless and emergency services in within the County. The County is a partner with the city in a providing coordination in homeless services and working to identify gaps and unmet needs.</p>
<p>13 Agency/Group/Organization</p>	<p>Saint Louis County Community Development Division</p>
<p>Agency/Group/Organization Type</p>	<p>Other government - County</p>
<p>What section of the Plan was addressed by Consultation?</p>	<p>County Government</p>

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The St. Louis County Community Development Division manages the CDBG funds that come to the county. Although these funds are directed outside of the City of Duluth, the city continues to consult with the county's Community Development staff in order to look for opportunities for collaboration and to identify gaps.</p>
14	<p>Agency/Group/Organization</p>	<p>ARDC- Arrowhead Area Agency on Aging</p>
	<p>Agency/Group/Organization Type</p>	<p>Services-Elderly Persons Other government - Local</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Senior Services</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Arrowhead Regional Development Commission- Arrowhead Area Agency on Aging the designated area agency on aging for the seven county arrowhead region and works to provide three critical functions: OAA funding administration, community planning and service development, and information and assistance. Further coordination and consultation could be helpful in identifying needs and service gaps for elderly people in the community.</p>

Identify any Agency Types not consulted and provide rationale for not consulting

None

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	St. Louis County	The Continuum of Care efforts of the county relate closely with the goals and strategies of the development of the Strategic Plan. The city works closely with the county to ensure that the needs associated in the Continuum of Care are also addressed within the Strategic Plan. Both plans have a goal to provide homeless services and ensure that there is adequate coverage of homeless programs.
10 Year Plan to End Homelessness	St. Louis County	In 2005, St. Louis County developed the 10-year Plan to End Homelessness to create a new strategy, based on national and local best practices, to reduce the suffering of our most vulnerable citizens. The city's strategic plan closely follows this plan and strives to meet the goals that were set out in the plan.
Duluth Comprehensive Land Use Plan	City of Duluth	In 2005, the city completed the Comprehensive Land Use Plan in order to lay out goals and priorities for neighborhoods and areas in Duluth. The plan put forth strategies to help Duluth's parks, housing, transportation, and service needs. The Strategic Plan is guided by this plan in terms of developing strong neighborhoods in Duluth.
At Home in Duluth Revitalization Plans	Duluth Local Initiative Support Corporation	In 2012, Duluth LISC updated four neighborhood plans for the Hillside, Lincoln Park, West Duluth, and Morgan Park neighborhoods. The plans developed through input from neighborhood residents, business owners, and service agencies led to identifying needs and setting priorities for each neighborhood. Duluth includes the priorities in these plans within the strategic plan goals.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Citizen Participation Plan describes the public process that the Community Development Division utilizes throughout the year. The plan includes the process for the development of the Consolidated Plan and Action Plan. The Citizen Participation Plan can be found online at: <http://www.duluthmn.gov/community-development/>

The process starts with an analysis of the housing market to determine the affordable housing gaps and a community needs assessment. Then the Community Development Division holds a community development and housing needs public hearing, which states the process to develop the Plan and address the general needs of the community that could be addressed with HUD program funds. The purpose of this hearing is to review housing market data to determine housing needs and to analyze other survey data to define community development needs. The CD Division meets with various concerned groups and agencies that deal with community needs, after which a draft Plan priorities and strategies will be developed. This is then followed by a summary advertisement in the local newspaper and news release that copies are available for inspection at the local library, as well as the offices of the CD Division in City Hall. All who are interested may obtain copies, at no cost, of the draft Plan during the 30-day public comment period. A summary of any comments, written or oral, received during the 30-day comment period, along with the City response to the same, will be attached to and become part of the “final” Plan. An additional Public Hearing is held by the CD Committee or the City Council after the 30-day comment period and prior to the City Council formally approving the Plan and forwarding it to HUD for review and approval.

In addition to this process the Community Development Division conducted a survey, both online and in-person to reach more citizens in Duluth. This survey was for the Consolidated Plan, which provides the basis for the Action Plans. The online survey was advertised on local television news stations, social media, and through “word-of-mouth” and the surveys could be filled out at home, at area branch libraries, program provided public computers, or on smartphones. The survey was also made available at several local food shelves and soup kitchens and at a neighborhood event to gain further comments, which assisted in getting to neighborhoods and programs that serve a proportionally high percentage of low income individuals and persons of color.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	Attached.		none	
2	Newspaper Ad	Non-targeted/broad community	A Community and Housing Needs Public Hearing advertisement was placed in the Duluth News Tribune which has a broad circulation throughout the region.	Attached.	none	
3	Internet Outreach	Non-targeted/broad community	The city conducted an online survey and asked sub-recipients to help to distribute and encourage their participants and the community to identify their needs.	Various comments about housing, public service, and employment needs.	All accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Non-targeted/broad community	Two public input sessions were held, one on April 8 and one on May 3, 2016, approximately 30 people attended and discussed community needs.	Varied from connecting people to jobs and services, to assisting people with mental health, and the lack of affordable housing.	none	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The City of Duluth expects to receive nearly \$3,000,000 in funds from the Department of Housing and Urban Development (including CDBG, HOME, and ESG). The city has prioritized projects and activities in this plan and will work to disperse the funds to meet the goals and objectives identified.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,190,293	279,947	0	2,470,240	Program Income from Revolving Loan Fund, which is utilized for housing rehabilitation loans.
						0	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	471,958	0	0	471,958	No anticipated lien repayments.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	198,963	0	0	198,963	No Program Income.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG, HOME, and ESG funds will help to leverage over \$16,319,000 annually (\$80,000,000 over the 5-year plan) of other federal, state, and local funds. Matching requirements have been regularly met and the city doesn't anticipate having difficulty in satisfying these requirements.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Although not already identified, publically owned land is always considered as a way to reduce costs for new housing developments. The city of Duluth regularly considers using tax forfeited properties that Saint Louis County manages. These lands range from homes that are in need of rehab, to severely damaged/condemned buildings, to open lots. Often the city attempts to work with the county to remove the blighted structures and redevelop the land.

Discussion

The City continues to work with area funders, federal, state, and local funders to be able to leverage the federal funds that are received. While local private foundations experienced a period of reduced funding availability, projections show those amounts to increase. Individual organizations and collaborations have improved at seeking out new and alternative funding sources, in order to maintain service levels within the city. The city also continues to encourage cost-saving-collaborations within the housing, public service, and economic development areas.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Economic Development	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$328,000	Jobs created/retained: 41 Jobs Businesses assisted: 7 Businesses Assisted
2	Tenant Based Rental Assistance	2015	2019	Homeless		Homelessness	HOME: \$110,000	Tenant-based rental assistance / Rapid Rehousing: 18 Households Assisted
3	Affordable Rental Housing	2015	2019	Affordable Housing Public Housing Non-Homeless Special Needs		Affordable Rental Housing	CDBG: \$542,160	Rental units constructed: 20 Household Housing Unit Rental units rehabilitated: 95 Household Housing Unit
4	Affordable Home Owner Housing	2015	2019	Affordable Housing		Affordable Owner Occupied Housing	CDBG: \$231,840 HOME: \$368,000	Homeowner Housing Added: 5 Household Housing Unit Homeowner Housing Rehabilitated: 71 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Community Public Facilities	2015	2019	Homeless Non-Homeless Special Needs Non-Housing Community Development		Community Structural Public Facilities Community Non-Structural Public Facilities	CDBG: \$414,400	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 11523 Persons Assisted
6	Neighborhood Revitalization	2015	2019	Non-Housing Community Development		Affordable Rental Housing Affordable Owner Occupied Housing Special Needs Housing Community Structural Public Facilities Public Services Economic Development Homelessness	CDBG: \$14,000	Other: 1 Other
7	Homelessness	2015	2019	Homeless		Homelessness	ESG: \$184,538	Tenant-based rental assistance / Rapid Rehousing: 12 Households Assisted Homeless Person Overnight Shelter: 1715 Persons Assisted Homelessness Prevention: 20 Persons Assisted Other: 775 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Public Services	2015	2019	Homeless Non-Housing Community Development		Public Services Homelessness	CDBG: \$320,452	Public service activities other than Low/Moderate Income Housing Benefit: 16950 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 259 Households Assisted Homeless Person Overnight Shelter: 870 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Economic Development
	Goal Description	Duluth at Work is an innovative way to provide assistance to for-profit businesses by training participants with soft skills, practical training, and job specific training. SOAR Career Solutions is a Community Business Development Organization that has strong relationships with area employers and works to train prospective employees. Also part of the Duluth at Work program is the Entrepreneur Fund who works with low income small business owners to grow/expand their business in a program called Growing Neighborhood Businesses.
2	Goal Name	Tenant Based Rental Assistance
	Goal Description	The Duluth HRA will oversee the administration of housing vouchers for homeless families under the HOME FUND Tenant-Based Rental Assistance Program. The HRA provides in-kind services in the administration of the housing vouchers.

