Attachments
Citizen Participation Comments

Community Development Committee Meeting Summary

Tuesday, December 03, 2019, 5:30 p.m.
Room 330, Duluth City Hall

1. Call to Order and Roll Call
   Chair Hamilton Smith called the meeting to order at 5:30 pm
   Roll Call
   Attending: Hamilton Smith, Patricia Sterner, Noland Makowsky, and Mark Osthun
   Absent: Daris Nordby, Valerie Joeckel, and Breanna Ellison
   Staff Present: Ben VanTassel, Suzanne Kelley, Mollie Hinderaker

2. Approval of Meeting Summary
   MOTION/Second: Makowsky/Osthun moved to approve the meeting summary from November 19, 2019. Vote (4-0)

3. Staff Summary: Public Comment Period, Comments Received:
   City staff, Suzanne Kelley, passed out the final public comments received that were sent out via email prior to the meeting. There were no questions on any public comments received.

   Chair Smith opened up the public hearing.
   Evan Flom from the Seeds of Success Program through Community Action Duluth (CAD) was in the audience and asked to speak about the program. He stated that the Seeds of Success program focuses on increasing food access for lower income residents by establishing multiple farmers markets throughout the year. Seeds of Success also puts on a kids program and an EBT match program giving more people access to fresh foods. Flom stated that they are gearing to expand Seeds of Success by implementing a transitional employment program. This additional employment focus would build capacity and create opportunity for individuals who typically see barriers to employment.
   Sterner inquired how this expansion could work with other employment programs existing in the community.
Flom replied that Stream Corps is an existing program through CAD which already offers similar employment opportunities. Seeds of Success would model this new transitional employment position after this pre-existing program.

Smith asked if there was an education component to the Seeds of Success program and if they ever worked with dieticians.

Flom explained that there are educational components that they incorporate into the site. For example, they do cooking demonstrations at the Hillside farmers market in partnership with Essentia Health, which might include working with professional dieticians. The Duluth Community Garden Program is also a partner that helps provide fresh food education to program users.

With no other speakers signed up or members of the audience wanting to make a public comment, Chair Smith closed the public hearing.

5. Finalize Committee Recommendation: FY2020 Annual Action Plan:

City staff, Benjamin VanTassel, gave a brief overview of the process to finalize the FY2020 Action Plan. After the meeting tonight, the Committee will have finalized their funding recommendation, which will then be presented to City Council for review. VanTassel reminded the Committee that the funding recommendations are currently based on estimates and that the City would know the exact funding totals after the Congressional budgeting process was complete. VanTassel reminded the Committee that because of this, the Committee would also have to decide on a contingency plan, laying out how they will address changes in the actual budget compared to the recommendations based on estimates.

Makowsky asked for a reminder on what the funding pre commitments were for the FY2020 Action Plan.

VanTassel stated that two housing projects were funded with pre-committed funds, Decker Dwellings and Birchwood Apartments, and that both of these projects secured funding from Minnesota Housing Finance Agency.

Suzanne Kelley emphasized that it is relatively rare for Duluth to get two projects funded by the State in one year and that the pre committed CDBG funds allocated by the Committee most likely helped in each respective scoring process.

Chair Smith stated that the Committee would finalize the funding recommendations by category and would open up each category for discussion before finalizing.

CDBG – Affordable Housing

Sterner introduced an idea addressing the two Ecolibrium3 projects in this category, Duluth Energy Efficiency Program (DEEP) and Specialized Improvement Area (SIA) Blight Reduction. Sterner explained that instead of funding the SIA Blight Reduction program at such a reduced rate compared to the request, the Committee could transfer those dollars to DEEP and make it more close to being fully funded. She suggested reaching out to Ecolibrium3 to get their opinion on how it would affect each program.

VanTassel explained that it is unlikely we would get an immediate answer but could reach out retroactively after finalizing the Committee’s funding recommendation and before presenting to City Council.
MOTION/Second: Sterner/Makowsky moved to approve the funding recommendations for the CDBG Affordable Housing category with no changes. **Vote (4-0)**

**CDBG – Economic Development**

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the CDBG Economic Development category with no changes. **Vote (3-0) Abstain (1- Makowsky)**

**CDBG – Public Facilities**

Chair Smith commented that after hearing from the agency during the public comment period, the Chester Bowl chalet renovation project was satisfactory in terms of project readiness and timeliness.

MOTION/Second: Sterner/Makowsky moved to approve the funding recommendations for the CDBG Public Facilities category with no changes. **Vote (4-0)**

**CDBG – Public Services**

Sterner commented that despite many of the projects not receiving full funding, largely due to the 15% cap for this category, the recommendations as they stand seemed fair.

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the CDBG Public Services category with no changes. **Vote (3-0) Abstain (1- Makowsky)**

**HOME Investment Partnership**

MOTION/Second: Sterner/Osthus moved to approve the funding recommendations for the HOME Investment Partnership category with no changes. **Vote (4-0)**

**Emergency Solutions Grant**

MOTION/Second: Makowsky/Sterner moved to approve the funding recommendations for the Emergency Solutions Grant category with no changes. **Vote (4-0)**

**Planning and Administration**

Makowsky asked for clarification on what Neighborhood Revitalization Planning was and why this part of the request was not being funded.

VanTassel explained that in the past, Planning and Administration funds were able to go towards additional planning efforts rather than solely towards staff time. Spending money this way is not currently viable. If these funds are available in the future, the City would submit an application for this category.

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the Planning and Administration category with no changes. **Vote (4-0)**

After finalizing the funding recommendations for the FY2020 Annual Action Plan, Chair Smith opened up the discussion to establish a contingency plan addressing any changes between actual funding amounts from HUD and the estimated budget.

Sterner proposed the following contingency plan:
- If the official funding amount from HUD is equal to or smaller than a -1 percent difference compared to the estimates, all projects will be reduced an equal amount of funding per respective funding category, i.e. CDBG, ESG, and HOME.
- If the official funding amount from HUD is equal to or smaller than a +1 percent difference compared to the estimates, all projects that have not received full funding will receive an equal and additional amount of funding per respective funding category.
- If the official funding amount from HUD exceeds a +/-1 percent difference compared to the estimates, the Committee will reconvene to discuss changes to the funding recommendations for each respective funding category.

After some discussion over alternatives, the Committee decided to move forward with Sterner’s proposed plan.

**MOTION/Second:** Osthus/Sterner moved to approve the Contingency Plan proposed above.

**Vote (4-0)**

6. **Finalize Committee Recommendation: FY2020-2024 Consolidated Plan:**
Kelley gave a brief overview of the FY2020-2024 Consolidated Plan as a 5-year plan to help guide HUD funding for the City. Similar to the FY2020 Action Plan, the Consolidated Plan went through an initial public hearing process and will be presented to City Council for final review.

**MOTION/Second:** Sterner/Makowsky moved to approve the draft FY2020-2024 Consolidated Plan. **Vote (4-0)**

7. **Committee of the Whole with City Council- Date and Process:**
VanTassel explained that he is still working on scheduling a date for Committee of the Whole with City Council. Potential dates include January 13, 2020 or January 27, 2020. VanTassel further stated that in the past, Committee members met before the Council meeting and discussed which member would present on each topic.

Smith stated that he would like to make preliminary assignments tonight. The Committee agreed upon the following preliminary assignments:
- Smith- Brief overview of all categories (CDBG, ESG, HOME), CDBG-Public Services, CDBG-Public Facilities
- Sterner- CDBG-Affordable Housing, CDBG- Economic Development,
- Osthus- ESG
- Makowsky- HOME

Chair Smith stated that if other committee members can attend, assignments could change.

8. **Draft 2020 Meeting Schedule:**
VanTassel overviewed the draft 2020 meeting schedule emphasizing the meeting night in 2020 will revert to the fourth Tuesday of the month. The next meeting is scheduled for Tuesday January 28, 2020 however, if the Committee of the Whole with City Council date is scheduled for Monday January 27, 2020, there is potential to combine both meetings into one night.

9. **Adjourn (Next meeting January 28, 2020)**

**MOTION/Second:** Makowsky/Sterner to adjourn the meeting at 6:35 pm. **Vote (4-0)**
Community Development Committee Meeting Summary

Tuesday, May 5, 2020, 5:30 p.m.
Special Virtual Meeting – Web-Ex

1. Call to Order and Roll Call
Chair Hamilton Smith called the meeting to order at 5:41 pm

Roll Call
Attending: Hamilton Smith, Patricia Sterner, Valerie Joeckel, and Breanna Ellison

Absent: Mark Osthus

Staff Present: Ben VanTassel, Suzanne Kelley, Mollie Hinderaker

2. Review of Virtual Meeting Protocol and Process
Manager Ben VanTassel provided an overview of the virtual meeting process; he explained that the meeting was available for people to attend virtually and individuals would have the option to provide comments during the public hearings either through the Web-Ex system or by email that was actively being monitored during the meeting. Manager VanTassel stated that a virtual public input session was held on April 30, 2020, which was attended by 45 individuals. Comments from this session and emails from the public that were received by City Staff relating to the public hearings on this agenda were sent to Committee members earlier.

3. Public Hearing on Proposed Revisions of the Citizen Participation Plan
Manager VanTassel explained that HUD was allowing communities to revise their Citizen Participation Plan to incorporate a process relating to Infectious Disease Response that would permit virtual meetings and reduce the public comment period to 5 days.

Chair Smith opened the public hearing for comments.
With no speakers signed up or members of the audience wanting to make a public comment, no additional comments were provided.
Chair Smith closed the public hearing.

MOTION/Second: Sterner/ Joeckel moved to approve the revisions to the Citizen Participation Plan with no changes. Vote (4-0)

4. Public Hearing on FY2019 Annual Action Plan: Priorities for CDBG-CV and ESG-CV funding from HUD to be used to prevent, prepare for, and respond to COVID19
Manager VanTassel explained that as part of the March 27, 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the City of Duluth would be receiving an additional $1,427,448 in CDBG funds and $719,669 in ESG funds to be used for the prevention, preparation, and response to COVID-19 pandemic. City staff has been working with HUD to
expedite the process so that these dollars would be available faster than the traditional five-month process. HUD recommended that the City amend the 2019 Action Plan and provide a general description of how the funds would be used in the HUD specified Goals. City Staff recommended funding the following the goals: Public Facility, Public Service, Job Training, Business Assistance, Rapid Rehousing/Tenant Based Rental Assistance, Homeless Prevention, Emergency Shelter and Outreach, and Staff Administration.

Chair Smith opened the public hearing for comments.

- Katie Danielson, the Homeless Liaison for the ISD 709 School District described the need and importance of providing childcare.
- Pam Kramer, the Executive Director for LISC, stated that it was important to address diversity and insure people of color, indigenous people, single parents, and very low-income people were included in the process.
- Jodi Slick, CEO of ECO3, explained food insecurity, mental health, and improved access to technology including data plans and devices needed to be addressed. She also explained how businesses in Lincoln Park and other areas would need assistance.

With no other speakers signed up or members of the audience wanting to make additional public comments, Chair Smith closed the public hearing. Committee members discussed the proposed goals. Specific comments included:

- What agencies would be able to apply for funds? Manager VanTassel stated that staff expected agencies currently receiving HUD funds would be applying, as well as agencies that normally do not receive funds. He explained that City Staff would be increasing outreach efforts to increase participation in utilizing these funds.
- Members discussed the importance of technology and the widening gap occurring in the underrepresented population. Technology is becoming more essential with jobs, education, and doctor appointments.

**MOTION/Second:** Sterner/Joeckel moved to approve the 2019 Action Plan amendment with an emphasis being provided on technology and childcare. **Vote (4-0)**

4. **Public Hearing on the FY2020 Action Plan Final Funding Amounts:**
Manager VanTassel informed the Committee that HUD was providing additional funding for the 2020 program year. The specific increases and recommended projects for the increase included:

- Total Community Development Block Grant (CDBG) Program: $2,426,497
- Housing Decker Dwellings- One Roof Community Housing $316,035 (increased $41,035)
- Program Administration CDBG Program Administration- City of Duluth $485,299 (increased $10,258)
Total HOME Investment Partnerships Program: $549,739
Homeless Rental Assistance (TBRA) - Duluth HRA $94,766 (increased $7,771)
HOME Program Administration - City of Duluth $47,473 (increased $862)

Total Emergency Solutions Grants Program: $208,704
Rapid Rehousing & Prevention – City of Duluth $77,052 (increased $7,456)
ESG Program Administration - City of Duluth $15,652 (increased $604)

Chairperson Smith opened the public hearing for comments.
- Jeff Corey, Executive Director for One Roof explain the additional funds were needed for the Decker Dwellings project to address a $280,000 construction gap that was due to increase in construction costs.
- Chair Smith asked about the affordability of the units.
- Mr. Corey responded that there would be nine Section 8 units, approximately half of the units in the development would be 50% AMI, some units would be for up to 80% AMI, the average of all the units would be 60% AMI.

With no other speakers signed up or members of the audience wanting to make additional public comments, Chair Smith closed the public hearing.

MOTION/Second: Joeeckel/Sterner moved to approve the 2020 Action Plan Final Funding Amounts Recommendations. Vote (4-0)

5. Public Hearing on Substantial Amendment to FY 2015 Annual Action Plan:
Manager VanTassel informed the Committee that the CHUM Employment Services project described in the 2015 Action would not be going forward, therefore that project would have to be canceled in the 2015 Action Plan and the committed funds would need to be directed to another project. City Staff recommended the $64,000 committed to the project be allocated to the Decker Dwelling Project.

Chair Smith opened the public hearing for comments.
With no speakers signed up or members of the audience wanting to make a public comment, no additional comments were provided.
Chair Smith closed the public hearing.