3	Goal Name	Affordable Rental Housing
	Goal Description	The Housing and Resource Connection (HRC) will provide low interest and deferred loans for the rehab of rental properties within the City of Duluth. Owners can apply for low interest loans to renovate properties, which then must serve low to moderate income tenants, less than 80% of AMI based upon household size. Funding includes an existing revolving loan fund and State loans.
4	Goal Name	Affordable Home Owner Housing
	Goal Description	The Housing Resource Connection (HRC) will provide low interest and deferred loans for the rehabilitation of single-family owner-occupied homes in Duluth. Funds will be used for emergency rehabs; homeowner rehab to address code deficiencies, lead paint hazards, energy efficiency; and for the rehab of acquired properties for sale to eligible homebuyers. Healthy home protocols will be used. This goal includes One Roof Community Housing using their CHDO funds to acquire and rehab units.
5	Goal Name	Community Public Facilities
	Goal Description	Funds will be used to improve community public facilities in low income neighborhoods that provide services primary to low-moderate income people.
6	Goal Name	Neighborhood Revitalization
	Goal Description	Implementation of the City's Citizen Participation Plan and strategic planning with the Community Development Target Areas to identify key implementation strategies. This activity will also work with the Community's At-Home in Duluth neighborhood program
7	Goal Name	Homelessness
	Goal Description	Services and/or housing for people currently experiencing homelessness, and funds to prevent homelessness. HMIS collection is also supported in this category.
8	Goal Name	Public Services
	Goal Description	Provide basic needs and services to low income people.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

60 Extremely Low-Income; 80 low income and 51 moderate income families will be assisted with the 2017 funding.

AP-35 Projects – 91.220(d)

Introduction

The City relies mostly upon non-profit and neighborhood organizations to implement the goals of the Annual Action Plan. Through an open application process the City of Duluth reviews and evaluates applications to see how they meet the Consolidated Plan Goals. Projects are then funded and the City oversees progress to make sure the goals of the plan are met.

#	Project Name
1	JET Food Project
5	Tenant Based Rental Assistance
6	Program Administration
7	HOME Tenant Based Rental Assistance Administration
8	Housing Resource Connection Program
9	Duluth at Work Collaborative SOAR Career Solutions
10	Growing Neighborhood Business
11	Duluth Hunger Project
13	Basic Needs Center for Homeless Youth
14	CHUM Shelter Project
15	AICHO Housing Services
16	MACV Homeless Services
17	Salvation Army Family Housing Services
18	Center City Housing Programs
19	Safe Haven -Domestic Violence Shelter
20	ESG17 DULUTH
22	CHDO CLT Acquisition/Rehabilitation
24	Neighborhood Planning
25	Replacement of Dental Chairs at Lake Superior Health Center
26	CHUM Building Improvements
27	Tenant Landlord Connection
28	Coordinated Entry
29	YWCA Childhood support
30	Avalon After School Activities
31	Lincoln Park Neighborhood Park
32	Life House Annex
33	Giving Comfort at Home
34	One Roof Multifamily Acquisition
35	Resilient Housing Solutions
36	Avalon After-School Expansion Construction

Table 8 – Project Information

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Community Development Systems
Integrated Disbursement & Information System (IDIS)



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 Role: Grantee
 Organization:
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You have 5 CDBG activities that have been flagged. Click on the number to go to the review page.

Annual Action Plan (2017-2017-1)

AP-38 Project Summary

[Return to Annual Action Plan Projects](#)

Project Summary Information

No.	Project	Goals Supported	Geographic Areas	Needs Addressed	Funding
1	JET Food Project Description Target Date for Completion Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.) Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.) Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	Public Services		Public Services	CDBG : \$25,000
5	Tenant Based Rental Assistance Description Target Date for Completion Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	Tenant Based Rental Assistance	Homelessness	HOME : \$110,000 The program will provide rental assistance for households who would otherwise be homeless. The City and the Duluth HRA have established this program to provide rental assistance as a significant component in the continuum of services to prevent homelessness. 18 families will be assisted with TBRA	

Replaced Page 30 - due to HUD compliance
 need screenshot Page 50
 10/28/2016 p (10)

<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>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.</p>
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>CDBG : \$420,000 HOME : \$39,440</p>
<p>Program Administration</p>	<p>Operation, reporting and monitoring of federally funded activities. Also, these funds assist with the implementation of the City's Citizen Participation process that leads to the development of the Consolidated Plan and Annual Action Plans.</p>
<p>Description</p>	
<p>Target Date for Completion</p>	
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Operation, reporting and monitoring of federally funded activities. Also, these funds assist with the implementation of the City's Citizen Participation process that leads to the development of the consolidated Plan and the Annual Action Plan.</p>
<p>HOME Tenant Based Rental Assistance Administration</p>	<p>7000 HOME : \$7,500</p>
<p>Description</p>	<p>The HRA will provide a TBRA program for rental assistance to households to prevent homelessness.</p>
<p>Target Date for Completion</p>	<p>HUD completes system error</p>
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>Housing Resource Connection Program</p>	<p>Affordable Rental Housing Affordable Home Owner Housing Affordable Rental Housing Affordable Owner Occupied Housing</p>
<p>Description</p>	<p>CDBG : \$581,500 HOME : \$12,510</p>
<p>Target Date for Completion</p>	<p>Collaboration between AEOA, Duluth HRA, and One Roof Community Housing to provide housing opportunities for low and moderate income individuals, services include: rehab, weatherization, construction, and ownership opportunities</p>
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>HUD Completed system error</p>
<p>125 houses will be rehabbed, benefiting 125 families</p>	

<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Throughout the City.</p> <p>Rehab and new construction</p>
<p>Duluth at Work Collaborative SOAR Career Solutions</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Economic Development</p> <p>Economic Development</p> <p>CDBG : \$272,000</p> <p>SOAR Career Solutions, a Community Based Development Organization (CBDO), will provide the Duluth at Work Program and create jobs by retraining candidates for for-profit business employment. Participants will be at or below 50% AMI to obtain employment and maintain their jobs to increase their income.</p>
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>SOAR Career Solutions (SOAR), a CBDO will work with the Duluth At Work Collaborative to 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 over two years. Each D@W client will meet with 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 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 SOAR, as a Community Based Development Organization (CBDO) has developed a network of employer partnerships 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.</p>
<p>10 Growing Neighborhood Business</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>Economic Development</p> <p>Economic Development</p> <p>CDBG : \$56,000</p> <p>The Entrepreneur Fund will provide technical assistance and peer support for 7 small business owners with the Duluth Target Neighborhoods to help them grow their business by 25%.</p>

<p>(Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Public Services</p>	<p>Public Services</p>	<p>CDBG : \$75,000</p>
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Entrepreneur Fund will assemble a cohort of low income business owners that are interested in expanding their business. The EF Business Advisor conducts classes, assists in development of business plans, and provides other assistance in growing business revenue over a three year period.</p>			
<p>Duluth Hunger Project</p>	<p>Description</p>	<p>The Duluth Hunger Project is a coalition of 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.</p>		
<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>11</p>	<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>14,000 low income people will be fed, which includes families.</p>		
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Collectively, the Duluth Hunger Project provides on-site meals and food shelf services to the lowest income members of the Duluth community. On-site meals are essential for the survival of people who are homeless people and support low-income residents who are in danger of losing their permanent housing. The downtown area is served by CHUM and the Damiano Center. The Damiano Center serves breakfast and lunch on Monday, Wednesday, and Friday and three meals on Saturday and Sunday. The Damiano Center also serves many children from the Central Hillside through its Kids' Cafe program. CHUM's on-site meal program serves a primarily homeless population at noon on Tuesdays and Thursdays when the Damiano Center is closed, breakfast on Wednesdays, and community meals sponsored by member congregations several times a month. The Salvation Army serves lunch Monday through Friday, primarily for those from Lincoln Park and West Duluth neighborhoods. CHUM and the Salvation Army operate food shelves.</p>			
<p>13</p>	<p>Basic Needs Center for Homeless Youth</p>	<p>Public Services</p>	<p>Public Services</p>	<p>CDBG : \$30,000</p>
<p>Description</p>	<p>This project will provide operational and program support for the Life House youth drop-in center to provide basic needs, referral services, independent living skills classes, and street outreach.</p>			
<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>625 youth will be provided services which will assist their families.</p>			
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>102 West 1st Street.</p>			
<p>102 West 1st Street.</p>	<p>The drop-in center is a safe place for homeless and at-risk youth to receive the following:</p> <ul style="list-style-type: none"> • Basic Needs including hot meals, showers, laundry, lockers, clothing, hygiene and baby supplies, and a food shelf. • Referrals to Life House's other program areas (housing, employment, education, and wellness) or to external necessary services. • Independent Living Skills via informal discussions, daily activities, support groups, and classes. 			

<ul style="list-style-type: none"> Street Outreach to locate and build relationships with street youth, provide information and make referrals to Life House and other community services. 		Homelessness	Homelessness	CDBG : \$40,000
14	CHUM Shelter Project	Homelessness	Homelessness	CDBG : \$40,000
	Description	CHUM will provide emergency shelter to 950 homeless individuals.		
	Target Date for Completion			
15	Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	950 individuals		
	Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	102 W Second Street, Duluth MN 55802		
	Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	CHUM will provide emergency shelter and housing stabilization services to people experiencing homelessness. 18,252		
16	AICHO Housing Services	Homelessness	Homelessness	CDBG : \$49,250
	Description	AICHO provides supportive housing to individuals and families who are chronically homeless, with mental health issues, disabilities and are very low income.		
	Target Date for Completion	29 households/ 75 individuals HUD computer system error		
17	Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	202 West 2nd St, Duluth MN 55802		
	Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	AICHO will provide housing and services at Gimajili Mino Bimaadizimin which is a 29-unit supportive housing facility. AICHO also offers case management to the individuals.		
	Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	Homelessness	Homelessness	CDBG : \$9,150
16	MACV Homeless Services	Homelessness	Homelessness	CDBG : \$9,150
	Description	MACV provides streamlined stabilization and rapid re-housing services to homeless veterans.		
	Target Date for Completion			
16	Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	80 Veterans, which will assist their families		
	Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	5209 Ramsey Street Duluth		
	Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)	MACV provides streamlined stabilization and rapid re-housing services to veterans by coordinating outreach, intake, assessment, and direct services and are the only veteran-specific program addressing the needs for veterans experiencing homelessness.		
17	Salvation Army Family Housing Services	Homelessness	Homelessness	CDBG : \$5,250

<p>Description</p>	<p>Salvation Army will provide housing to families with children to prevent homelessness.</p>		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>100 individuals/50 families</p>		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>215 South 27th Avenue West Duluth</p>		
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Salvation Army will provide services to families with children (100 individuals) including support services and programming designed to assist families to increase economic stability.</p>		
<p>Center City Housing Programs</p>	<p>Homelessness</p>	<p>Homelessness</p>	<p>CDBG : \$30,000</p>
<p>Description</p>	<p>Center City Housing Corp will provide housing services.</p>		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>91 people for Transitional Housing; 40 people for Permanent Supportive Housing 100 households</p>		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>105 1/2 West 1st Duluth</p>		
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>Safe Haven - Domestic Violence Shelter</p>	<p>Homelessness</p>	<p>Homelessness</p>	<p>CDBG : \$5,800</p>
<p>Description</p>	<p>Safe Haven will provide shelter and services to women and children fleeing domestic violence.</p>		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>500 individuals will be provided shelter.</p>		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Safe Haven Shelter for Battered Women will provide emergency shelter, food, clothing, advocacy and support for 500 homeless women and children who are victims of domestic violence.</p>		
<p>ESG17 DULUTH</p>	<p>Homelessness</p>	<p>Homelessness</p>	<p>ESG : \$198,963</p>
<p>Description</p>	<p>The 2017 Federal Fiscal Funds Year allocation of ESG funds for the City of Duluth are to provide shelter operations, rapid rehousing, prevention, data collection and administration.</p>		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>1450 people will be provided overnight shelter (CHUM/Safe Haven) 265 people will be provided supportive housing (AICHO, MACV, Salvation Army, and Center City)</p>		

	<p>775 people will be provided with street outreach 12 families will be rapidly rehoused 20 families will have homelessness prevented</p>	
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>City of Duluth</p> <p>Agencies will provide services to provide shelter for homeless people; work to rapidly rehouse and prevent homelessness people and provide funds for data collection and administration.</p> <ul style="list-style-type: none"> Shelter-\$118,400 (less than the \$120,000 hold harmless requirement) Rapid Rehousing/prevention-\$79,300 HMTS-\$4000 Administration- \$14,962.5 	<p>HOME : \$22,500 293000</p>
<p>CHDO CLT Acquisition/Rehabilitation</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Affordable Home Owner Housing</p> <p>Affordable Owner Occupied Housing</p> <p>HOME : \$22,500</p> <p>One Roof will acquire and rehabilitate 11 homes providing affordable homeownership opportunities for low-moderate income households with 293,000 in HOME Funds</p>	
<p>22</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>11 families</p> <p>HUD Computer system error</p>	
<p>Neighborhood Planning</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>One Roof will acquire and rehabilitate homes that will become homeownership opportunities for low-moderate income households. The affordability of the home will be preserved through the Community Land Trust (CLT) Program.</p>	<p>CDBG : \$14,000</p>
<p>24</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Implementation of the City's Citizen Participation Plan and strategic planning with the Community Development Target Areas to identify key implementation strategies. This activity will also work with the Community's At-Home in Duluth neighborhood program.</p>	
<p>25</p> <p>Replacement of Dental Chairs at Lake Superior Health Center</p>	<p>Community Public Facilities</p> <p>Community Structural Public Facilities</p>	<p>CDBG : \$28,000</p>

<p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Replacing 4 dental chairs.</p> <p>1044 low income people visit the Lake Superior Health Center for dental services</p> <p>Lake Superior Health Center 4325 Grand Avenue, Duluth MN</p> <p>Dental care for low income people</p>	<p>Community Public Facilities</p>	<p>Community Structural Public Facilities Homelessness</p>	<p>CDBG : \$156,400</p>
<p>CHUM Building Improvements</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Physical improvements to the CHUM Food Shelf, Shelter, and Drop-in Center that will make the facility more accessible to people with disabilities, increase client access to technology, improve bathroom and increase energy efficiency</p> <p>950 shelter guests and 2,400 food shelf households</p> <p>102 W Second Street CHUM Emergency Shelter, Drop-In Center, and Food Shelf</p> <p>Physical improvements to a homeless drop in center and food shelf.</p>	<p>Public Services</p>	<p>Public Services</p>	<p>CDBG : \$30,000</p>
<p>Tenant Landlord Connection</p> <p>Description</p> <p>Target Date for Completion</p> <p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p> <p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Provide mediation and advisory services between renters and landlords to reduce the number of evictions.</p> <p>500 LMI households</p> <p>12 East 4th Street Duluth</p> <p>Provide education and mediation services to tenants and landlords to reduce the number of evictions</p>	<p>Public Services Homelessness</p>	<p>Public Services Homelessness</p>	<p>CDBG : \$12,000</p>
<p>Coordinated Entry</p> <p>Description</p>	<p>Coordinating the list of people who have been assessed as being homeless and insuring the people are housed as quickly as possible.</p>	<p>Public Services Homelessness</p>	<p>Public Services Homelessness</p>	<p>CDBG : \$12,000</p>

<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>The shelters and supportive housing developments in Duluth expect to serve 1765 people this year, a majority of those people will be coordinated through the homeless system and therefore will benefit from the Coordinated Entry project.</p>
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>The coordinated entry office will be at the HRA, but the services will be City wide.</p>	
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>Coordinating people, agencies, and housing units to housed people as quickly as possible</p>	
<p>YWCA Childhood support</p>	<p>Public Services</p>	<p>Public Services</p>
<p>Description</p>	<p>Provide childcare and transportation services to low income families to insure they are able to work.</p>	<p>CDBG : \$10,000</p>
<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>29</p>	<p>75 families</p>	
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>32 West 1st Street, Duluth</p>	
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>free/ reduced childcare, gas cards, bus passes will be provided to people to maintain employment.</p>	
<p>Avalon After School Activities</p>	<p>Public Services</p>	<p>Public Services</p>
<p>Description</p>	<p>Provide after-school educational activities for low income families</p>	<p>CDBG : \$30,000</p>
<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>30</p>	<p>50 to 300 youth</p>	
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>404 West Superior St, Duluth</p>	
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	<p>After school activities include tutoring and physical fitness classes focusing on improving children's health.</p>	
<p>Lincoln Park Neighborhood Park</p>	<p>Community Public Facilities Neighborhood Revitalization</p>	<p>Community Structural Public Facilities</p>
<p>Description</p>	<p>Improve a park in a low income neighborhood to provide safer playground equipment, increase bathroom accessibility, and safer connection to surrounding neighborhood.</p>	<p>CDBG : \$64,040</p>
<p>Target Date for Completion</p>	<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	
<p>31</p>	<p>6504 residents</p>	