MOTION/Second: Sterner/Ellison moved to approve the Substantial Amendment to the FY 2015 Annual Action Plan. Vote (4-0)

6. Overview of FY 2021 Funding Process and upcoming business
Manager VanTassel informed the Committee that City Staff was developing a schedule for the 2021 Funding process and that more information would be provided later.
9. **Adjourn**

**MOTION/Second:** Sterner/Ellison to adjourn the meeting at 6:45 pm. **Vote (4-0)**
City of Duluth
Community Planning Division

Resale and Recapture Policies – November 2017

The City of Duluth Community Planning Division (CPD) must ensure that HOME investments yield affordable housing over the long term. HOME regulations impose occupancy requirements over the length of an affordability period. If a house purchased with HOME funds is sold during the affordability period, recapture or resale provisions consistent with 24 CFR 92.253 shall apply to ensure the continued provision of affordable homeownership. 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.

Community Planning requires that Resale provisions be used in the event that only a Development Subsidy is used to make the home affordable (i.e., funding acquisition and/or construction to the developer through a Community Land Trust [CLT] program). In a project where both Development and Direct subsidies are provided, recapture provisions shall apply. The policies and procedures set forth herein supersede those adopted and effective as of June 2014.

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Either recapture or resale provisions must be detailed and outlined in accordance with 24 CFR 92.254 in marketing brochures, written agreements and all legal documents with homebuyer.
Either recapture or resale may be used within a project, not both. Combining provisions to create “hybrids” is not allowed. Community Land Trust (CLT) properties shall be subject to the Resale provisions.

ELIGIBLE PROPERTIES

Eligible Property Types and Forms of Ownership

1. The property can be an existing property or newly constructed.
2. The property can be privately or publicly held prior to sale to the homebuyer.
3. An eligible property may include a single-family property (one unit) to four-unit property, a condominium unit, a manufactured or mobile home, or a cooperative or mutual housing unit.
4. Homeownership means ownership in fee simple title, a 99-year leasehold interest, ownership in a cooperative or mutual housing unit, or an equivalent form of ownership approved by HUD.

Property Standards

1. Any property acquired under the HOME Program Homeownership Assistance program must meet all applicable State and local housing quality standards and code requirements, 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, lead hazards must be remediated, proper procedures must be followed for lead safety during construction, and lead disclosures must be provided to any future homebuyers.
2. Any housing acquired for homeownership shall be decent, safe, sanitary, and in good repair. If the housing does not meet these standards, it must be rehabilitated before it can be acquired by the homebuyer, per the requirements of 92.251(c)(3).

RECAPTURE REQUIREMENTS

The Community Planning Division of the City of Duluth (CP) has adopted a recapture provision for all homebuyer Activities using HUD HOME Funds as a Direct Homebuyer Subsidy or if the project includes both a Direct and Development Subsidy. These provisions ensure that CP recovers all or a portion of the HOME assistance to the homebuyer when the unit is transferred, either voluntarily or involuntarily during the period of affordability.

Non-compliance: instances of non-compliance, where the homeowner ceases to use the property as their principal residence, require full repayment of the HOME Investment.

CP shall reduce the HOME investment amount to be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the entire affordability period (i.e., a forgivable period). The HOME subsidy will be forgiven annually upon the anniversary of the closing date (e.g.
1/5 of HOME subsidy forgiven each year for five-year affordability period on the anniversary of the closing date.

Share: Net Proceeds Basis

CP will recapture the HOME subsidy on a prorate basis should the homeowner sell or otherwise transfer the unit during the period of affordability. The amount subject to recapture will be capped at the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionately as set forth in the following formulas:

\[
\begin{align*}
\text{HOME Investment} & \quad \times \quad \text{Net proceeds} \\
\text{HOME Investment} - \text{Homeowner Investment} & = \text{HOME amount to be recaptured} \\
\text{Homeowner Investment} & \quad \times \quad \text{Net proceeds} \\
\text{HOME Investment} + \text{Homeowner Investment} & = \text{amount to homeowner!}
\end{align*}
\]

Under the recapture provision, the amount subject to the affordability period includes the amount provided directly to, or on behalf of the homeowner, including down payment, closing costs, and/or direct loan plus any HOME assistance that lowers the cost of the home below market price (i.e., the difference between the market value of the home and what it actually sold for).

RESALE GENERAL PROVISIONS

Resale provisions require the homeowner to sell to another low-income homebuyer (an "Eligible Household"), or when necessary to preserve affordability, to a Community Land Trust. The resale requirement must ensure that the price at resale provides the original HOME-assisted owner a fair return on investment and ensure that the housing will remain Affordable to a Reasonable Range of low-income homeowners for the Affordability Period, as defined below.

Homeowner's Resale Requirements undertaken where the resale provision applies will use deed restrictions, covenants running with the land, or other similar mechanisms per 92.254(q)(5)(i)(A) to ensure the resale requirements are met and enforceable during the Affordability Period.

Affordable to a Reasonable Range of low-income homebuyers: Housing that is affordable to a family earning between 30% and 80% AMI, who will pay no more than 30% of their gross income for PITI (Principal, Interest, Tax, and Insurance).

RESALE REQUIREMENTS (NON CLT)

Fair Return on Investment: A homeowner can sell the home during the Affordability Period and is entitled to a fair return on their investment. CP shall use as an objective standard the percentage of the change in mid-year sales prices in the homeowner's census tract over the period of ownership. The fair return on investment shall also include:

- The homeowner's original investment (i.e., any down payment).
- Capital improvements made by the homeowner that add value to the property and were constructed upon issuance of a Building Permit issued by the City of Duluth Construction Services Division.
- Routine maintenance or replacement of appliances, major or minor, that do not constitute a capital
improvement. The value of capital improvements shall be based on the actual costs of the improvements as documented by the homeowner’s receipts.

Guidelines for Resale (Non CLT):

1. Resale. If the HOME assisted housing is transferred, voluntarily or otherwise, during the Affordability Period, there will be a resale restriction to ensure long-term affordability. The original HOME-assisted homebuyer is entitled to a Fair Return on Investment. The property must be made available for subsequent purchase to a buyer that is an Eligible Household, and that buyer must occupy the property as their principal residence.

2. Deed Restriction. At time of original development, all HOME assisted properties shall have had separately recorded deed restrictions consistent with 24 CFR 92.254(a)(5)(i)(A). Deed restrictions must be reviewed by the City as to duration and other Resale Requirements during the resale process.

3. Written Agreement. The Homebuyer Written Agreement between the homebuyer and CP shall be maintained by CP, whether CLT property or otherwise. The resale process shall include execution of an updated Homebuyer Written Agreement.

4. Affordability Period. Properties must be affordable to the first purchaser and all subsequent purchasers for the entirety of the Affordability Period. Purchasers must be determined to be Eligible Households during the Affordability Period.

5. Eligible Households, Extends on, if the property is sold within the Affordability Period, the subsequent purchaser must also be an Eligible Household that will occupy the property as their principal residence. If the property is sold within the second half of the affordability period, the City may elect to require an additional five-year Affordability Period for the property.

6. Principal Residence. If the property does not continue to be the principal residence of an Eligible Household for the duration of the Affordability Period, this is considered non-compliance, and all HOME funds invested in the property must be repaid.

7. Fair Return on Investment. Upon resale, CP must ensure and document that the seller receives a Fair Return on Investment. Subsequent sales price is based on original purchase price plus the homeowner’s fair return. However, in a declining market, it may not be possible for the homeowner to receive his/her full fair return on investment. If the original purchase price plus the fair return is more than a subsequent purchaser can afford, CP may provide additional HOME assistance.

8. Additional HOME funds. If, after the seller receives a Fair Return on Investment, the sale price is not affordable to a new Eligible Household, the City may elect to provide additional HOME funds to assist the subsequent buyer through down-payment or second mortgage assistance. If new HOME funds are provided, the period of affordability must be extended in accordance with HOME regulations.

CLT RESALE REQUIREMENTS
In a CLT model of ownership, the homeowner only owns the improvements (house/buildings) on the land and the CLT owns the land underneath, which they lease to the homeowner.

Since the CLT model through the CLT land lease limits the sale price to subsequent buyers and includes rights of first refusal by the CLT, using a recapture provision will not meet the HOME requirements. Therefore, CP will use Resale Provisions to meet the HOME requirements for CLT properties. The HOME assistance will be used to pay development gaps, land costs and/or to provide affordability gap funds directly to the homebuyer.

After each Eligible Household has been determined to meet all of the requirements for approval, the applicable entity will execute a Declaration of Covenant and Restrictions (the “Covenant”) with CP to impose restrictions upon the CLT property. The Covenant shall be filed on the property running with the land to ensure that all agreements between the CLT and CP and the CLT and the Eligible Household purchaser are of public record. The Covenant will be filed prior to the CLT land lease. It will also be added to the CLT land lease as an exhibit. Each Covenant will run for at least the applicable minimum affordability period, as noted above. Each Covenant can terminate in the event of foreclosure, transfer of title in lieu of foreclosure, or assignment of a FHA insured mortgage to HUD. The Covenant will reinforce the terms of the CLT land lease and reference applicable provisions and definitions to ensure the HOME requirements are met including the following:

- Subsequent sale to another Eligible Household.
- The entity may use their right of first refusal, as defined and explained in the CLT land lease to ensure this requirement.
- The CLT property will be used as the Eligible Household buyers’ principal place of residence.
- The CLT property will be sold at a price that provides the owner a fair return, while ensuring that the housing will remain affordable to a reasonable range of low income buyers.

CP defines “a Fair Return on Investment” for CLT properties as described per the terms and conditions of “Transfer of the Home” Section of the CLT land lease. This Section also sets the sales price for the subsequent buyer. Please see the attached workbook that walk through the calculations described in the CLT land lease.

RECORDS RETENTION REQUIREMENTS - FILES

The City shall retain records regarding all subsidies provided under this policy with the project file. This shall include a copy of the executed Written Agreement, a copy of the executed “Request for Notice of Foreclosure,” a copy of the executed “Restrictive Covenants,” and other applicable documentation.

DEFINITIONS

1. **Affordability Period**

   Occupancy restrictions are required for varying lengths of time for homeowners assisted with HUD HOME funds. The affordability period is determined based on the total amount of HOME funds invested in the housing, including any HOME program income. Minimum required affordability periods are:

<table>
<thead>
<tr>
<th>HOME Assistance per Unit</th>
<th>Minimum Period of Affordability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $15,000</td>
<td>5 Years</td>
</tr>
<tr>
<td>$15,000 to $40,000</td>
<td>10 Years</td>
</tr>
<tr>
<td>Over $40,000</td>
<td>15 Years</td>
</tr>
</tbody>
</table>
Affordability Period as applied to resale provisions shall apply to the entire HOME subsidy. The Affordability Period as applied to recapture provisions shall be based on the direct subsidy to the Homebuyer only.

2. Affordable to a Reasonable Range of low-income homebuyers

Housing that is affordable to a family earning between 30% and 80% AMI, who will pay no more than 30% their gross income for PITI (Principle, Interest, Tax, and Insurance). CP must establish a maximum resale price that its target population can afford.

3. Direct Homebuyer Subsidy:

A direct subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down payment or closing cost assistance, subordinate financing, etc.).

4. Development subsidy:

A HOME development subsidy is the total amount of HOME assistance provided by CP to a housing developer. Subsidies provided to C.T properties will be considered a Development Subsidy.

5. Eligible Household:

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 annually by the United States Department of Housing and Urban Development (HUD).

6. Net Proceeds

The sales price minus loan repayment (other than HOME funds) and closing costs.

7. Fair Return on Investment

Fair Return on Investment is outlined in the section regarding Resale Requirements. For CLT properties, the resale process is set forth in the “Transfer of the Home” Section of the CLT and lease.

8. Written Agreement

A Written Agreement shall govern the actions between the Eligible Household, the City, and any intermediaries. The Written Agreement shall specify the type of subsidy and whether the Recapture Requirements or the Resale Requirements apply. The Written Agreement shall specify the type of security for the HOME subsidy, most frequently through a separately recorded deed restriction or restrictive covenant.

Written Standards for Provision of ESG Assistance
In 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 assisted through the ESG program. 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 homelessness 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 City of Duluth is currently working with the St. Louis County Continuum of Care (CoC) to develop common intake and assessment tools and protocols to be used by all agencies that receive FSG, CoC and other homeless program funding within the Continuum. The tools and protocols will create consistency in client intake and assessment and provide basis for appropriate agency referral and to develop targeting and prioritization protocols.

   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. Re-evaluation of program participants may be conducted more frequently than required by 24 CFR 576.401 and may 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(c)(6). 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 FSG 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 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. Standards for targeting and providing essential services related to street outreach
   a. The City of Duluth does not target ESG funding to any geographic area or client population. ESG sub-recipients are selected through a request for proposal process based on service provision. No duplication of service by sub-recipients is anticipated within the Duluth 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 emergency shelters (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.