<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	Lincoln Park		
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	Improve recreational opportunities		
<p>Lifehouse Annex</p>	Community Public Facilities	Community Structural Public Facilities Homelessness	CDBG : \$130,000
<p>Description</p>	Life House will acquire an adjacent building to expand services to homeless youth.		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	625 youth annually		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	102 W 1st Duluth MN		
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	Increasing supportive services and educational opportunities to teenagers and young adults		
<p>Giving Comfort at Home</p>	Affordable Rental Housing Affordable Home Owner Housing	Affordable Rental Housing Affordable Owner Occupied Housing	CDBG : \$45,000
<p>Description</p>	Assist Low Income families with energy efficiency improvements.		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	30 houses will have improved energy efficiency		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	Assistance with weatherization and rehab		
<p>One Roof Multi Family Acquisition</p>	Affordable Rental Housing	Affordable Rental Housing	CDBG : \$147,500
<p>Description</p>	Acquisition of property for the development and/or redevelopment of 20 units of affordable multifamily.		
<p>Target Date for Completion</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	20 families will benefit with 20 additional affordable housing units in Duluth		
<p>Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>			
<p>Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)</p>	acquire and construction of 20 units		

House3: Resilient Housing Solutions		Affordable Home Owner Housing	Affordable Owner Occupied Housing	HOME : \$75,000
Description				
Target Date for Completion				
Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)				
35	Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)		Construct 5 highly energy efficient homes for LMI families	
	Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)		5 LMI families will benefit	
			construct 5 enegy efficient homes	
Avalon After-School Expansion Construction				
Description				
Target Date for Completion				
Estimate the number and type of families that will benefit from the proposed activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)				
36	Location Description (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)		50 to 300 youth	
	Planned Activities (Note: Additional information for this discussion may be available on the AP-36 Project Detail screen.)		404 West Superior St Duluth	
			construction of 2 classrooms	
Community Public Facilities				
Construction of 2 classrooms				
Community Structural Public Facilities				
CDBG : \$35,960				

[Return to Annual Action Plan Projects](#)

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Session Timeout

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

We do not have HUD approved neighborhood revitalization areas but we do have locally designated CDBG eligible neighborhoods that are over 51% LMI where efforts are often focused.

Geographic Distribution

Target Area	Percentage of Funds

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Discussion

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The city of Duluth works to provide affordable housing on many levels. The city will utilize sub-recipients to provide services for homeless people, as well as, assist with affordable housing through rental assistance, building new units, and rehabbing existing units.

One Year Goals for the Number of Households to be Supported	
Homeless	2,225
Non-Homeless	500
Special-Needs	355
Total	3,080

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	50
The Production of New Units	25
Rehab of Existing Units	166
Acquisition of Existing Units	0
Total	241

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

Homeless includes overnight shelters, such as CHUM and Safe Haven, along with street outreach for CHUM and Life House. Non-homeless housing assistance includes the TLC. Special Needs includes Center City, MACV, AICHO, and Salvation Army. Rental Assistance includes ESG prevention and rapid rehousing programs and TBRA. Production includes One Roof and Eco 3 activities, Rehab includes HRC and Eco 3, and Acquisition is the CHDO project.

Rental Assistance includes HOME TBRA, ESG Prevention and Rapid Rehousing Programs. Production of new units includes HRC and Resilient Housing Solutions projects. The rehab of existing units will be the HRC, Giving Comfort at HOME and the CHDO projects.

AP-60 Public Housing – 91.220(h)

Introduction

The Duluth Housing and Redevelopment Authority manages the public housing units within Duluth, which includes over 1,200 units.

Actions planned during the next year to address the needs to public housing

The City of Duluth does not expect to spend any CDBG, HOME or ESG funds to address the needs of Public Housing. Most of the HRA's public housing units are older, but the HRA is utilizing various resources to keep the units in good repair through its wise use of its annual HUD Capital Fund grant, occasional use of energy performance contracting, and use of general obligation bond funded loans provided by the Minnesota Housing Finance Agency, when appropriated by the state legislature. The HRA has also used its local levy resources to augment such funds when needed. The HRA also has submitted an application for the Rental Housing Assistance Demonstration (RAC) program for some selected public housing units, which would provide additional funding for public housing capital improvements if the agency decides to proceed with this HUD initiative. Currently there are over 500 households on the waiting list for public housing units, and over 1,500 households on the list for the Section 8 Voucher Choice program.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The HRA will continue to communicate with public housing residents and keep them involved through tenant meetings and newsletters. The HRA regularly recommends programs including homeownership programs to public housing residents.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

NA

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

St. Louis County (SLC) is one of many Continuum of Care (CoC) regions in Minnesota. Duluth is geographically located at the southern end of St. Louis County. There are two entitlement communities in SLC, the City of Duluth and St. Louis County.

City of Duluth has long history of working closely with SLC and homeless housing and service providers to address issues that impact persons who are homeless or at-risk of becoming homeless. In 2007, joint efforts between the City and County, along with homeless housing and service providers produced a business plan to end homelessness, Heading Home St. Louis County (HHS LC), A Ten Year Plan to Prevent and End Homelessness in St. Louis County.

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.

The City and County have a strong collaboration with continued focus on the HEARTH regulations and related activities to develop a coordinated homeless response system that incorporates new prevention, rapid housing and coordinated assessment activities outlined in the new Emergency Solutions Grant regulations and the new Continuum of Care regulations along with former shelter (including transitional housing) outreach and supportive service activities. The HHS LC Leadership Council is the governing and advisory board that oversees the activities of the 10 Year Plan and other homeless initiatives in Duluth and SLC, including the annual CoC funding competition, the Family Homeless Prevention and Assistance Program (FHPAP) state funding competition in SLC and the Emergency Solutions Grant Program funding process for both Duluth and SLC.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Duluth is part of the St. Louis County Continuum of Care (CoC). The CoC coordinated with homeless providers and has developed a collaborative system to reach out to homeless. An integral part

of the system is the Coordinate Access. The service providers have agreed under Coordinated Access to use the Service Prioritization Decision Assistance Tool (SPDAT) as a common assessment tool for all homeless persons. As part of the assessment all individuals and families looking to receiving housing assistance will first undergo a pre-screen administered by 2-1-1 United Way. This first step will help with prevention and diversion and refer those in need to emergency shelter. The client will then be administered the Vulnerability Index (VI) SPDAT at determined entry points. This is a quick, condensed version of the SPDAT and will give the recipient a acuity score which will determine the appropriate housing solution. The score will assess what program the individual best fits and puts the individual on a wait list if not available units are available. The most vulnerable individuals receive priority for housing. Once matched with the appropriate housing, the client's case manager will administer the SPDAT. The SPDAT measures a variety of issues that can effects a persons stability. The categories can be tracked over time as the SPDAT is administered every 3 months or so. The SPDAT can be inputted into HMIS. This will allow service providers to track stability much more effectively and show with data the progress an individual or family is making toward housing stability.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Duluth is part of the St. Louis County Continuum of Care (CoC). The CoC coordinated with homeless providers and has developed a collaborative system to reach out to homeless. An integral part of the system is the Coordinate Access. The service providers have agreed under Coordinated Access to use the Service Prioritization Decision Assistance Tool (SPDAT) as a common assessment tool for all homeless persons. As part of the assessment all individuals and families looking to receiving housing assistance will first undergo a pre-screen administered by 2-1-1 United Way. This first step will help with prevention and diversion and refer those in need to emergency shelter. The client will then be administered the Vulnerability Index (VI) SPDAT at determined entry points. This is a quick, condensed version of the SPDAT and will give the recipient a acuity score which will determine the appropriate housing solution. The score will assess what program the individual best fits and puts the individual on a wait list if not available units are available. The most vulnerable individuals receive priority for housing. Once matched with the appropriate housing, the client's case manager will administer the SPDAT. The SPDAT measures a variety of issues that can effects a persons stability. The categories can be tracked over time as the SPDAT is administered every 3 months or so. The SPDAT can be inputted into HMIS. This will allow service providers to track stability much more effectively and show with data the progress an individual or family is making toward housing stability.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that

individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In 2017, the City of Duluth will fund Housing, Stabilization, and Coordinated Access for homeless people. This will include the work of six agencies that include; Churches United in Ministry, American Indian Community Housing Organization, Salvation Army, Center City Housing Corporation, Safe Haven, and MACV-Duluth.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

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. An Adult Protocol Business Plan was completed in 2008. The discharge plan outlines transition process steps, based on an evidence-based model called Critical Time Intervention, a standardized assessment tool that is used 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 the roles and responsibilities of the collaborative partner agencies, 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. No additional work has been done regarding discharge planning, however, discharge activities will be reviewed as the city and county work toward transitioning Duluth's homeless response system under the SLC Continuum of Care to align with the HEARTH Act goals.

Discussion

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The city has identified the following barriers to affordable housing:

- Lack of annual budgeted funding to demolish or repair buildings condemned for demolition or human habitation, allowing blight to persist in LMI neighborhoods.
- The City requires assessments placed on vacant lots where structures have been demolished be paid by any new owner, rendering otherwise buildable infill sites financially infeasible for redevelopment.
- “One-for-one” replacement requirements when structures are demolished on 25 front foot unbuildable lots.
- Sewer utility fees and other utility hook-up fees increase the cost of construction of affordable single-family homes.
- Limited Minnesota Housing funding for rehab of aging single-family structures occupied by LMI households, which leads to higher maintenance costs.
- Lack of a policy to require improvements to foreclosed properties in LMI neighborhoods that are on the vacant property register.
- Inflexible policies related to Comfort System’s energy improvement programs that limit access to loans by LMI households, including refusal to subordinate when first mortgages are refinanced.
- Minnesota State Historic Preservation Office policies that create additional rehab costs, such as wooden windows and doors repaired rather than replaced by new historically designed materials.
- Outdated historic property references that trigger SHPO review of affordable housing rehab projects on buildings not eligible for listing, which increases costs and delays.
- Lack of direction from City Administration to enforce existing rental license program.
- No education requirement for owners and/or managers to secure a rental license.
- Lack of direction from City Administration to enforce housing maintenance code.
- Lack of energy standards for existing housing stock that result in higher costs for LMI households living in older homes that are energy inefficient.

- Housing & Redevelopment Authority policies that prevent LMI households with poor rental histories or criminal backgrounds from securing assisted housing.
- HUD HOME Program after-rehab value limit based on 95% of median sales price from the extensive Duluth/Superior metropolitan statistical area, and the value limit not adjusted for homes with three or more bedrooms occupied by larger families.
- HUD HOME Program ruling that disallows use of local exception rents in favor of fair market rents in HOME assisted affordable rental housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

- Support selected demolition of blighted properties in LMI neighborhoods. If funded by Community Development, requirement will be to leave a “clean” site for redevelopment.
 - Community Development supported rehab projects will address all needed repairs and updates, including housing code, energy efficiency, and healthy home deficiencies.
 - Implement acquisition/rehab/resale activities to address vacant foreclosed properties in LMI neighborhoods.
 - Review annual Housing Report sales data to determine if a local study of median sales price would increase after-rehab value limit.
 - Require rehab programs receiving Community Development funding to increase energy efficiency in existing homes by 20%, and require funded new construction to meet Energy Star standards.
 - Provide funding for tenant-based rental assistance to help the “hard-to-house” and homeless population to secure adequate housing.
 - Modify policies to eliminate the “re-instatement” of special assessments on tax forfeit lots that have the potential for redevelopment.
 - Support additional historic surveys in the central and western areas of Duluth.
 - Support the establishment of inclusionary affordable housing in zoning policies.

- Encourage Comfort Systems to revise their loan programs to be more “user friendly” and to coordinate with the Housing Resource Connection.
- Integrate rental license building inspectors into the “One Stop Shop”.
- Work with St. Louis County and the Minnesota Department of Revenue to revise polices to encourage redevelopment of tax forfeit land.
- Strengthen rental license program to include such requirements as common applications and leases, affordable application and damage fees, and timely and consistent enforcement of building standards.
- Reduce property tax valuations to reflect affordable housing restrictions that would prohibit owners from selling at full market rate.

Discussion

AP-85 Other Actions – 91.220(k)

Introduction

The city of Duluth has identified a number of actions that will address onstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Current projects will provide food in predominatly low income neighborhoods to residents, improve dental facilities, and provide the needed housing and services. The City is also increasing outreach efforts in low income neighborhoods by attending neighborhood functions (such as the Annual Night-Out, neighborhood pride celebrations, community school functions) and meeting with community leaders to better understand obstacles people are facing.

Actions planned to foster and maintain affordable housing

The Housing Resource Connection(HRC) will be funded to provide information and services from five housing-related agencies on various housing programs in Duluth: One Roof Community Housing, the Housing and Redevelopment Authority of Duluth, the City of Duluth Community Development Department, the Arrowhead Economic Opportunity Agency and Ecolibrium3. The HRC is a one-stop-shop for information on purchasing a home or making your home or rental property a healthy, energy efficient and safe place to live. Assistance and programs on renovations, code requirements, weatherization, energy assessment, financial assistance, fuel assistance and healthy homes is offered.

Actions planned to reduce lead-based paint hazards

City of Duluth policy requires all rental and homeowner rehabilitation programs and projects receiving federally funded assistance to coordinate with the Duluth HRA for lead assessment, testing and clearance services. Given the age of Duluth's housing stock that predicts 68% contains lead-based paint, the concentration of low- and moderate-income households in less expensive older units, and the past experience of agencies implementing rehab programs, it is highly probable that all, or nearly all, rehabbed units will contain potential lead hazards.

Actions planned to reduce the number of poverty-level families

The Tenant Landlord Connection will help ensure stable rental housing exists by educating existing and potential landlords and tenants regarding rights and responsibilities, mediating disputes between landlords and tenants, and connecting reputable tenants and landlords to facilitate healthy, long-term rental tenancy. Education will include landlord training/rental licensing class, provision of resources on tenant/landlord law and legal forms, Fair Housing training, Ready to Rent classes for hopeful tenants without a positive rental history, classes for high school students. An important part of the center will be mediation initiated by either tenants or landlords who are experiencing challenges. A third activity of the center will provide is to build and maintain a list of reputable landlords to which renters can be referred, as well as a list of "Ready to Rent" tenants.

Actions planned to develop institutional structure

Duluth At Work is a collaboration between the City of Duluth and Local Initiatives Support Corporation to help low income people find jobs and increase their income. Duluth At Work has agencies that prepare individuals for employment at for-profit businesses and low income neighborhood business owners to increase their revenue. The overall goal of Duluth At Work is to give participants significant training, hired, and increase their income by 25% while developing a positive work history over three years.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Duluth has a long history of collaborating with St. Louis County (SLC) in the delivery of funding and programming for the homeless. Community Development staff have established a strong partnership with SLC staff and have worked closely with them in developing the Heading Home St. Louis County 10-Year Plan to End Homelessness, establishing a governing body to oversee the 10-Year Plan—the Heading Home SLC Leadership Council, the Continuum of Care (CoC) process, and distribution and oversight of federal and state homeless funding that comes to the City and County, through HUD's CoC and ESG programming and through the state of Minnesota's Family Homeless Prevention and Assistance Program (FHPAP). City and County staff work closely with emergency shelters, transitional housing and other housing and homeless service provider agencies under the SLC CoC Process.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	241,525
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	241,525

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

NA

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City utilizes restrictive covenants to assure affordability during the required period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

NA

Emergency Solutions Grant (ESG)

Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

See ESG Written Standards Attachment.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The CoC coordinated with homeless providers and has developed a Coordinate Access System. The service providers have agreed under Coordinated Access to use the Service Prioritization Decision Assistance Tool (SPDAT) as a common assessment tool for all homeless persons. As part of the assessment all individuals and families looking to receiving housing assistance will first undergo a pre-screen administered by 2-1-1 United Way. This first step will help with prevention and diversion

and refer those in need to emergency shelter. The client will then be administered the Vulnerability Index (VI) SPDAT at determined entry points. This is a quick, condensed version of the SPDAT and will give the recipient a acuity score which will determine the appropriate housing solution. The score will assess what program the individual best fits and puts the individual on a wait list if not available units are available. The most vulnerable individuals receive priority for housing. Once matched with the appropriate housing, the client's case manager will administer the SPDAT. The SPDAT measures a variety of issues that can effects a persons stability. The categories can be tracked over time as the SPDAT is administered every 3 months or so. The SPDAT can be inputted into HMIS. This will allow service providers to track stability much more effectively and show with data the progress an individual or family is making toward housing stability.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The ESG process follows the CDBG/Home process.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Community Development Committee seeks out homeless or formerly homeless individuals to serve on the committee. The Committee has regularly had at least one homeless person appointed, and participates in the policy and funding decisions. Also the Heading Home Saint Louis County Leadership Council has homeless appointees and this groups helps to advise the funding of the ESG funds.