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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 1(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 Homelessness
   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 prevent 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 event of 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 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 Electrical.** The 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. ESG providers and the City of Duluth, Community Development staff are currently working with the St. Louis County CoC to develop common intake and assessment tools and protocols to be used by all agencies that receive ESG, CoC and other homeless program funding within the Continuum. The tools and protocols will create consistency in client intake and assessment and provide basis for appropriate agency referral and to develop targeting and prioritization protocols.

b. Upon completion of the common intake and assessment tools and protocols, all ESG sub-recipients will use that system to help determine the individual or family 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’s or family’s initial need for emergency shelter and must re-assess their need on an ongoing basis to ensure that only those individuals 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 an opportunity to provide feedback and assessment about programs and services as well.

f. The City of Duluth is working with the St. Louis County CoC to develop criteria and protocols for system-wide program and service evaluation and improvement to be implemented through the Housing Home St. Louis County Leadership Council—the governing group for the St. Louis County Continuum and the Affordable Housing Coalition’s Homeless Response Committee, which is comprised of all the homeless housing and service providers in Duluth and serves as one of the working groups for the HSLC Leadership Council. Case managers and administrative staff from all of the homeless housing and service organizations, along with City and County staff participate in the Homeless Response Committee meetings as this is the forum for discussion and implementation of system related protocols, activities, best practices, evaluation and changes that occur.

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 housing and service providers within the City of Duluth and the St. Louis County CoC, the Homeless Response Committee and Affordable Housing Coalition, the Housing Home Leadership Council, St. Louis County and City of Duluth Community Development staff and St. Louis County Health and Human Services staff. Active engagement in the Continuum of Care through the Homeless Response Committee, the Affordable Housing Coalition, and the HSLC Leadership Council 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, with provisions for targeting some services to eligible households who meet prioritization criteria established through the Continuum of Care using coordinated assessment protocols.

   b. A key component to successful implementation of a coordinated assessment system within the St. Louis County CoC is a common screening and assessment process developed through the CoC. 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, ESG assistance is available to individuals and families below 30% of Area Median Income (AMI), and are homeless or at risk of becoming homeless.

   d. ESG funds 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 funds can be used to assist individuals and families 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 utility costs that program participants 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 utility 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 City of Duluth 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 10% 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(c), 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 receive 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.

i. Short term rental assistance is assistance for up to 3 months of rent.

ii. Medium-term rental assistance is assistance for more than 3 months but not more than 24 months of rent.

iii. 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.

b. 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.

c. Rental assistance will end if and when other subsidy begins, such as Section 8 Housing Choice Vouchers, public housing, or project-based rental subsidy.

d. Guidance from the St. Louis County CoC, through Homeless Response Committees, Affordable Housing and Rural Housing Coalition meetings and through the Region 6 Homeless Leadership Council, will establish, evaluate and modify rental assistance parameters based on data such as community need, outcomes and available funding 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.
Analysis of Impediments to Fair Housing Choice 2020

City of Duluth, Planning & Development Division
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HUD Funding Requirements

Each year the City of Duluth receives roughly $3 million from the Department of Housing and Urban Development (HUD) in the form of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds. 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.

To receive these funds, HUD requires the City to create a Consolidated Plan that lays out how the City of Duluth and its partners will use an expected $15 million in HUD funds over the next five years to meet community needs. To develop this plan, we use a collaborative process to establish a unified vision for community development actions. This process allows the City and community members to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies.

HUD also requires that the City affirmatively furthers fair housing choice. In short, HUD wants the City to ensure that we don’t spend these funds in ways that increase segregation and concentrations of poverty or reduce people’s ability to live in the neighborhood they want to. In conjunction with each five-year Consolidated Plan, we develop an Analysis of Impediments to Fair Housing Choice (AI). The AI lays out the City’s planned actions to affirmatively further fair housing for the next five years. We look at the following federally defined protected classes when we analyze fair housing issues: race, color, religion, sexual orientation, gender identity, disability, family status, and national origin. Anything that limits housing availability or choice on the basis of these protected classes is an impediment to fair housing choice.

Recent Trends

The economic recession of 2008 proved to be a turning point for the city from a predominantly resource-based economy to a more diversified job base. As the housing market has recovered from the recession, rents and home sale prices are rising, but increases in income are not keeping up resulting in higher poverty rates and more cost-burdened households. The total number of housing units in Duluth is increasing, but there are still not enough units resulting in a “seller’s market” with competitive and quick home sales, low rental vacancy rates and increasing rents. Recently and in the coming years baby boomers are retiring in record numbers, leaving positions that have been filled for decades. Employers across the state including in Duluth, have had to be creative in attracting and retaining employees with competitive benefits packages and flexibility within the workplace.

In recent years the Lincoln Park neighborhood, one of the lowest income neighborhoods in the city, has started to see much needed reinvestment, but appears to have undergone some significant demographic changes since 2015, signifying that this neighborhood has a high displacement risk. Necessary reinvestment in neighborhoods, such as what is occurring in Lincoln Park, has the potential to displace or limit the ability to stay in place for some residents and businesses.
Impediments to Fair Housing Choice

The City reviewed demographic data, collected input from community members and organizations, and researched trends in housing and real estate in order to develop these impediments to fair housing choice.

What impediments does the City of Duluth face in 2020?

1) Exclusionary rental housing practices and policies directed at Section 8 Housing Choice Voucher holders

2) Exclusionary rental housing practices and policies directed at persons with criminal histories

3) Involuntary displacement and limited housing choice caused by gentrification

4) Policies and physical limitations in the built environment

The Planning and Development Division will incorporate priorities and objectives in the 2020 to 2024 Consolidated Plan with these identified impediments to fair housing choice. They will work with other departments and organizations to develop strategies to address the impediments. Strategies are included at the end of this report in Chapter 6, Fair Housing Plan.
Chapter 1: Introduction
The Department of Housing and Urban Development (HUD) requires an Analysis of Impediments to Fair Housing Choice to be conducted by all Community Development Block Grant recipients every 3 to 5 years. The City of Duluth’s previous Analysis of Impediments to Fair Housing Choice was published in 2015. This analysis will coincide with the City of Duluth Planning and Development Division’s update of the five-year Consolidated Plan. The Analysis of Impediments to Fair Housing Choice, commonly called the Analysis of Impediments (AI), will examine various data sources and attempt to determine what impediments exist to fair housing choice and what actions the City can undertake to affirmatively further fair housing choice.

What is Fair Housing?
The Federal Fair Housing Act of 1968 prohibits discrimination in the sale, rental, or financing of housing. HUD has determined that housing discrimination is:

"Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices, OR

Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin."

This report will examine discrimination of the above mentioned protected classes focusing on rental housing and home ownership. It will examine what if any effect city policies have on housing discrimination and examine possible policies that can help alleviate impediments to fair housing choice.

Why the City of Duluth Affirmatively Further Fair Housing Choice
First, the AI helps the City understand rental and homeownership markets and examines them to ensure the law is followed. Second, the AI provides guidance on how to help those who were victims of housing discrimination. Third, under section 808(e)(5) of the Fair Housing Act of 1968, HUD is required to “Affirmatively Further Fair Housing Choice,” therefore HUD requires cities who receive funding to complete an Analysis of Impediments to Fair Housing Choice. Besides being required by HUD there are many reasons the City of Duluth wants to further fair housing choice. Completing the analysis allows for city staff to make connections with the community and discuss housing issues that affect development and safety. It also ensures that neighborhoods remain diverse in a variety of ways.

Requirements pursuant to HUD Guidelines
The City of Duluth is required to affirmatively further fair housing under the Department of Housing and Urban Development. As directed in 24 CFR 91.225 Certifications (1) affirmatively furthering fair housing
"Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard."

To continue to be in compliance with requirements for the CDBG, HOME, and ESG funding, the City must create an Analysis of Impediments to Fair Housing Choice and create an Action Plan in which the City addresses Impediments. The City of Duluth Planning and Development Division under the Department of Planning and Economic Development oversees HUD funding and conducts the AI. The AI is the result of input from a variety of data sources. Demographic information from the United States Census Bureau, financial data from the Housing Mortgage Disclosure Act, input from public and non-profit agencies, personal testimonials from public input sessions, and a survey conducted by the Planning and Development Division in 2019 will guide this report. Information regarding zoning and code requirements were supplied from the City of Duluth Department of Planning and Economic Development. Rental information was pulled from the 2018 Housing Indicator Report and 2019 Rental Survey performed by the Planning and Development Division. Pulling together both public data sources and city studies allows for a robust understanding of impediments that the City of Duluth may face.

The AI will start by looking at the demographics of the City of Duluth both in totality and spatially. After an understanding of the socioeconomic make-up of Duluth the AI will pull in data to discern any patterns of potential discrimination. The AI will pull in information from datasets and from testimonials. After an analysis of the data, impediments will be determined. An action plan to address impediments will be the final component of this report.

Participants
The AI was conducted by the City of Duluth’s Planning and Development Division. Information was solicited from public entities, non-profits, other city departments, residents and property holders. City staff conducted an online survey, agency consultations, and facilitated public hearings of the Community Development Committee.

Goals for the AI
With this report the City of Duluth will have a greater understanding of Fair Housing issues that community members face. The City plans to develop and strengthen contacts with the community and agencies that work on furthering fair housing choice. It will also evaluate past action plan items and create a new realistic action plan.

Limitations
While census data and public input can help create a basis about fair housing issues, they do not provide an all-encompassing picture. Incidents of discrimination and micro-aggressions cannot necessarily be documented with data. Historical disenfranchisement and marginalization of some groups means they may be wary of engaging with an institution such as the City of Duluth to make formal reports of discrimination and fair housing violations. Often people facing
housing discrimination are in precarious situations and do not want to risk losing their housing by reporting their landlord. Using the most comprehensive data sources available and listening to our community are the best tools we have available to provide a summary of current conditions.

The relatively small number of people who identify as races other than white in Duluth makes it difficult to show statistically significant patterns in those populations, especially when looking at smaller neighborhood populations and when using demographic estimates, rather than Census counts. However, clear patterns of inequity do exist between white and non-white residents in Duluth, so in order to show those patterns with statistically significant data, we often combine the data from all non-white residents into one group. This is a limitation of the data we have available and we acknowledge that members of different racial groups face different current and historical legacies of racism in the United States. Throughout this report we will use the term BIPOC, which stands for Black, Indigenous, and People of Color. We use this term as a way to “highlight the unique relationship to whiteness that Indigenous and Black people” have in this country.1

1 https://www.thealcomer.org
Chapter 2: Duluth, MN

History
In 950 A.D. the Anishinaabeg people began to travel westward until they found the "food that grows on water" (wild rice). After centuries of migration from their homelands on the St. Lawrence Seaway, the Anishinaabeg people arrived in the eastern Great Lakes region around 1400 and continued their westward migration, eventually settling along the shores of "Gitchigami" (Lake Superior). In the 1600's, Europeans began to arrive in the Great Lakes region and started trading with local bands of indigenous peoples, including the Ojibwe. Throughout the 1800's the Ojibwe negotiated several treaties with local and foreign leaders. The treaties ceded millions of acres of Ojibwe lands, but recognized the tribes as sovereign nations and the Ojibwe maintained their rights to hunt, fish, and gather on the ceded lands. In 1852 Chief Buffalo traveled to Washington D.C. and was successful in stopping the federal government's Ojibwe removal efforts. This meeting also lead to the Treaty of 1854 which ceded more Ojibwe lands and created reservations throughout the northeastern Minnesota region. As part of the 1854 Treaty, Chief Buffalo held the right to reserve a portion of land for his people. He chose an area to protect sacred sites, including a large Ojibwe burial ground at Rice's Point. After Chief Buffalo died, his reservation was, through schemes and illegal dealings, sold. Today portions of downtown Duluth, including the municipal buildings and civic center, are located on Chief Buffalo's Reservation.

The City of Duluth, located on the north shore of Lake Superior, was founded in 1887, named after Daniel Greysolon, Sieur de Lhut, a French fur trader who set up for trade routes in the Great Lakes region in the 1600's. At the turn of the 20th century, Duluth was a booming industrial, port city with rail and shipping capacity as well as access to rich natural resources from the timber and mining industries. Many European immigrants were drawn to Duluth during this time to work in industrial jobs. Some companies also recruited Black southerners to work because they could pay them less than white workers. As working-class neighborhoods developed to house industrial workers, neighborhood housing inequities began to arise. Social

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2 "Lake Superior Ojibwe Gallery" guide by St. Louis County Heritage and Arts Center
3 "An Ethnographic Study of Indigenous Contributions to the City of Duluth" by Tomahare Historical Research, July 2011.
hierarchies at the time meant that Black people could only live in certain neighborhoods. Often certain groups of European immigrants, such as Italians, and Black people were relegated to subpar and crowded housing. Duluth’s population peaked in the 1950s and 60s, with over 100,000 residents calling the city home. During the following decades, the city’s population gradually decreased, and for the past 25 years has hovered around 86,000 people. Today Duluth is Minnesota’s fourth largest city with a population of 86,265 at the time of the last decennial Census in 2010.