5. Describe performance standards for evaluating ESG.

See ESG Written Standards Attachment.

Discussion

**CITY OF DULUTH (City)
HOME PROGRAM HOMEOWNERSHIP ASSISTANCE,
HOMEBUYER ASSISTANCE, AND
RESALE GUIDELINES**

REVISED June 2014

The goal of the use of HOME funds is to create and preserve access to decent and affordable housing and homeownership opportunities for low and moderate income people who are often denied such opportunities for lack of financial resources. The City has determined that the most effective method for achieving this goal in Duluth is to utilize the land trust model of homeownership. The resale policies are related to Land Trust properties, and are intended to enhance the marketability of homes by making them affordable to low and moderate income families who, absent such provisions, would be unable to afford them.

Eligible Households: Homebuyers and homeowners must be low-income households defined as households whose income is more than thirty (30%) of the area median income, but 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).

Reasonable Range of Homebuyers: The range of Eligible Households that have been shown to be successful homebuyers based on the actual experience of programs assisting homebuyers in Duluth is between 20% and 80% of area median income as defined above.

Principal Residence: Homeowners and homebuyers must occupy the property as a principal residence for the duration of the affordability period.

Affordable Housing: Affordable housing 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.

Level of Subsidy: The minimum HOME investment in affordable housing will be no less than \$1,000 per-unit. The maximum per-unit subsidy will not exceed the per-unit dollar limitations established under section 221(d)(3)(ii) of the National Housing Act for elevator-type projects that apply to the Duluth area. Organizations conducting homeownership assistance.

Subsidy Type: HOME program assistance will be used to acquire and rehabilitate existing housing units for sale to eligible homebuyers, or to construction new homes for sale to eligible homebuyers. HOME assistance will be in the form of a grant.

Affordable Sale Price: Affordable Sale Price is defined as no more than the actual 95% of median sales price for the City of Duluth for the type of home being purchased. As circumstances warrant, and organization may set a sales price at less than 95% of median sales price.

Fair Return on Investment: Should the homeowner decide to sell the HOME assisted property during the affordability period, the homeowner is entitled to a Fair Return on their investment. The amount of the Fair Return on Investment is calculated at the time of the sale of the property. The following policies govern the resale of homeowners of land trust properties, and the methods for determining Fair Return on Investment.

Homeowners may sell, transfer, or otherwise dispose of their property only to buyers who are eligible households and only for an amount which is equal to or less than the Purchase Option Price (as defined below). Such transfers will be subject to the Land Trust's review.

If the homeowner has no specific buyer for the property, the homeowner will give the Land Trust notice of their intent to sell. If the Land Trust, upon receipt of the notice, doesn't exercise its option to purchase the property, the homeowner is free to sell in the open market to any party at not more than the then applicable Purchase Option Price (as defined).

If the prospective buyer is known (except in the case of a sale, transfer or other disposition to a permitted mortgagee in lieu of foreclosure) and the homeowner is contemplating a sale, transfer or disposition of the property, then not less than sixty (60) days prior to the planned closing, the homeowner will give the Land Trust (1) the tax return of the assignee or buyer for the immediately preceding year; (2) a current verification of assignee's or buyer's employment; (3) pay stubs of the assignee or buyer for the three months immediately preceding the month in which notice is given to the Land Trust; (4) a letter of stipulation from the assignee or prospective buyer in form provided by the Land Trust; (5) a letter of acknowledgment from the assignee or prospective buyer's attorney in the form provided by the Land Trust; and (6) a statement of the terms of sale. The homeowner will not accept a purchase offer until the Land Trust approves.

The Land Trust will have the option to purchase the property at the Actual Purchase Option Price. The Purchase Option Price is designed to help to preserve the affordability of the property to income qualified buyers while taking account a fair return of the investment of labor and capital by the homeowner. The Land Trust must notify the homeowner in writing within 45 days of their intent to purchase the property, and close within an additional 60 days.

Immediately before the purchase of the property by the homeowner, a market valuation was conducted by analysis and comparison of comparable properties. The Land Trust and the homebuyer agreed that this appraisal determined the market value of the property and the leased land.

When the homeowner notifies the Land Trust of their intent to sell, the homeowner pays for a current appraisal and submits it to the Land Trust (the "Current Appraised Value of the Home and Leased Land"). The Purchase Option Price, designed to ensure affordability to low and moderate income households, will be determined by the following formula. For the purpose of determining the Purchase Option Price, Appreciation in Market Value of the Home and Leased Land shall be determined by subtracting from the Current Appraised Value of the Home and Leased Land, the Initial Appraised Value of the Home and Leased Land. Below is a table for calculating Appreciation in Market Value of the Home and Leased Land:

Appraisal at Time of Sale	\$ _____
Minus Initial Appraised Value of the Home and Leased Land -	\$ _____
Equals Appreciation in Market Value of the Home and Leased Land	= \$ _____

For the purpose of determining the Purchase Option Price, the homeowner's Share of Appreciation in Market Value of the Home and Leased Land shall be determined by multiplying the Appreciation in Market Value of the Home and Leased Land by twenty-five percent. Following is a table for calculating Land Lessee's Share of Appreciation in Market Value of the Home and Leased Land:

Appreciation in Market Value of the Home and Leased Land		\$ _____
multiplied by Shared Appreciation Factor	x	<u>25%</u>
equals the Homeowner's Share of Appreciation in Market Value of the Home and Leased Land	=	\$ _____

The Purchase Option Price, which is also the Land Trust's option price to purchase the property, is determined by adding homeowner's Share of Appreciation in Market Value of the Home and Leased Land to Homeowner's Purchase Price. Following is a table for calculating the Purchase Option Price:

Homeowner's Purchase Price		\$ _____
plus Homeowner's Share of Appreciation in Market Value of Home and Leased Land	+	\$ _____
equals Purchase Option Price	=	\$ _____

The Purchase Option Price constitutes a fair return to the homeowner for the opportunity to enter the homeownership marketplace which would have been closed to them due to limited financial resources. If the Current Appraised Value of the Home and Leased Land is less than homeowner's Purchase Price, the Actual Purchase Option Price shall be the Current Appraised Value of the Home and Leased Land.

Qualified Capital Improvements: Qualified Capital Improvements means those certain improvements made at the homeowner's expense which add significant value to the property and which are capital in nature. Improvements which would

qualify as Qualified Capital Improvements include, without limitation: the construction of additions, rooms, garages, bathrooms and kitchen remodeling. However, expenditures for maintenance, such as roof replacement, and the updating or replacement of appliances such as furnaces, water heaters and kitchen appliances, would not qualify as Qualified Capital Improvements.

To determine the value of Qualified Capital Improvements, the homeowner submits to the Land Trust for its approval, and at the expense of the homeowner, detailed plans and an itemization of the anticipated costs for the proposed Qualified Capital Improvements. Homeowner, at the homeowner's expense, also submits to the Land Trust an appraisal of the proposed Improvements prepared by a qualified appraiser (who has been approved in advance by the Land Trust), showing the market value of the Improvements prior to construction, and an estimate of the market value of the Improvements assuming the construction of the proposed Qualified Capital Improvements are completed in conformance with construction plans. Within 20 days of receiving the plan, anticipated costs and the appraisal of the proposed Qualified Capital Improvements, Land Trust will notify the homeowner of its approval or disapproval of the construction of the proposed Qualified Capital Improvements.

Within 30 days after completion of the construction of the Qualified Capital Improvements, the homeowner will submit to the Land Trust an appraisal showing the market value of the Improvements, which appraisal may be an update of the pre-construction appraisal prepared by the same appraiser. This appraisal will also establish the difference in the market value of the Improvements based upon the value before construction and after completion of the Qualified Capital Improvements, and that difference in the market values constitutes the credit available to the homeowner upon any sale of the property. The entire amount of the homeowner's credit for Qualified Capital Improvements will be added to the Purchase Option Price.

In no event will the Credit for Qualified Capital Improvements raise the resale price of the property so that the property is no longer affordable to a buyer who is an eligible household whose annual income does not exceed eighty percent (80%) of Duluth's area median income as determined by HUD.

If the Land Trust reasonably believes that the value of the homeowner's Credit for Qualified Improvements at the time the homeowner proposes to sell the property is less than the value at the time of the completion of construction, the Land Trust, at its expense, may obtain a new appraisal of the Capital Improvements. If this appraisal does, in fact, show that the value of the Credit for Qualified Capital Improvements as previously computed is less than the value at the time of the proposed sale of the property (due to, for example, deterioration, obsolescence, etc.), the value of the Credit for Qualified Capital Improvements in the new appraisal will be used for purposes of determining the Purchase Option Price. Any disagreements that can't be settled by negotiation between the parties will be submitted to arbitration.

The Amended Purchase Option Price will be determined by adding homeowner's share of appreciation in market value of the property to the homeowner's Purchase Price for the property and the homeowner's Credit for Qualified Capital Improvements. Following is a table for calculating the Amended Purchase Option Price:

Purchase Option Price	\$ _____
Plus Homeowner's Credit for Qualified Capital Improvements	+\$ _____
Equals Amended Purchase Option Price	=\$ _____

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.

Period of Affordability

The period of affordability will be determined on the total amount of HOME funds invested in the housing, including any HOME program income. The required minimum affordability periods are as follows:

<u>HOME Assistance Per Unit</u>	<u>Minimum Period of Affordability</u>
Under \$15,000	5 Years
\$15,000 to \$40,000	10 Years
Over \$40,000	15 Years

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, including the written rehab standards incorporated into the "City of Duluth Housing Code Chapter 29A as amended by Ordinance 9462". All properties built prior to 1978 must

be assessed for the presence of lead-based paint, and lead hazards must be remediated.

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 Initial Purchase and After Rehabilitation

1. Properties will require an appraisal to determine value.
2. Appraised value (not purchase price) of HOME-assisted property to be acquired must not exceed the actual 95% of median sales price for the City of Duluth 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 actual 95% of median sales price. An after-rehabilitation value estimate must be completed prior to investment of HOME funds.

Enforcement of the Period of Affordability

The City of Duluth HOME written agreement with organizations will state the resale requirement will be utilized in accordance with this policy. Resale requirements will also be stated in the "Agreement Between the Participating Jurisdiction (*PJ*) and the Homebuyer" and signed by the homebuyer prior to purchase, in the form of which is attached. At a minimum, this Agreement states the amount of HOME subsidy, the period of affordability, the terms of occupancy required as principal residence, and the restriction of the property's sale to only HOME income eligible buyers during the period of affordability.

In the event of a possible foreclosure of a HOME assisted property, the City may use purchase option, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. For each home sold, organizations are required to file with the St. Louis County Recorder of Deeds a request for notice of foreclosure naming the City's Community Development Division as the party to be notified.

A restrictive covenant will be used to ensure compliance with the resale requirement, in the form of which is attached. The restrictive covenant will be

filed with the St. Louis County Recorder of Deeds and the requirements within shall be triggered upon sale or transfer of property records.

Guidelines for Resale

1. If the HOME assisted housing is transferred, voluntarily or otherwise during the period of affordability, there will be a resale restriction to ensure long-term affordability. The property must be made available for subsequent purchase only to a buyer that is an Eligible Household, and that buyer will occupy the property as their principal residence.
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 annual income that is more than 30%, but less than 80% of the median income for the area, adjusted for family size.
3. 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.
4. 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.
5. Resale provisions are triggered in the event that the house is sold or occupied by other than the new purchaser during the period of affordability. Non-compliance with the residency requirement will require the immediate payback of HOME funds invested in the property unless the house is sold to an eligible household.
6. Upon a resale, the organization must ensure and document that the seller receives a Fair Return on the sale of the property as defined above, including the value of Qualified Capital Improvements.
7. If, after the seller receives a Fair Return, the sale price is not affordable to a new Eligible Household, the City may provide additional HOME funds to assist the subsequent buyer. If new HOME funds are provided, the period of affordability will be extended in accordance with HOME regulations.
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 homeownership 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 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" 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.

**Written Standards for Provision of ESG Assistance
In St. Louis County and the City of Duluth**

1. **Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG**
 - a. The City of Duluth does not prioritize who is served with ESG. Clients are served as received.
 - b. Per 24 CFR 576.401: ESG sub-recipients must conduct an initial evaluation to determine each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. All ESG sub-recipients will follow federal documentation guidelines to establish the client's status as homeless or at-risk of homeless and their income eligibility. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §576.400(d).
 - i. The St. Louis County Continuum of Care (CoC) is developing a common assessment tool to be used by all agencies that receive ESG, CoC and other sources of homeless program funding. The tool creates consistency in client assessment at intake and provides basis for appropriate agency referral.
 - ii. ESG sub-recipients must re-evaluate program participant's eligibility and the types and amounts of assistance the participant needs;
 1. Not less than once every 3 months for participants who are receiving homelessness prevention assistance, and
 2. Not less than once annually for participants who are receiving rapid re-housing assistance.
 - iii. At the sub-recipient's discretion, re-evaluations may be conducted more frequently than required by 24 CFR 576.401 and may also be incorporated into the case management process which must occur not less than monthly for homeless prevention and rapid re-housing participants – See 24 CFR 576.401(e) (i). Regardless of which timeframe is used, re-evaluations, must at minimum, establish that:
 1. The program participant does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; and the program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance. To determine if an individual or family is income eligible, the sub-recipient must examine an individual or family's annual income to ensure that it does not exceed the most current HUD income limits applicable to St. Louis County and the City of Duluth. Note: Annual income must be below 30% at the time of the initial evaluation.

2. When the program participant's income or other circumstances change, such as change in household composition, that affects the program participant's need for assistance under ESG, the sub-recipient must then re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.
- iv. Sub-recipients must assist each program participant, as needed, to obtain appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; housing stability case management; and other Federal, State, local, or private assistance available to assist the program participant in obtaining housing stability including:
 1. Medicaid
 2. Supplemental Nutrition Assistance Program
 3. Women, Infants and Children (WIC)
 4. Federal-State Unemployment Insurance Program
 5. Social Security Disability Insurance (SSDI)
 6. Supplemental Security Income (SSI)
 7. Child and Adult Care Food Program,
 8. Minnesota Family Investment Program (MFIP),
 9. General Assistance Program (GA), and
 10. Other mainstream resources such as housing, health, social services, employment, education services and youth programs that an individual or family may be eligible to receive

2. Standards for targeting and providing essential services related to street outreach

- a. The City of Duluth does not target ESG funding to geographic areas or client populations. ESG sub-recipients are selected through a request for proposal process based on service provision. No duplication of service by sub-recipient is anticipated in the St. Louis County area of operation.
- b. ESG funding may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term “unsheltered homeless people” means individuals and families who qualify as homeless under paragraph (1) (i) of the “homeless” definition under 24 CFR Part 576.2. As outlined in 24 CFR Part 576.101, essential services consist of:
 - i. Engagement;
 - ii. Case management;

- iii. Emergency health services – only when other appropriate health services are inaccessible or unavailable within the area;
 - iv. Emergency mental health services – only when other appropriate mental health services are inaccessible or unavailable within the area;
 - v. Transportation; and
 - vi. Services for special populations.
- c. ESG sub-recipients must determine an individual's or family's vulnerability and unwillingness or inability to access emergency shelter, housing, or an appropriate health facility, prior to providing essential services under this component to ensure that ESG funding is used to assist those with the greatest need for street outreach assistance.

3. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters

a. Emergency Shelter Definition

The term Emergency Shelter was revised by 24 CFR Part 576.2 to mean “any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. This definition excludes transitional housing. However, projects that were funded as an emergency shelter (shelter operations) under the FY 2010 Emergency Shelter Grants program may continue to be funded under the emergency shelter component under the Emergency Solutions Grants program, regardless of whether the project meets the revised definition.

b. Admission, Diversion, Referral and Discharge

Shelter stays should be avoided, if possible, and when not possible, limited to the shortest time necessary to help participants regain permanent housing. Consistent with Section (a) of this document, ESG sub-recipients must conduct an initial evaluation of all individuals or families to determine if they should be admitted to an emergency shelter, diverted to a provider of other ESG-funded components, such as rapid re-housing or homeless prevention assistance, or referred for other mainstream resources.

- c. ESG sub-recipients must determine that individuals and families meet category (1), (2), (3), or (4) of the Homeless Definitions listed below and rate the individual's or family's vulnerability to ensure that only those individuals or families that have the greatest need for emergency shelter assistance receive ESG funded assistance.