Recent Trends

Economic Development
The economic recession of 2008 proved to be a turning point for the city from a predominantly resource-based economy to a more diversified job base. While this event was felt most directly in the housing sector, there was also a short slowdown in business development. After 2010, the community saw new opportunities with the construction of schools, housing, and commercial buildings. A concentrated effort was made by the city in 2012 to develop a positive brand and publicize it both locally and across the state. This effort has resulted in new local investment and has attracted developers from the Twin Cities. The four largest industries in Duluth continue to be health care, public administration, educational services, and manufacturing. Health care and social assistance jobs employ approximately 11,400 people, making Duluth the largest medical hub in Northern Minnesota.2

Across Minnesota, and the U.S., baby boomers are retiring in record numbers, leaving positions that have been filled for decades. Employers across the state, including in Duluth, have had to be creative in attracting and retaining employees with competitive benefits packages and flexibility within the workplace. Companies are offering free workout classes and other health

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and wellness opportunities during the workday to create a pleasant environment and improve retention rates.7

Students moving to Duluth for higher education want not only an education, but employment after graduation. Enrollment numbers at Lake Superior College have seen a drastic increase in their manufacturing and skilled trades programs as a direct tie to job openings within the area, and the need for tradespeople within this labor force.8

Housing
In the early 2000's the housing market for residential development was robust with over 4,000 resales annually. Like the rest of the country, however, Duluth experienced the recession of 2008 and the burst of the housing bubble.8 Since about 2012, Duluth continues to follow state and national trends of increasing home sales prices. Trends from 2018 continue to show growth in the number of housing sales and increases in annual median income. Trends also show a widening gap for Duluth residents facing housing cost-burdens due to increasing rents. Duluth single-family homes continue to be driven by a "seller's market." From 2010 to 2018, the median sales price increased by approximately 26% from $137,850 to $173,500. The total number of valid sales increased from 2017 to 2018 by 4% to 1,202 sales, the highest total number of single-family homes sold in a single year in the last decade.9

In 2018, the average market rate housing rent in Duluth was $1,111 per month. This represents an 11% increase from 2017 and the continuation of an upward trend, as the average rental price per month has risen 63% over the past decade.10 In 2017 and 2018 Duluth saw a net gain of more than 300 housing units. In the last year more than 300 new housing units have been permitted for construction in Duluth. Some of these are luxury apartment units with higher rents, but more will likely shift the market to have slightly higher vacancy rates and lower rents.

This is evidenced by the most recent rental survey which shows an average market rate rent of $1,083 in 2018. This is the first time the average rent has gone down since 2011.11

Reinvestment and Gentrification Concerns
In recent years the Lincoln Park neighborhood, one of the lowest income neighborhoods in the city, has started to see much needed reinvestment. The Lincoln Park Craft District is home to shops selling handcrafted goods, restaurants that source their ingredients locally, and a plethora of craft beverage companies. The neighborhood has also seen increased community organizing

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2018 Housing Indicator Report
2016 Housing Indicator Report
Imagine Duluth 2035
2018 Housing Indicator Report
City of Duluth Rental Survey
in the form of movements such as Our Lincoln Park. Necessary reinvestment in neighborhoods, such as what is occurring in Lincoln Park, has the potential to displace or limit the ability to stay in place for some residents and businesses. Research regarding involuntary displacement shows that certain demographic characteristics, such as being a renter rather than a homeowner or having a lower income makes it more difficult for individuals to resist displacement. In Duluth 40% of all households rent, but households of color are disproportionately renters (71%) rather than owners (29%) and in Lincoln Park, the majority of households (54%) are renters.

The key difference between neighborhood revitalization and gentrification is that gentrification causes involuntary displacement of residents and community-serving small businesses. Investments in neighborhoods that improve communities are a good thing, but these investments should be paired with anti-displacement strategies to ensure that everyone in the community benefits from revitalization. The Lincoln Park neighborhood appears to have undergone some significant demographic changes since 2015, signifying that this neighborhood has a high displacement risk. The neighborhood has seen an increase in the white population and a decrease in people of color. In 2015 the neighborhood population was 22% people of color, and with no change in total population, the neighborhood was only 17% people of color in 2017. From 2015 to 2017, the citywide median household income increased by about $2,000. During the same time period the Lincoln Park median household income increased by about $6,000, further indicating a demographic shift in the Lincoln Park neighborhood following ongoing reinvestment.

*Lisa Bates Gentrification and Displacement Study. [Link](http://www.pittsburghpresents.org/bob-wisconsin)
Chapter 3: Demographics

This chapter offers a brief snapshot of Duluth’s current demographics followed by a more detailed look at the demographic information we have on the seven federally protected classes: race, color, religion, sex, disability, familial status, and national origin.

We have used the most recent demographic data available from the Census Bureau, the 2014-2018 American Community Survey (ACS) five-year estimates, to offer a look at key demographic indicators in Duluth. In 2018 Duluth’s population was estimated at 86,004 people. Duluth’s population is 90% white, but has significant populations of Black, Indigenous, and Asian residents as well. While Black alone, Indigenous alone, and Asian alone populations all account for about 2% of the population each, when we look at the breakdown of racial data, we can see that many mixed-race people also identify as part of those racial groups. Ethnicity is not a protected class as described in the fair housing legislation, but it is worth noting that 2% of Duluthians are Hispanic or Latino.
Analysis of Impediments to Fair Housing Choice 2020

City of Duluth, Planning & Development Division
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Appendix  47
Executive Summary

HUD Funding Requirements
Each year the City of Duluth receives roughly $3 million from the Department of Housing and Urban Development (HUD) in the form of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds. 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.

To receive these funds, HUD requires the City to create a Consolidated Plan that lays out how the City of Duluth and its partners will use an expected $15 million in HUD funds over the next five years to meet community needs. To develop this plan, we use a collaborative process to establish a unified vision for community development actions. This process allows the City and community members to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies.

HUD also requires that the City affirmatively furthers fair housing choice. In short, HUD wants the City to ensure that we don’t spend these funds in ways that increase segregation and concentrations of poverty or reduce people’s ability to live in the neighborhood they want to. In conjunction with each five-year Consolidated Plan, we develop an Analysis of Impediments to Fair Housing Choice (AI). The AI lays out the City’s planned actions to affirmatively further fair housing for the next five years. We look at the following federally defined protected classes when we analyze fair housing issues: race, color, religion, sexual orientation, gender identity, disability, family status, and national origin. Anything that limits housing availability or choice on the basis of these protected classes is an impediment to fair housing choice.

Recent Trends
The economic recession of 2008 proved to be a turning point for the city from a predominantly resource-based economy to a more diversified job base. As the housing market has recovered from the recession, rents and home sale prices are rising, but increases in income are not keeping up resulting in higher poverty rates and more cost-burdened households. The total number of housing units in Duluth is increasing, but there are still not enough units resulting in a "seller's market" with competitive and quick home sales, low rental vacancy rates, and increasing rents. Recently and in the coming years baby boomers are retiring in record numbers, leaving positions that have been filled for decades. Employers across the state, including in Duluth, have had to be creative in attracting and retaining employees with competitive benefits packages and flexibility within the workplace.

In recent years the Lincoln Park neighborhood, one of the lowest income neighborhoods in the city, has started to see much needed reinvestment, but appears to have undergone some significant demographic changes since 2015, signifying that this neighborhood has a high displacement risk. Necessary reinvestment in neighborhoods, such as what is occurring in Lincoln Park, has the potential to displace or limit the ability to stay in place for some residents and businesses.
Impediments to Fair Housing Choice

The City reviewed demographic data, collected input from community members and organizations, and researched trends in housing and real estate in order to develop these impediments to fair housing choice.

What impediments does the City of Duluth face in 2020?

1) Exclusionary rental housing practices and policies directed at Section 8 Housing Choice Voucher holders

2) Exclusionary rental housing practices and policies directed at persons with criminal histories

3) Involuntary displacement and limited housing choice caused by gentrification

4) Policies and physical limitations in the built environment

The Planning and Development Division will incorporate priorities and objectives in the 2020 to 2024 Consolidated Plan with these identified impediments to fair housing choice. They will work with other departments and organizations to develop strategies to address the impediments. Strategies are included at the end of this report in Chapter 6, Fair Housing Plan.
Chapter 1: Introduction
The Department of Housing and Urban Development (HUD) requires an Analysis of Impediments to Fair Housing Choice to be conducted by all Community Development Block Grant recipients every 3 to 5 years. The City of Duluth's previous Analysis of Impediments to Fair Housing Choice was published in 2015. This analysis will coincide with the City of Duluth Planning and Development Division's update of the five-year Consolidated Plan. The Analysis of Impediments to Fair Housing Choice, commonly called the Analysis of Impediments (AI), will examine various data sources and attempt to determine what impediments exist to fair housing choice and what actions the City can undertake to affirmatively further fair housing choice.

What is Fair Housing?
The Federal Fair Housing Act of 1968 prohibits discrimination in the sale, rental, or financing of housing. HUD has determined that housing discrimination is:

*Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices,

OR

Any actions, omissions, or decisions which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.*

This report will examine discrimination of the above mentioned protected classes focusing on rental housing and home ownership. It will examine what if any effect city policies have on housing discrimination and examine possible policies that can help alleviate impediments to fair housing choice.

Why the City of Duluth Affirmatively Further Fair Housing Choice
First, the AI helps the City understand rental and homeownership markets and examines them to ensure the law is followed. Second, the AI provides guidance on how to help those who were victims of housing discrimination. Third, under section 808(e)(5) of the Fair Housing Act of 1968, HUD is required to "Affirmatively Further Fair Housing Choice," therefore HUD requires cities who receive funding to complete an Analysis of Impediments to Fair Housing Choice. Besides being required by HUD there are many reasons the City of Duluth wants to further fair housing choice. Completing the analysis allows for city staff to make connections with the community and discuss housing issues that affect development and safety. It also ensures that neighborhoods remain diverse in a variety of ways.

Requirements pursuant to HUD Guidelines
The City of Duluth is required to affirmatively further fair housing under the Department of Housing and Urban Development. As directed in 24 CFR 91.225 Certifications (1) affirmatively furthering fair housing.
"Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard."

To continue to be in compliance with requirements for the CDBG, HOME, and ESG funding, the City must create an Analysis of Impediments to Fair Housing Choice and create an Action Plan in which the City addresses impediments. The City of Duluth Planning and Development Division under the Department of Planning and Economic Development oversees HUD funding and conducts the AI. The AI is the result of input from a variety of data sources. Demographic information from the United States Census Bureau, financial data from the Housing Mortgage Disclosure Act, input from public and non-profit agencies, personal testimonials from public input sessions, and a survey conducted by the Planning and Development Division in 2019 will guide this report. Information regarding zoning and code requirements were supplied from the City of Duluth Department of Planning and Economic Development. Rental information was pulled from the 2018 Housing Indicator Report and 2019 Rental Survey performed by the Planning and Development Division. Pulling together both public data sources and city studies allows for a robust understanding of impediments that the City of Duluth may face.

The AI will start by looking at the demographics of the City of Duluth both in totality and spatially. After an understanding of the socioeconomic make-up of Duluth the AI will pull in data to discern any patterns of potential discrimination. The AI will pull in information from datasets and from testimonials. After an analysis of the data, impediments will be determined. An action plan to address impediments will be the final component of this report.

**Participants**

The AI was conducted by the City of Duluth’s Planning and Development Division. Information was solicited from public entities, non-profits, other city departments, residents and property holders. City staff conducted an online survey, agency consultations and facilitated public hearings of the Community Development Committee.

**Goals for the AI**

With this report the City of Duluth will have a greater understanding of Fair Housing issues that community members face. The City plans to develop and strengthen contacts with the community and agencies that work on furthering fair housing choice. It will also evaluate past action plan items and create a new realistic action plan.

**Limitations**

While census data and public input can help create a basis about fair housing issues, they do not provide an all-encompassing picture. Incidents of discrimination and micro-aggressions cannot necessarily be documented with data. Historical disenfranchisement and marginalization of some groups means they may be wary of engaging with an institution such as the City of Duluth to make formal reports of discrimination and fair housing violations. Often people facing
housing discrimination are in precarious situations and do not want to risk losing their housing by reporting their landlord. Using the most comprehensive data sources available and listening to our community are the best tools we have available to provide a summary of current conditions.

The relatively small number of people who identify as races other than white in Duluth makes it difficult to show statistically significant patterns in those populations, especially when looking at smaller neighborhood populations and when using demographic estimates, rather than Census counts. However, clear patterns of inequity do exist between white and non-white residents in Duluth, so in order to show those patterns with statistically significant data, we often combine the data from all non-white residents into one group. This is a limitation of the data we have available and we acknowledge that members of different racial groups face different current and historical legacies of racism in the United States. Throughout this report we will use the term BIPOC, which stands for Black, Indigenous, and People of Color. We use this term as a way to "highlight the unique relationship to whiteness that Indigenous and Black people" have in this country.¹

¹ [Link: https://www.hei-paraquip.org]
Chapter 2: Duluth, MN

History

In 960 A.D., the Anishinaabe people began to travel westward until they found the "food that grows on water" (wild rice). After centuries of migration from their homelands on the St. Lawrence Seaway, the Anishinaabe people arrived in the eastern Great Lakes region around 1400 and continued their westward migration, eventually settling along the shores of "Gichigami" (Lake Superior). In the 1600's, Europeans began to arrive in the Great Lakes region and started trading with local bands of Indigenous Peoples, including the Ojibwe. Throughout the 1800's, the Ojibwe negotiated several treaties with local and foreign leaders. The treaties ceded millions of acres of Ojibwe lands, but recognized the tribes as sovereign nations and the Ojibwe maintained their rights to hunt, fish, and gather on the ceded lands. In 1852, Chief Buffalo traveled to Washington D.C. and was successful in stopping the federal government's Ojibwe removal efforts. The meeting also lead to the Treaty of 1864 which ceded more Ojibwe lands and created reservations throughout the northeastern Minnesota region.² As part of the 1854 Treaty, Chief Buffalo held the right to reserve a portion of land for his people. He chose an area to protect sacred sites, including a large Ojibwe burial ground at Rice's Point. After Chief Buffalo died, his reservation was, through schemes and illegal dealings, sold. Today portions of downtown Duluth, including the municipal buildings and civic center, are located on Chief Buffalo's Reservation.³

The City of Duluth, located on the north shore of Lake Superior, was founded in 1887, named after Daniel Greysolon, Sieur du Lhut, a French fur trader who set up fur trade routes in the Great Lakes region in the 1600's. At the turn of the 20th century, Duluth was a booming industrial port city with rail and shipping capacity as well as access to rich natural resources from the timber and mining industries. Many European immigrants were drawn to Duluth during this time to work in industrial jobs. Some companies also recruited Black southerners to work because they could pay them less than white workers. As working-class neighborhoods developed to house industrial workers, neighborhood housing inequities began to arise. Social

² "Lake Superior Ojibwe Gallery" guide by St. Louis County Heritage and Arts Center
³ "An Ethnographic Study of the Anishinaabe Contributions to the City of Duluth" by Turabek Historical Research. July 2015
hierarchies at the time meant that Black people could only live in certain neighborhoods. Often certain groups of European immigrants, such as Italians, and Black people were relegated to subpar and crowded housing.1 Duluth's population peaked in the 1950s and 60s, with over 100,000 residents calling the city home. During the following decades, the city's population gradually decreased, and for the past 25 years has hovered around 86,000 people. Today Duluth is Minnesota's fourth largest city with a population of 86,265 at the time of the last decennial Census in 2010.

Recent Trends

Economic Development

The economic recession of 2008 proved to be a turning point for the city from a predominantly resource-based economy to a more diversified job base. While this event was felt most directly in the housing sector, there was also a short slowdown in business development. After 2010, the community saw new opportunities with the construction of schools, housing, and commercial buildings. A concentrated effort was made by the city in 2012 to develop a positive brand and publicize it both locally and across the state. This effort has resulted in new local investment and has attracted developers from the Twin Cities.2 The four largest industries in Duluth continue to be health care, public administration, educational services, and manufacturing. Health care and social assistance jobs employ approximately 11,400 people, making Duluth the largest medical hub in Northern Minnesota.3

Across Minnesota, and the U.S., baby boomers are retiring in record numbers, leaving positions that have been filled for decades. Employers across the state, including in Duluth, have had to be creative in attracting and retaining employees with competitive benefits packages and flexibility within the workplace. Companies are offering free workout classes and other health

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1 Minnesota Historical Society
2 Images Duluth 2015
3 2016 Housing Indicators Report
and wellness opportunities during the workday to create a pleasant environment and improve retention rates.⁷

Students moving to Duluth for higher education want not only an education, but employment after graduation. Enrollment numbers at Lake Superior College have seen a drastic increase in their manufacturing and skilled trades programs as a direct tie to job openings within the area, and the need for tradespeople within this labor force.⁸

Housing
In the early 2000’s the housing market for residential development was robust with over 4,000 resales annually. Like the rest of the country, however, Duluth experienced the recession of 2008 and the burst of the housing bubble.⁹ Since about 2012, Duluth continues to follow state and national trends of increasing home sales prices. Trends from 2018 continue to show growth in the number of housing sales and increases in annual median income. Trends also show a widening gap for Duluth residents facing housing cost-burdens due to increasing rents. Duluth single-family home sales continue to be driven by a “sellers’ market.” From 2010 to 2018, the median sales price increased by approximately 26% from $137,850 to $173,500. The total number of valid sales increased from 2017 to 2018 by 4% to 1,202 sales; the highest total number of single-family homes sold in a single year in the last decade.¹⁰

In 2018, the average market rate housing rent in Duluth was $1,111 per month. This represents an 11% increase from 2017 and the continuation of an upward trend, as the average rental price per month has risen 63% over the past decade.¹¹ In 2017 and 2018 Duluth saw a net gain of more than 300 housing units. In the last year more than 300 new housing units have been permitted for construction in Duluth. Some of these are luxury apartment units with higher rents, but more will likely shift the market to have slightly higher vacancy rates and lower rents.

This is evidenced by the most recent rental survey which shows an average market rate rent of $1,083 in 2019. This is the first time the average rent has gone down since 2011.¹²

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In recent years the Lincoln Park neighborhood, one of the lowest income neighborhoods in the city, has started to see much needed reinvestment. The Lincoln Park Craft District is home to shops selling handcrafted goods, restaurants that source their ingredients locally, and a plethora of craft beverage companies. The neighborhood has also seen increased community organizing

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² 2018 Housing Indicator Report
³ 2015 Housing Indicator Report
⁴ Imagine Duluth 2035
⁵ 2019 Housing Indicator Report
⁶ 2018 Housing Indicator Report
⁷ City of Duluth Rental Survey
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The key difference between neighborhood revitalization and gentrification is that gentrification causes involuntary displacement of residents and community-serving small businesses. Investments in neighborhoods that improve communities are a good thing, but these investments should be paired with anti-displacement strategies to ensure that everyone in the community benefits from revitalization. The Lincoln Park neighborhood appears to have undergone some significant demographic changes since 2015, signifying that this neighborhood has a high displacement risk. The neighborhood has seen an increase in the white population and a decrease in people of color. In 2015 the neighborhood population was 22% people of color and with no change in total population, the neighborhood was only 17% people of color in 2017. From 2015 to 2017, the citywide median household income increased by about $2,000. During the same time-period the Lincoln Park median household income increased by about $6,000, further indicating a demographic shift in the Lincoln Park neighborhood following ongoing reinvestment.

11 Lee Bito, Gentrification and Displacement Study: https://www.pryanikopoulos.com/becarrelo/chicago11
Chapter 3: Demographics

This chapter offers a brief snapshot of Duluth's current demographics followed by a more detailed look at the demographic information we have on the seven federally protected classes: race, color, religion, sex, disability, familial status, and national origin.

We have used the most recent demographic data available from the Census Bureau, the 2014-2018 American Community Survey (ACS) five-year estimates, to offer a look at key demographic indicators in Duluth. In 2018 Duluth's population was estimated at 66,004 people. Duluth's population is 90% white, but has significant populations of Black, Indigenous, and Asian residents as well. While Black alone, Indigenous alone, and Asian alone populations all account for about 2% of the population each, when we look at the breakdown of racial data, we can see that many mixed-race people also identify as part of those racial groups. Ethnicity is not a protected class as described in the fair housing legislation, but it is worth noting that 2% of Duluthians are Hispanic or Latino.
There are just over 36,000 households in Duluth, 60% homeowners and 40% renters. On average homeowners pay 18% of their household income towards housing costs while renters pay 25% of their household income towards housing costs. The median household income in Duluth is $49,441. Poverty in the city, as in the nation, is racialized due to a history of racially discriminatory laws and policies (some of which will be discussed later in this report). White householders have a median household income nearly $25,000 higher than householders of color. Poverty levels have been increasing steadily over the past few decades. In 1980 12% of the population was living at or below the federally defined poverty level that increased to 16% in 2000 and 19% in 2018.

**Median Household Income 2018**

- $81,601
- $25,792

_Duluth: White household: Hispanic of color

2018 ACS 5-year estimates

Race and Color

In 2000 Duluth's BIPOC residents were about 7% of the population. The number has since increased to be about 10% of the population. Since 2000, the share of householders of color has increased, as well as the proportion of householders of color in owner occupied units, but there is still a large racial disparity between white people and BIPOC in owner occupied versus rental homes. About 92% of householders are white, but 96% of homeowners are white. While 60% of Duluth housing units are owner occupied, 63% of white householders are homeowners, but only 29% of householders of color are homeowners. This shows a significant racial discrepancy in homeownership rates.

There are a few neighborhoods that are home to higher concentrations of BIPOC, all located in Duluth's most central neighborhoods. In the Central Hillside 24% of residents are BIPOC, in the East Hillside 16% of residents are BIPOC, and in Lincoln Park 17% of residents are BIPOC. No other spatial patterns of racial demographics can be easily observed in other Duluth neighborhoods due to the significant majority of the white population.
Patterns do exist and are evident when observing aggregate data of race and housing tenure in the neighborhoods closest to and west of downtown. These areas have the greatest mix of white and BIPOC renters as well as white and BIPOC homeowners. Those neighborhoods are the East Hillside, Central Hillside, Lincoln Park, Denfeld, Spirit Valley, and Morgan Park. Lincoln Park has the greatest mix of owners and renters of all races. Outside of these neighborhoods, few households are occupied by people of color. In Lakeside/Lester Park, Woodland, and Congdon Park, all on the east side of the city, there are more white householders overall in both renter and owner occupied housing units.

Religion
According to the Pew Research Center, 74% of adult Minnesotans practice a Christian religion, 6% practice a non-Christian religion, and 20% are not affiliated with any religion. Some of the non-Christian faiths practiced by Minnesotans include Islam, Judaism, Buddhism, and Native American spiritual practices.

Gender and Sex
Sex discrimination includes discrimination based on a person's sex, gender identity, or sexual orientation. Widely available demographic data sources, such as the Census and ACS offer...
limited statistics on sexual orientation and do not offer statistics on gender identity. The ACS only provides data about whether people in unmarried partnerships are in a same-sex or opposite-sex relationships, therefore the data does not offer a general idea of sexual orientation in the population. The Census and ACS do offer data on the sex of the population. In 2000 females were 52% of the population and males were 48% and that has shifted slightly to 51% female and 49% male according to the 2010 ACS estimates. The spatial distribution of males and females throughout the city is relatively even without any significant patterns or concentrations.

**Familial Status**

About half (51%) of Duluth households are family households, meaning that people in the household are related by marriage, birth, or adoption. About 24% of households have at least one person under 18 living with them. Married couple families make up 38% of all households and 36% of married couples have their own children living with them. Single female householders with children are more common (9% of households) than single male householders with children (2% of households).

Some notable spatial patterns of housing tenure and child status exist in Central and East Hillside when referencing 2010 Census data. Both neighborhoods see a high percentage of

\[\text{footnote: While not everyone is assigned a sex, the Census American Community Survey only offers these two options when asking about respondent's sex.}\]
renter-households but the renter households with children under 18 concentrate further up the hill and further to the east as East Hillside turns into the Endion neighborhood. When looking at this aggregate data, Lincoln Park neighborhood appears to have the greatest mixture of renter and owner households with or without children. Irving/Fairmont, Morgan Park, and Cary New Dulsat neighborhoods also see a similar mixture of housing tenure and child status. Some of the most highly concentrated owner occupied neighborhoods (Lakeside/Lester Park, Woodland, Congdon Park, and Piedmont) see an even mix of households with children and households without children.

Disability

About 14% of the population, more than 11,000 people, living in Duluth have a disability. Older people are more likely to have disabilities. People age 65 and older account for 37% of all Duluthians with disabilities. About 44% of Duluthians with disabilities have a mobility related disability and nearly half (49%) of those people with mobility related disabilities are age 65 or older. With a large cohort of aging baby boomers nation-wide, we can expect that more of the population will have disabilities in the coming years. With the number of mobility related disabilities in Duluth, a particular concern is the physical access to housing units.

The first national accessible design standards, the American National Standards Institute (ANSI), were released in 1981 and these were just a start at moving towards more universally accessible design in buildings. About 54% of Duluth’s housing units were built before 1990. While some of these homes have been updated or upgraded with more universally accessible design features over the years, the reality in Duluth is that most people are likely to live in a home that has little to no design considerations for accessibility. The age of Duluth’s housing stock contributes to inaccessible homes from doorways too narrow for people with mobility assistance devices to use, to stairs at every entrance and bathrooms only located on the second story, to multi-level apartment buildings with no elevators.

According to 2012 ACS estimates, persons with disabilities are not significantly concentrated in one spatial area in Duluth except for the Central Hillside neighborhood, which indicates a slightly higher concentration when compared to all other neighborhoods. A few other census tracts and corresponding neighborhoods indicate slight concentrations of persons with disabilities and those include Lakeside/Lester Park, Irving/Fairmount, and Morgan Park. Many of these areas have assisted living facilities or services that are for persons with disabilities.

Country of Origin

According to 2018 ACS data, about 96% of Duluth’s population are American citizens born in the United States or US territories. About 2% of Duluth’s residents are US citizens by naturalization and another 2% are not US citizens. In total about 4% of Duluth’s residents were born in a country other than the US.

* https://www.ada.cqdesign-seq.com/awt/applicable-accessibility-lookup.html
Chapter 4: Housing and Employment

In this chapter we discuss housing in terms of characteristics such as age, density, and renter or owner-occupied statistics. Housing costs are addressed including average rent and mortgage costs as well as housing cost burden. The state of public housing is discussed through demographic and spatial trends for the voucher, high rise, and scattered sites programs. Information is provided on employment trends, particularly as they relate to housing affordability and access.

Housing Characteristics

A large percentage of Duluth’s housing stock, 44%, was built before 1940 and only about 8% was built in the year 2000 or later. Neighborhoods with the majority of housing stock built prior to 1940 include Central Hillside/Park Point, Congdon, East Hillside, Lincoln Park, West Duluth (includes Lincoln Park, Derfield, Irving), and the Western River Communities (includes Riverside, Morgan Park, Fond du Lac). The neighborhood with the oldest housing stock is Lincoln Park with 63% of homes built earlier than 1940. All of the other neighborhoods (Woodland, Piedmont, Lester Park, and Duluth Heights/Kenwood) have majority of their housing stock built between 1940 and 1969. Duluth is a city well known for its history. While older homes can add to the historic charm or character of a neighborhood, they can also pose difficulties such as deferred maintenance or nonconformity with modern building codes for safety and accessibility. Accessibility features were not requirements during the time that a large portion of Duluth’s housing stock was built. Retrofitting older houses for accessibility can improve access for those with disabilities but is often very expensive, potentially limiting the supply and location of accessible homes.

The city of Duluth has approximately 38,461 housing units with about 36,003 units occupied according to ACS data. Of all the housing units in Duluth, 64% are single-family homes, 13% are in small multiplexes (two to four units), 21% are in apartment buildings (five or more units), and 2% are some other type of housing such as mobile homes. About 40% of households rent and 60% own their homes. Neighborhoods located close to the central business district see the lowest percentages of homeownership. Those areas include Central Hillside/Park Point with 29% owner occupied units, East Hillside with 35% owner occupied units, and Lincoln Park with 46% owner occupied units. The neighborhood with the highest homeownership rate is Woodland at 87% owner occupied units. Other high homeownership neighborhoods are Lakeside/Lester Park at 84% owner occupied units and Piedmont at 73% owner occupied units.
Duluth is largely a city of single-family homes and relative low density. When referencing 2010 Census data, the greatest level of housing density (>1 units/acre) is found in Duluth’s downtown and oldest neighborhoods: Central Hillside and East Hillside. Other neighborhoods that see high levels but slightly lesser density include Lincoln Park, Denfeld, and Spirit Valley to the west of downtown Duluth. The rest of Duluth’s residential neighborhoods show 3-4 units/acre of housing density. Some of those neighborhoods are Kenwood, Lakeside/LaSalle Park, and Piedmont. These less dense residential neighborhoods are located further away from downtown and the former industrial waterfront, with a majority of them climbing up the geography of the hill in Duluth. Housing density is influenced by historic development patterns but also regulated through the City’s zoning code, which will be discussed later in this report.

There are clear concentrations of renter households in lower Lincoln Park, Central Hillside, and East Hillside, closest to the central business district. As you climb up the hill further into these neighborhoods, the housing tenure becomes more predominantly owner occupied housing units. Other patterns of renter households can be seen along main thoroughfares in Duluth. To the west along Grand Avenue into Denfeld and Spirit Valley, there is a concentration of renter occupied households. Additionally, rental households are concentrated up the hill along Central Entrance and near institutional campuses such as UMD and the College of St. Scholastica.
When analyzing owner occupied households, concentrations can be observed most strongly to the east in Lakeside/Lester Park, Woodland, and Congdon. There are also concentrations of owner occupied households in Piedmont and Bayview Heights but these are lesser when compared to the former three neighborhoods.

Some of the notable mixed housing tenure neighborhoods include Gary New Duluth, Morgan Park, Irving/Fairmount, Duluth Heights, and Kenwood according to 2010 census data. There is also a mix of housing tenure on Park Point, which is likely skewed by the amount of vacation rentals in that area.

**Public Housing**

The Duluth Housing and Redevelopment Authority (HRA) was created by state-enabling legislation and approval of the city of Duluth in 1948. A seven-member Board of Commissioners governs the HRA. Commissioner terms are staggered five years and the Mayor of Duluth appoints all commissioners with approval by Duluth City Council. The HRA owns and manages over 1,000 units of public housing as well as administers multiple housing voucher programs with over 1,400 active users.
Housing Vouchers
The HRA administers approximately 1,453 housing vouchers to households throughout Duluth in addition to providing housing through public housing high rises and scattered sites. The most widely used voucher program is the Section 8 Housing Choice Voucher (HCV). Other smaller programs include project-based, veterans, or homeowners with about 150 vouchers total. Of the larger HCV subset, which are all vouchers in the private rental market, 24% of households were Black, 10% of households were Indigenous, 83% of households were female, and 50% of households had a disability in 2018. The citywide population of Duluth is 3% Black, 2% Indigenous, 51% female, and 14% people with disabilities indicating disproportionate populations of a number of protected classes using Section 8.

About 200 HCVs were issued in 2018 and the current waitlist to receive a Section 8 HCV in Duluth has 2,935 individuals with a wait time of about 24 months. The voucher utilization rate in 2018 was approximately 54%. This figure is low due to the short utilization window and tight rental housing market however, it indicates that there can be significant difficulty in securing housing even after exiting the waitlist and receiving a Section 8 HCV.

Out of all of the Section 8 HCVs, nearly 75% of users find housing in the 55805, 55806, and the 55807 zip codes. Neighborhoods in these zip codes include East Hillside, Central Hillside, Goat Hill, Lincoln Park, Denfeld, Cneta, Spirit Valley, Irving/Fairmount, and Norton Park. All of these neighborhoods are located adjacent to downtown Duluth or on the west side of the city. Zip codes with the smallest number of vouchers are 55803, 55804, and 55810 including neighborhoods such as Woodland, Hunters Park, Lakeside/Lester Park, and Bayview Heights, most of which are located on the east side of the city. HCVs are meant to be used almost anywhere but include federally moderated rent caps that may limit where a voucher holder is able to find attainably priced housing.

High Rise Public Housing
Another housing program administered by the HRA is public housing. There are six public housing high rises in the City of Duluth spread among three areas: Central Hillside, Lincoln Park and Spirit Valley. All high rises are multifamily buildings built in the mid to late 20th century. Approximately 721 households were active in public housing high rises in 2018. Of these households, 12% were Black, 8% were Indigenous, and 53% had a disability. The gender makeup of households living in high rises is different from those using Section 8 HCVs, there is a more even split with 55% males and 45% females.

There are about 1,879 households on a waitlist for public housing, including high rises and the scattered sites program. Waitlists differ by bedroom size with the most requested bedroom size being a one-bedroom apartment. The overall wait times for any bedroom size is 12-18 months.
As previously mentioned, there are six high-rise public housing structures in Duluth. Two are located in the Lincoln Park neighborhood both on the same block, housing 210 households. Three structures are located in the Central Hillside, all clustered together between two blocks housing 419 households. The last public housing facility is located in Spirit Valley, accommodating 92 households. It is notable that all public housing structures are located close to the downtown area of Duluth or in western neighborhoods, all of which have connections to public transit and are in higher housing density neighborhoods. Household demographics for race, gender, and disability status are relatively similar among all of the six public housing high rises. The average household size is 1.1 for all high rises indicating that households with children are not often using this program for housing.

Scattered Site Public Housing
There are approximately 287 households in public housing scattered sites throughout Duluth. The race and gender demographic data for this type of public housing was calculated from a larger dataset. Public housing scattered site households are approximately 14% Black, 15% Indigenous, and have a significantly higher percentage of females (87%) but lower percentage of households with disabilities (5%) when compared to the city average. Households in scattered sites are more commonly larger households or households with children compared to those in public housing high rises. This is largely due to the nature of the program using single-family homes in lower density residential neighborhoods.
Scattered site public housing is relatively scattered across the city of Duluth and consists of mostly single-family homes. Areas in Duluth that see few or no scattered sites include Duluth Heights, Bayview Heights, Riverside, and the Fond du Lac neighborhood. This can largely be contributed to the fact that these areas have lower density housing and less frequent transit service, making site selection less available or attractive.

**Housing Costs**

According to the City’s 2019 Rental Survey, the average market rate rent was $1,083 per month. For better context, the average rent for a one-bedroom apartment in Duluth is $937 per month. The neighborhood with the lowest average rent in 2019 was Lincoln Park with an average of $713 per month. Conversely, the neighborhood with the highest average rent was Lakeside/Lester Park with an average of $1,320 per month. These figures indicate differences in affordability in different neighborhoods compared to the city’s average rent.

For homeowners, median monthly owner costs were $991 in 2018 based on ACS estimates. Broken down further, median costs for households with a mortgage were $1,229 and median costs for households without a mortgage were $484. The term selected monthly owner costs is defined by the Census Bureau as the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees. Based on the City’s 2019 Housing Indicator Report, the average home market value for 2018 was $174,807, an increase of $2,849 between 2017 and 2018. There were 1,202 valid single family home sales listed for 2018 with the average price of $201,795 and median price of $173,500, both figures showing an increase of $5,319 and $2,300 respectively.

Housing cost burden is determined by assessing what percentage a household spends on costs such as rent or mortgage payments, utilities, insurance, etc. To be housing cost burdened, one would have to spend 30% or more of their household income on housing costs. According to ACS estimates, Duluth has 32% of all households considered to be cost burdened, with 51% of renters cost burdened and 15% of owners cost burdened.

**Employment**

The most dense employment center in Duluth is the central business district (downtown). The highest level of employment density is located at the junction of N Lake Avenue and W 2nd Street, within a few blocks radius. This area has 24,000-26,000 jobs per square mile according to 2010 Census data. Radiating from this junction, employment density gradually decreases as it enters into the dense residential neighborhoods of Central Hillside and East Hillside. Additionally, Rice’s Point, to the southwest of downtown is a high-density employment center, acting as Duluth’s port terminal.

Secondary employment centers stem out from the central business district via major roadways or along natural geographic features mostly to the west and up the hill to the north. These secondary employment centers include the Mall area, Institutional campuses, Piedmont's
commercial area, Duluth Airport, Lincoln Park, and Spirit Valley. These areas see a range of 600-4,000 jobs per square mile according to Census Bureau data.

Notably, areas located furthest from downtown or geographically disconnected (Park Point) see the least dense employment concentrations equaling 600 jobs or less per square mile. These areas include Lakeside/Lesier Park, Woodland, Gary & New Duluth, Fond du Lac, and Park Point which are predominantly residential neighborhoods.

Housing density follows these employment centers closely with the densest level of housing (9-291 units/acre) being located in neighborhoods adjacent to the central business district (Lincoln Park, Central Hillside, East Hillside, Endion). Other patterns of housing density can be observed in West Duluth including Denfeld, Spirit Valley, and Cody, which run along previously mentioned employment centers and local commercial thoroughfares.

According to the Minnesota Department of Employment and Economic Development (DEED), Duluth's unemployment rate is 2.9%. By other metrics, the percentage of working age adults who are employed throughout the city of Duluth is at 75% according to ACS data. When breaking down by neighborhood, this employment figure is comparatively lower in the Central
Hillside neighborhood near downtown, and in the Duluth Heights/Kenwood neighborhoods near the College of St. Scholastica and Mall area employment center. The most highly employed neighborhoods are Congdon, Lester Park, and Woodland with over 80% of the working age workforce employed.

The employment centers in Duluth follow major roadways and geographic features. The Duluth Transit Authority (DTA) transit stops and shelters follow these factors closely through bus service. More transit shelters and stops are concentrated in the central business district and adjacent dense residential neighborhoods. All other employment centers are serviced along mostly commercial thoroughfares. However, the frequency of route varies when leaving the downtown area often depending on housing density to support the route. DTA frequencies range from 15 minutes to 60 minutes depending on peak hours and route location. For example, the highest frequency routes serve the Hillside neighborhoods, Endion, the Mall Area, institutional campuses, and Onota Business Park where the residential and employment densities are higher.

The average annual wage in Duluth was $47,227 in 2018. Duluth has experienced a 15% increase in its average annual wage over the past eight years. Duluth's annual wage is above average in comparison to other large cities in Minnesota. Only St. Paul and Minneapolis have higher average annual wages than Duluth. About 41% of workers earn $40,000 or more each year, 37% of workers earn $15,001-$39,999 each year, and 23% of workers earn $15,000 or less. The majority of workers in Central Hillside/Park Point, East Hillside, Lincoln Park, West Duluth, and the Western River Communities neighborhoods make $15,001-$39,999 a year. Almost all of these areas are located directly adjacent to downtown or on the west side of the city. The majority of workers in the Piedmont, Duluth Heights/Kenwood, Congdon, Woodland, and Lakeside/Lester Park neighborhoods make $40,000 or more a year. Most of these neighborhoods are located to the east or up the hill from downtown Duluth.

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17 Minnesota Department of Employment and Economic Development (DEED)
18 Minnesota Census
Chapter 5: Policies and Practices

Institutional Policies and Fair Housing Enforcement

Redlining

Racist government policies caused the segregation of BIPOC into lower income neighborhoods in Duluth and in cities across the country. Redlining is a federal policy that systematically prevented Black families and other families of color from getting home loans. Even though this practice of redlining was eventually outlawed, it created a lasting legacy of segregation and racialized poverty. Redlining denies families of color the ability to gain generational wealth through homeownership in the same ways as their white counterparts. In the 1930s Federal Housing Administration (FHA) policies informed how home loans were granted in the United States. The Home Owners' Loan Corporation (HOLC), a government-sponsored corporation created as part of the New Deal, evaluated neighborhoods in cities across the country. Often the HOLC graded neighborhoods where Black people and immigrants lived very low based on the fact that nonwhite people lived there, rather than on an objective evaluation of the housing stock. Redlining systematically prevented Black and other minority families from getting home loans. From 1934-1962 98% of the $120 billion worth of home loans subsidized by the government were given to white families, effectively locking nonwhite families out of homeownership. Real estate agents followed underwriting guidelines that directed them to maintain segregated neighborhoods because “inharmonious racial groups” could lower real estate values and “lessen the desirability of residential areas.”

The effects of redlining were compounded over time. White families were able to purchase homes and accrue wealth. This influx of wealth attracted new businesses and resulted in increased property values which allowed white families to accrue even more wealth and send their children to college, passing down their wealth and advantages to future generations.

Many of the areas that were deemed too risky for investment in 1936, continue to be the lowest income areas in Duluth today. In the 1936 HOLC neighborhood appraisals of Duluth, there were four neighborhood area descriptions that referred to the race or ethnicity of the residents. These four areas are located in areas that are now the five lowest income neighborhood districts in the city: East Hills Side, Central Hills Side, Lincoln Park, West Duluth and Western River Communities. These districts all have median household incomes that are below the estimated cost of living for our region. Even if they had lower grade areas, the neighborhood districts that had no descriptions about race or ethnicity in 1936 are now the highest income neighborhood districts in Duluth, all with median household incomes above the cost of living for the region. These neighborhoods include: Piedmont, Duluth Heights/Kenwood, Woodland, Congdon, and Lakeside/Lester Park.

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1. [Redlining Dilemma - UNFPAÁG](https://www.unfpa.org/-/media/UNFPA/UNFPA/Global/Policy-and-Laws/Media-Center/Press-Release/2015/05/05/Redlining-Dilemma-UNFPAÁG.pdf)
2. [Redlining Dilemma - UNFPAÁG](https://www.unfpa.org/-/media/UNFPA/UNFPA/Global/Policy-and-Laws/Media-Center/Press-Release/2015/05/05/Redlining-Dilemma-UNFPAÁG.pdf)
3. [Redlining Study - March 1936, HOLC](https://sc.duluth.k12.mi.us/History/Education/History/Historical%20Documents/Redlining%20Study%20March%201936%20HOLC%20Neighborhood%20Appraisal%20Reports%20-%20Motivated%201936-2002.pdf)
4. [Redlining Study - March 1936, HOLC](https://sc.duluth.k12.mi.us/History/Education/History/Historical%20Documents/Redlining%20Study%20March%201936%20HOLC%20Neighborhood%20Appraisal%20Reports%20-%20Motivated%201936-2002.pdf)
Land Use and Development Policies

The City of Duluth operates under a Unified Development Code (UDC). All new housing developments must fit under the zoning code or apply for and receive an applicable exemption such as a variance or special use permit. The UDC is reviewed for changes periodically and was last revised in January 2018. The history of land use regulation and zoning in the United States has strong ties to systematized racial segregation. This section will provide an analysis of local land use regulations, including any patterns of segregation.

The term "traditional neighborhood" is used in the UDC to describe lower density neighborhoods consisting of mostly single-family homes. This language speaks to some of the exclusionary origins of land use and zoning. In fact, some of the earliest zoning codes adopted in the United States specified areas where Black people could not live in order to maintain segregated neighborhoods. Having explicit "white zones" and "Black zones" in zoning code was short-lived.


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overturned by the Supreme Court, but that did not stop the practice of excluding BIPOC families from white neighborhoods. Zoning codes continued to be used by cities to systematically create white enclaves and to keep noxious industrial facilities away from those white neighborhoods.\(^{20}\) BIPOC families who moved into white neighborhoods were often terrorized and threatened. and many homes in white neighborhoods include restrictive covenants in the deeds that did not allow the homes to be sold or even rented to non-white families. In the 1950's, with the help of highways and the GI bill, white families left dense urban areas for low-density single-family neighborhoods in the suburbs.\(^{21}\) The UDC does not include racially explicit language, but to label these types of neighborhoods as "traditional" whitewashes their exclusionary history.

Duluth is a city with relatively low density. Most land in Duluth is zoned R for residential and 31% of these residential areas are zoned R-1, which accommodates "traditional neighborhoods" of mostly single-family homes. The next most common zoning category that allows residential use is Mixed Use or MU districts, allowing for both commercial and residential land use. The most flexible zoning districts allowing residential use are form districts. These areas make up 1% of the total land area and consist of seven different types, all of which add flexibility through site layout and aesthetic building standards that disregard use.

The two most spatially prevalent R zoning districts do not allow multifamily dwellings without special use permits, therefore limiting density and overall supply of housing.\(^{22}\) Some zoning districts allow for more flexibility such as form and MU districts but as stated before, they make up a lesser percentage compared to R zoned districts. Additionally, zoning codes can often restrict the number of individuals living in a home making it difficult for residential care facilities to operate. Residential care facilities are allowed in most zoning districts in Duluth with both six or less and seven plus people being allowed (although with a special use permit) in R-1 zones, the most common zoning district. Cluster development is also considered a more inclusive housing option and is allowed by the City's development code. Cluster development is a group of residential properties on a development site where the remaining portion of the site is most often used for open space, recreational space, or conservation. However, this type of development is only allowed in Residential Planned zones, or R-P which makes up less than 1% of all zoning districts. Overall, it appears that different levels of flexibility, use, and density are allowed by Duluth's UDC but in very limited areas of the City.

Since the last AI in 2015, six UDC changes have passed via ordinance that could have minor impacts on fair housing in Duluth. Some of those ordinance topics include adding flexibility in parking regulations, increasing building typology options for developers in form districts, and allowing for greater density in MU districts. One change increased restrictions on townhome developments, requiring separate front entrances and slightly larger setbacks. The most notable change to the UDC was in December 2019 when the city's Planning Commission and City Council approved an ordinance allowing for smaller residential lot sizes and the potential to build tiny homes. The City of Duluth has already allowed accessory dwelling units in its

\(^{20}\) Chapter 1 Nuca: Voting from the Color of Law - Keenan Kortila
\(^{21}\) Chapter 8 Voting from the Color of Law - Keenan Kortila
\(^{22}\) Chapter 9 Voting from the Color of Law - Keenan Kortila

Consolidated Plan

DULUTH

OMB Control No: 2506-0117 (exp. 06/30/2018)
development code but this ordinance is a shift towards even greater flexibility. As stated before, higher restrictions on land use and density often lead to higher land prices, constrained housing supply, and higher housing costs that all have an impact on fair housing choice. This shift towards greater flexibility and density has the potential to provide more housing options, but should be monitored for effectiveness in the coming years.

When overlaying the City's zoning map with spatial demographic data a few patterns are evident. Less restrictive zoning designations such as form districts or higher density R districts can more commonly be found in HUD-designated low-to moderate-income block groups. BIPOC households are also found more prevalently living in neighborhoods such as Lincoln Park and the Hillside neighborhoods, and these areas generally have more flexible and dense zoning standards. It is difficult to determine how much of a direct impact current zoning and land use policies have on these patterns but they indicate that greater restrictions can lead to racial and economic biased exclusionary outcomes.

The City of Duluth could be more intentional in creating inclusive housing options by researching alternative zoning strategies such as an inclusionary zoning ordinance or housing overlay zones. The first idea looks at increasing incentives for housing developers to create affordable housing by giving density bonuses or reducing administrative costs through a
The City of Duluth Human Rights Office works under federal, state, and local human rights laws to review and investigate complaints of discrimination based on legally protected classes. In 2016, the City of Duluth updated its Human Rights Ordinance to clarify the powers and duties of the Human Rights Commission and the Human Rights Officer. This update more clearly laid out the process for collecting and investigating human rights complaints. Since then, the Human Rights Commission along with the Human Rights Office have worked to streamline the complaint and investigation process and provide the community with information about how to make a complaint. The Human Rights Commission consists of community members appointed by the Mayor. The Commission has protocols for investigating and evaluating discrimination complaints submitted by members of the community to determine if further action is required to address and resolve the complaint. The Discrimination Intake Questionnaire which is available online is shown here.

https://duluthmn.gov/human-rights-office/
In the past few years, the City of Duluth Human Rights Office has drastically improved its discrimination complaint process, including fair housing related complaints. In the past, someone who wanted to file a complaint had to pick which type of complaint form best fit their situation (housing, employment, education, etc.) but now there is one brief, easy to fill out form for all discrimination related complaints. The form simply asks people for their contact information and what they believe they were discriminated based on (race, national origin, disability, etc.). The Human Rights Office then assists the person in determining if and how to file a formal complaint. The form is available as a fillable pdf, paper copy, or can be submitted via an online form. The Human Rights website also offers helpful resources to understand protected classes and area of protection the City’s Human Rights Ordinance covers.

Coverage of the Duluth
Human Rights
Ordinance

In 2019, 10 discrimination complaints were brought to the attention of the Human Right’s Office. Eight of the complaints were based on racial discrimination and two were based on disability. Both of the disability discrimination complaints were related to ADA compliance issues in housing. The racial discrimination complaints were related to public services, housing, and employment.

Federal Fair Housing Cases
From 2010 to 2016 there were 28 Title VIII fair housing cases filed by HUD’s Office of Fair Housing and Equal Opportunity (FHEO) in St. Louis County, MN. In total, 25% of the cases
were filed on a racial discrimination basis, all of them discrimination against Black or African American people, and 71% of the cases were filed on a disability basis.29

Access to Housing

Mortgage Lending
Underwriting guidelines for mortgage lending used to be explicitly racist.30 Although those explicit policies have been abolished, there still appear to be patterns of discrimination and segregation in mortgage lending today.31 An examination of mortgage lending applications in Duluth from 2015-2016 shows that BIPOC are applying for home loans at a roughly proportional rate to their share of the population. 10% of the population is BIPOC and 8% of the total loan applicants were BIPOC. BIPOC have a slightly lower loan approval rate (78%) than white people (85%) and a slightly higher "other outcomes" rate (18%) than white people (10%).32

[Graph: Mortgage Lending Application Outcomes]

29. [Link or citation]
30. [Link or citation]
31. [Link or citation]
32. [Link or citation]
Section 8

It is common in Duluth to find ads in the private rental housing market exclusively stating that
the property owner is not accepting Section 8. There are a variety of reasons a landlord or
property owner can use to explain why they do not want to rent to a HCV holder. Some reasons
include additional perceived risk or work involved in complying with Section 8 housing
standards. Regardless of reason, up front denial of Section 8 voucher holders
disproportionately impacts a number of protected classes in the City of Duluth according to HRA
data cited previously. A greater share of voucher holders are Black, Indigenous, female, and
with a disability compared to the entire population of Duluth and the utilization rate of vouchers
issued in 2018 was 64% indicating a significant difficulty in finding an apartment after receiving
a voucher. Furthermore, the 2018 Housing Indicator report published that the city’s overall rental
vacancy rate was 3.2% in 2018, a tightening of 1.6% from 2017. Low vacancy rates make it
difficult for all renters to find an apartment. Section 8 voucher holders face this same difficulty,
but in addition to the barriers presented by private leasing practices banning Section 8.

Widespread denial of prospective tenants based solely on voucher holder status has a
discriminatory effect on protected classes. In light of this, it should be best practice for
tenants to be screened on a case by case basis using other legal tools such as landlord or
character references to help make leasing determinations. Many cities, including
Minneapolis, MN, have faced this issue and addressed leasing practices through local
legislation including a Section 8 anti-discrimination ordinance. Minneapolis’ 2017
ordinance prohibited landlord discrimination against Section 8 Housing Choice Voucher
holders and aimed to put voucher holders on

In tandem with the protection ordinance, the Minneapolis City Council
directed staff to create landlord incentive programs and make enhancements to the local
Section 8 inspection program to help ease the transition and lessen barriers to housing for
 voucher holders. In Duluth, to make housing more accessible it is worth considering
legislative options or programs such as those laid out by other cities in order to address
inequities in the rental housing market.

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*DuluthGREEN January 21, 2023*

http://www.duluthgreen.org/greencart/section-8/2124975
Consolidated Plan

City of Duluth, MN

Analysis of Impediments to Fair Housing Choice

Criminal Record

Across the United States one can find disproportionate arrests, convictions, and sentencing rates for BIPOC compared to white populations due to many systemic issues including but not limited to implicit bias in the criminal justice system. The State of Minnesota is no different. White people are underrepresented and people of color are overrepresented in prisons and jails in MN compared to the state’s population. The prison population in Minnesota has gotten larger by the thousands since the 1980s indicating a significant number of people who have been touched in some way by the criminal justice system. This means that BIPOC disproportionately have criminal histories and that blanket denial for rental housing based solely on criminal record is a race-based discrimination issue, so therefore a fair housing issue.

Furthermore, HUD guidance suggests that having a blanket criminal history policy could be a violation of the Fair Housing Act because “an arrest is not a reliable basis upon which to assess the potential risk to residents or property.” HUD suggests using a policy that evaluates criminal history on a case-by-case basis in addition to justifying tenant denial by assessing the correlation between an individual’s criminal history and their risk to residents or property. Mandating a justification for a denial based on criminal history would create greater landlord accountability to make comprehensive, non-biased leasing decisions, and lead to a more transparent process for potential tenants.

Cities like Portland OR are addressing this issue by implementing a renter protection ordinance. This ordinance includes provisions to address the tenant screening process by “laying out what they call a low-bunker review. This low-bunker review would not automatically deny leasing based on criminal history, credit, or rental history, rather an individual review is completed before a denial is made to make it a more comprehensive review of the prospective tenant. There are other non-legislative strategies to address the effects of blanket criminal

* https://www.portlandoregon.gov/portal/content/human-resource
* https://www.spp.org/article/76092
* https://www.bprr.org/article/118248
screening criteria such as broad information campaigns or educational classes. Many of these options have not been explored by the City of Duluth but should be further researched.

Community Experience
As part of the Consolidated Planning community outreach process, the Planning and Development Division staff used multiple outreach strategies to engage community members and the organizations that serve our community. An online Community Needs Assessment survey was available for about three weeks in spring 2019. Division staff also consulted nonprofits and service providers who work on issues of healthcare, housing, homelessness, and education, and other community issues.

In focus groups with nonprofits and services providers, focus group participants identified several housing barriers related to fair housing choice and protected classes including:
- Criminal history/re-entry issues
- Mental health
- Lack of accessible housing
- General availability and supply of affordable housing
- Transportation to housing (i.e. access to transit)
- Discrimination
- Unsafe housing conditions of some rental housing

The City conducted an online survey asking questions about community needs and fair housing issues. Over 300 community members responded to the survey. Many survey respondents identified issues related to fair housing and protected classes when asked what was the biggest obstacle they had faced the last time they were looking for housing.

Out of more than 300 respondents to the online survey, 26% said that the last time they were searching for housing, they think they were treated differently than other people looking for housing. Respondents who felt they were treated differently were asked a follow-up question about why they thought they were treated differently. Respondents were shown a list of protected classes and asked to pick all that applied. Of those respondents who felt they were treated differently, 38% said they thought it was due to race, 25% thought it was due to age, and 20% thought it was due to gender.
What was the biggest obstacle to obtaining housing the last time you were searching for housing? Check all that apply:

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limited income/wage affordability</td>
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</tr>
<tr>
<td>Declarative property or rent restrictions</td>
<td>10</td>
</tr>
<tr>
<td>Unfavorable credit history or credit denial</td>
<td>7</td>
</tr>
<tr>
<td>Racial discrimination or housing type denial</td>
<td>9</td>
</tr>
<tr>
<td>Timing the circles/tenants</td>
<td>3</td>
</tr>
<tr>
<td>Physical condition of housing</td>
<td>8</td>
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<tr>
<td>Disability requirements</td>
<td>4</td>
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<tr>
<td>Landlord or apartment</td>
<td>9</td>
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<tr>
<td>Crime-related to housing</td>
<td>5</td>
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<td>Urban sprawl</td>
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<tr>
<td>A local Everybody that was suggestible</td>
<td>1</td>
</tr>
<tr>
<td>Did not have emergency assistance</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
</tr>
</tbody>
</table>

Do you think you were treated differently than other people looking for housing? Yes, because of:

[Survey responses]
Nearly half of those respondents indicated that they felt they were treated differently due to a variety of other factors including criminal history and Section 8. The breakdown of open-ended responses for those who chose the “other” option is shown below.

**Do you think you were treated differently than other people looking for housing? Yes, Other:**

![Pie chart showing reasons for varying treatment](chart.png)

**2015 Analysis of Impediments to Fair Housing**

The 2015 AI produced a five-year Fair Housing Plan that identified two impediments to fair housing and five strategies to address them. Below the impediments and strategies are listed along with any actions that were taken in the past five years to implement the strategies.

**Impediment 1: Lack of knowledge of fair housing rights**

- **Strategy 1A. Rental license flier and marketing**
  - This strategy was not directly addressed.

- **Strategy 1B. Required training to permanent supportive and transitional housing providers**
  - On Tuesday, July 19, 2016 representatives from HUD came to Duluth to provide training to local service providers, landlords, and residents on the Americans with Disabilities Act (ADA) and Fair Housing Act. Topics for the training included an overview of Civil Rights protections in housing, Americans with Disabilities Act, Fair Housing Act, protection for those with disabilities including issues related to animals and reasonable
accommodations, marketing and tenant selection including advertising, occupancy standards, and criminal background checks, the fair housing complaint process, disparate impact, and Affirmatively Furthering Fair Housing. Staff from the Duluth HRA, public service providers, housing and homelessness service providers, and Human Rights Officer for the City attended the training.

Strategy 1C: Require permanent supportive and transitional housing providers to educate tenants on reasonable accommodations and fair housing rights
- The City provided CDBG and city funding to the Tenant Landlord Connection (TLC). The TLC helps 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 tenure. The TLC provides education to landlords and tenants including landlord training/rental licensing class, tenant/landlord law and legal forms, Fair Housing training and education, Ready to Rent classes for hopeful tenants without a positive rental history, and classes for high school students. The Duluth HRA works in coordination with the TLC by referring Section 8 recipients to Ready to Rent classes.

Impediment 2: Insufficient data to support enforcement

Strategy 2A: Collect information from housing providers about housing discrimination complaints and provide to Human Rights Officer to help guide strategic planning and coordination
- This strategy was not directly addressed.

Strategy 2B: Work with Police, Life Safety, and the Human Rights Office to identify gaps in enforcement
- In 2018, the City of Duluth updated its Human Rights Ordinance leading to the Human Rights Office and the Human Rights Commission working to develop an improved protocol for how to handle and process complaints and to make filing a complaint more accessible and less intimidating. Over the next two years, as a direct result of the ordinance update, the Human Rights Office worked with the Police Department as the Police revised their strategy for receiving complaints, and what happens and who gets informed after a complaint is made.

Three of the five strategies from the 2015 Fair Housing Plan were directly addressed. Although two strategies were not directly addressed, the City was able to make progress towards reducing both of the identified impediments to fair housing. As the Human Rights Office continues to refine the implementation of the updated Human Rights Ordinance and work with community partners on fair housing and discrimination reporting and enforcement, we expect that these impediments related to fair housing education and enforcement will continue to be addressed and reduced in the coming years.
Chapter 6: 2020-2024 Fair Housing Plan

Using the trends, data, and our knowledge of historical and existing policies and practices discussed in the full 2020 Analysis of Impediments to Fair Housing report, the City of Duluth has identified four impediments to fair housing choice to focus on for the next five years. The goal of this Fair Housing Plan is to address the most pressing fair housing issues with both short and long-term strategies. This Plan focuses on building a more equitable community in the face of a legacy of policies and practices that have created deep inequities in our city, including segregation and racialized poverty.

Exclusionary Section 8 Policies

Of the 1,309 households using Section 8 HCV in the private rental market in 2018, 24% of households were Black, 10% of householders were Indigenous, 89% of householders were female, and 56% of householders had a disability. The citywide population of Duluth is 3% Black, 2% Indigenous, 51% female, and 14% people with disabilities. The utilization rate for Section 8 Housing Choice Vouchers issued in 2018 was approximately 54%, indicating that there can be significant difficulty in securing housing after receiving a Section 8 voucher. Therefore, private rental market policies that advertise no Section 8 or that do not allow Section 8 have a disproportionately negative effect on multiple protected classes.

Impediment 1: Exclusionary rental housing practices and policies directed at Section 8 Housing Choice Voucher holder.

Strategy 1.1: Conduct outreach to landlords to gather information on what they see as deterrents to listing to Section 8 Housing Choice voucher tenants and work with them to develop reasonable accommodations that increase tenant awareness about Section 8.

Strategy 1.2: Collaborate with local partners to create and expand educational programs and workshops for landlords that address Section 8 Housing Choice voucher holder tenant rights, administrative barriers, and disadvantages landlords.

Strategy 1.3: Provide landlord model language that can be used by landlords in advertising for Section 8 housing environments.

Strategy 1.4: Consider implementing a Section 6 protection ordinance or something similar that prohibits landlords from advertising no Section 8 or denying prospective tenants solely on the basis of receiving public assistance through Section 8. Review Minneapolis, MN and Portland, OR ordinances for guidance.
Exclusionary Criminal Background Policies

While people are underrepresented and BIPOC are overrepresented in prisons and jails in MN compared to the state’s population, there is significant research showing that arrest and incarceration rates are disproportionately higher for BIPOC. This means that BIPOC disproportionately have criminal histories, so blanket criminal history policies for tenant selection have a disproportionately negative effect on protected classes. HUD guidance suggests that having a blanket criminal history policy could be a violation of the Fair Housing Act because “an arrest is not a reliable basis upon which to assess the potential risk to residents or property.” HUD suggests using a policy that evaluates criminal history on a case-by-case basis in addition to justifying tenant denial by assessing the correlation between an individual’s criminal history and their risk to residents or property. In short, strategies to address this impediment aim to create fewer housing barriers for people with criminal histories.

Impediment 2: Exclusionary rental housing practices and policies directed at persons with criminal histories

Strategy 2.1: Create a criminal history rental housing guide that summarizes best practices in leasing to persons with criminal history and includes landlords with过程当中 to use these practices.

Strategy 2.2: Collaborate with criminal justice partners to address and reduce educational programs and incentives for landlords. Build upon existing programs that address violent prevention training and lower barriers to entry for landlords who are not currently barred from renting to tenants with criminal backgrounds.

Strategy 2.3: Collaborate with partners, including local landlords, to develop a unified background check that will streamline tenant application processes and eliminate duplicate fees for background checks.

Strategy 2.4: Create an educational marketing campaign that supports best practices in leasing to people with criminal histories.
Involuntary Displacement:
The key difference between neighborhood revitalization and gentrification is that gentrification causes involuntary displacement of residents and community-serving small businesses. Investments in neighborhoods that improve communities are a good thing, but these investments should be paired with anti-displacement strategies to ensure that everyone in the community benefits from revitalization. Research regarding involuntary displacement shows that certain demographic characteristics such as being a tenant rather than a homeowner or having a lower income make it more difficult for individuals to resist displacement. In Duluth, vulnerability to displacement disproportionately affects protected classes including BIPOC and people with disabilities. In Duluth 40% of all households rent, but BIPOC households are disproportionately renters (71%) rather than owners (26%). The most recent American Community Survey in Duluth estimates median annual earnings for people with a disability at $8,780, compared to $21,964 for people without a disability. The ACS estimates per capita annual income for Duluth’s white population at $28,346, $26,994 for the Black population, and $10,696 for the Indigenous population. The distribution of affordable housing, including in neighborhoods where historic displacement has occurred or is in its early stages, is crucial to addressing displacement and providing fair housing choice.

Strategy 3.1: Develop a monitoring and tracking system that identifies and maps the location and magnitude of displacement. Keep track of the rate and patterns of displacement in neighborhoods that are undergoing gentrification.

Strategy 3.2: Create a comprehensive anti-displacement strategy for the city as a whole. This includes development of protected areas, including not only historically displaced neighborhoods but also areas at risk of displacement, such as suburban areas. 

Strategy 3.3: Disseminate research and guidance on anti-displacement strategies to local partners.

Strategy 3.4: Develop a framework that considers housing choice along with the transportation and service needs of the expected/downsized tenants when siting new developments.
**Built Environment**

Conservative land use and zoning policies contribute to the built environment by creating a tradition of exclusionary development patterns while restricting density, location, and availability for new residential development. This limits housing supply and options, increasing overall housing costs, disproportionately affecting low-income populations and protected classes. In Duluth, 44% of housing units were built before 1939. The older housing stock lends itself to what is called “naturally occurring affordable housing,” essentially housing that is cheaper because it is lower quality. As discussed above, some protected classes are disproportionately lower income, so deferred maintenance and health concerns created by substandard housing, such as lead paint and mold, have the potential to disproportionately affect protected classes. Some older and new substandard homes also have the potential to affect those with disabilities because they were not built for accessibility and pose high, unachievable costs to retrofit for ADA compliance.

**Impediment 4: Policies and physical limitations in the built environment**

**Strategy 4.1:** Conduct a feasibility study that investigates creative tools to incentivize or require some affordable and/or accessible units in new housing developments.

**Strategy 4.2:** Continue to make changes to the City’s Unified Development Code that address outdated land use and zoning policies, which in turn affect density and mixed income neighborhoods and residential developments.

**Strategy 4.3:** Explore an alternative rental-licensing program, such as a targeted or tiered system, that addresses rental housing quality, regulatory body and property owner accountability.

**Strategy 4.4:** Support new or existing rehabilitation programs that focus on healthy homes and retrofitting for ADA accessibility. Implement these programs in a variety of neighborhoods throughout Duluth.

**Fair Housing Plan Implementation**

The next few pages offer a roadmap for implementing the strategies discussed above. The first table lists the entities who will help implement the strategies as well as their anticipated roles at each step in the process. Following that table, each of the four impediments is listed showing the timing and steps for implementing each strategy. The implementation plan is intentionally broad to ensure that measured progress is made throughout the next five years, but to also leave room for flexibility. The timeline for strategy implementation aligns with the City’s HUD funding fiscal years so that progress in implementation can be reported on in annual Action Plans.
<table>
<thead>
<tr>
<th>Contributors</th>
<th>Role</th>
<th>Research and Analysis</th>
<th>Develop</th>
<th>Educate</th>
<th>Evaluate</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Duluth - Planning &amp; Economic Development Department</td>
<td>Consulate meetings and fund travel/accommodations</td>
<td>Conduct research; review, edit, and update data (i.e., conversations and focus groups); Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Develop written resources such as guides, one-pagers, and reports</td>
<td>Disseminate case-related educational materials and raise awareness</td>
<td>Evaluate, track, and monitor outcomes and effectiveness; Conduct and track metrics of non-compliance</td>
</tr>
<tr>
<td>City of Duluth - Lifes Safety Division</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Disseminate paper educational materials, case-related educational materials, and raise awareness through media reports</td>
<td>Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
<tr>
<td>City of Duluth - Human Rights Office</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Disseminate paper educational materials and raise awareness through media reports</td>
<td>Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
<tr>
<td>Housing and Redevelopment Authority - Session &amp; Volunteer Program</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Provide educational materials</td>
<td>Evaluate, track, and monitor outcomes and effectiveness; Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
<tr>
<td>Duluth Landlord Association</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Using feedback to raise awareness</td>
<td>Evaluate, track, and monitor outcomes and effectiveness; Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
<tr>
<td>Community members (focus on protected classes)</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Using feedback to raise awareness</td>
<td>Evaluate, track, and monitor outcomes and effectiveness; Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
<tr>
<td>Community organizations that have relationships with organizations (e.g., landlord, tenant, affordable housing)</td>
<td>Share experiences and provide input on developing policies, practices, and written materials</td>
<td>Inform the development of deliverables and provide feedback on draft deliverables</td>
<td>Using feedback to raise awareness</td>
<td>Evaluate, track, and monitor outcomes and effectiveness; Conduct and track metrics of non-compliance</td>
<td></td>
</tr>
</tbody>
</table>
### Impediment 1: Exclusionary rental housing practices and policies directed at Section 8 Housing Choice Voucher holders

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy 1.1</strong></td>
<td>Conduct outreach to landlords to gather information on what they see as deterrents to renting out to Section 8 Housing Choice Voucher holders and work with the Housing and Redevelopment Authority (HRA) to raise landlord awareness about Section 8 vouchers.</td>
<td>Listen and Provide Input</td>
<td>Educate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Research and Analyze</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop</td>
<td></td>
</tr>
<tr>
<td><strong>Strategy 1.2</strong></td>
<td>Collaborate with local partners to create and expand educational programs and incentives for landlords that address Section 8 Housing Choice voucher holder stereotypes, administrative barriers, and advertising practices.</td>
<td>Listen and Provide Input</td>
<td>Educate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