- i. Category 1 – Literally Homeless
- ii. Category 2 – Imminent Risk of Homeless
- iii. Category 3 – Homeless Under Other Federal Statutes

iv. Category 4 – Fleeing/Attempting to Flee DV

- d. ESG sub-recipients must also reassess emergency shelter participants, on an ongoing basis, to determine the earliest possible time that they can be discharged to permanent housing. All persons discharged from emergency shelters will have their exit status entered into either HMIS and will be provided discharge paperwork as applicable or upon request.
- e. Safety and Shelter Needs of Special Populations
 - i. ESG funding may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under the regulations for the emergency shelter component found at 24 CFR Part 576.102.
 - ii. Consistent with ESG recordkeeping and reporting requirements found at 24 CFR Part 576.500, ESG sub-recipients must develop and apply written policies to ensure the safety of program participants through the following actions:
 - 1. All grantees and sub-grantees will take appropriate measures to provide for client confidentiality. Grantees and sub-grantees will develop and implement procedures to guarantee the confidentiality of records concerning program participants. All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and receives ESG assistance will be kept secure and confidential.
 - 2. The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter, and
 - 3. The address or location of any housing of a program participant, including youth, individuals living with HIV/AIDS, victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing will not be made public, except as provided under a preexisting privacy policy of the sub-recipient and consistent with state and local laws regarding privacy and obligations of confidentiality
 - iii. In addition, ESG sub-recipients must adhere to the following ESG shelter and housing standards found at 24 CFR Part 576.403 to ensure

that shelter and housing facilities are safe, sanitary, and adequately maintained:

1. Lead-Based Paint Requirements. The Lead-Based Paint Poisoning Prevention Act applies to all shelters assisted under ESG program and all housing occupied by program participants. All ESG sub-recipients are required to conduct a Lead-Based Paint inspection on all units receiving assistance under the rapid re-housing AND homelessness prevention components if the unit was built before 1978 and a child under age of six or a pregnant woman resides in the unit.
2. Structure and Materials. The shelter building should be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents.
3. Access. The shelter must be accessible, and there should be a second means of exiting the facility in the case of emergency or fire.
4. Space and Security. Each resident should have adequate space and security for themselves and their belongings. Each resident must have an acceptable place to sleep.
5. Interior Air Quality. Each room or space within the shelter/facility must have a natural or mechanical means of ventilation. The interior air should be free of pollutants at a level that might threaten or harm the health of residents.
6. Water Supply. The shelter's water supply should be free of contamination.
7. Sanitary Facilities. Each resident should have access to sanitary facilities that are in proper operating condition. These facilities should be able to be used in privacy, and be adequate for personal cleanliness and the disposal of human waste.
8. Thermal Environment. The shelter/facility must have any necessary heating/cooling facilities in proper operating condition.
9. Illumination and Electricity. The shelter/facility should have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There should be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.
10. Food Preparation. Food preparation areas, if any, should contain suitable space and equipment to store, prepare and serve food in a safe and sanitary manner.
11. Sanitary Conditions. The shelter should be maintained in a sanitary condition.
12. Fire Safety-Sleeping Areas. There should be at least one working smoke detector in each occupied unit of the shelter facility. In addition, smoke detectors should be located near

sleeping areas where possible. The fire alarm system should be designed for a hearing-impaired resident.

13. Fire Safety-Common Areas. All public areas of the shelter must have at least one working smoke detector.

4. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter

- a. The St. Louis County Continuum of Care, CoC, has developed a common assessment tool used by all agencies that receive ESG, CoC, and other sources of homeless program funding. The tool creates consistency in client assessment at intake and provides basis for appropriate agency referral.
- b. Upon completion of the common assessment, ESG sub-recipients use that system to help determine an individual or families need for emergency shelter or other ESG-funded assistance.
- c. ESG funding may be used to provide essential services to individuals and families who are in an emergency shelter. Essential services for participants of emergency shelter assistance can include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.
- d. ESG sub-recipients are responsible to assess an individual or family's initial need for emergency shelter and must re-assess their need on an ongoing basis to ensure that only those individual or families with the greatest need receive ESG-funded emergency shelter assistance. Shelters that serve families must serve all eligible families and may not refuse services based on the age of children or the size of the family.
- e. Client re-assessment will take place at the participant level and at the service provider level. Clients meet with case managers throughout their participation in the program, and have regular progress evaluations. Clients have opportunity to provide assessment and feedback of programs as well.
- f. The St. Louis County Continuum of Care has an ongoing system for program and service evaluation and improvement through the Heading Home Leadership Council, Affordable Housing Coalition, and Rural Housing Coalition. These meetings of case managers, administrative staff, and County staff create forums for program discussion, evaluation, and improvement. Agencies participating in the St. Louis County Continuum of Care share best practices in client service provision and refine service delivery based on feedback from CoC participants and clients.

5. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing

assistance providers, other homeless assistance providers, and mainstream service and housing providers

- a. Coordination to assist the homeless and prevent homelessness comes through collaboration among the Heading Home Leadership Council, St. Louis County Continuum of Care service providers, Rural Housing Coalition, Affordable Housing Coalition, and staff of St. Louis County and City of Duluth. Active engagement in the CoC and Rural or Affordable housing coalition is strongly encouraged.

6. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance

- a. ESG-funded agencies will be responsible for ensuring that potential participants are served in order of contact, with provisions for priority service for eligible households who meet priority criteria set forth by the agency.
- b. The key to the success of the continuum of care strategy is in the common screening and assessment process developed by the St. Louis County Continuum of Care. Screening and assessment thoroughly explores a family's or individual's situation and pinpoints their unique housing and service needs. Based upon the assessment, families and individuals should be referred to the kinds of housing and services most appropriate to their situations and need.
- c. The common assessment tool aids matching individuals and families with the most appropriate assistance. Under homelessness prevention assistance, funding is available to individuals and families below 30% of Area Median Income (AMI), and are homeless or at risk of becoming homeless.
- d. ESG funding can be used to prevent an individual or family from becoming homeless and regain stability in current housing or other permanent housing. Rapid re-housing funding is available to aid those who are literally homeless progress toward permanent housing and achieve housing stability.
 - i. Homeless Prevention Households will be re-certified for continued eligibility every 3 months.
 - ii. Rapid Re-Housing Households will be re-certified annually.

7. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance

- a. Standards for both homelessness prevention and rapid re-housing for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following:

- i. Clients receiving rental assistance are expected to contribute 30% of their income toward the unit's rent. The St. Louis County ESG Program does not require a minimum client contribution.
- ii. Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the current Fair Market Rent limit, established by HUD.
- iii. The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units. See 24 CFR 574.320.
- iv. The rental unit must meet minimum habitability standards found at 24 CFR 576.403.
- v. There must be a rental assistance agreement and lease between the property manager and tenant as well as the owner of property and ESG sub-recipient.
- vi. No rental assistance may be made to an individual or family that is receiving rental assistance from another public source for the same time period.
- vii. Rental assistance may not be provided to a participant who is currently receiving replacement housing payments under Uniform Relocation Assistance

- b. Per 24 CFR 576.106 (e), ESG sub-recipients may make rental assistance payments only to an owner with whom the sub-recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the sub-recipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.

8. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time

- a. Subject to the general conditions under 24 CFR 576.103 and 24 CFR Part 576.104, ESG sub-recipients may provide a program participant with up to 24 months of rental assistance during any 3-year period. This assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.
- b. Short-term rental assistance is assistance for up to 3 months of rent. Medium-term rental assistance is assistance for more than 3 months but not more than 24 months of rent. Payment of rental arrears may consist of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.

- c. The maximum amount of rental assistance provided and, an individual or family's level of responsibility for rent payments, over time, shall be determined by the ESG sub-recipient and shall be reflective of the individual or family's need for rental assistance and the level of financial resources available to the ESG sub-recipient.
 - d. Rental assistance will end if and when other subsidy begins, such as Section 8 Housing Choice Voucher, public housing, or project based rental subsidy.
 - e. Guidance from the Heading Home Leadership Council, Affordable Housing Coalition, and Rural Housing Coalition will aid with evaluation and modification of rental assistance based on community need, outcomes, and available budget within the HUD guidelines.
9. **Standards for determining the type, amount, and duration of housing stabilization and relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance; or the maximum number of times the program participants may receive assistance**
- a. Subject to the general conditions under 24 CFR 576.103 and 24 CFR Part 576.104, sub-recipients may use ESG funding to pay housing owners, utility companies, and other third parties for some or all of the following costs, as allowed under 24 CFR 576.105:
 - i. Rental application fees
 - ii. Security deposits
 - iii. Last month's rent
 - iv. Utility deposits
 - v. Utility payments
 - vi. Moving costs, and
 - vii. Some limited services costs
 - b. Consistent with 24 CFR 576.105 (c), ESG sub-recipients determine the type, maximum amount and duration of housing stabilization and relocation services for individuals and families who are in need of homeless prevention or rapid re-housing assistance through the initial evaluation, re-evaluation and ongoing case management processes.
 - c. Consistent with 24 CFR 576.105(d), financial assistance for housing stabilization and relocation services cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who

has been provided with replacement housing payments under the Uniform Relocation Act (URA) during the period of time covered by the URA payments.

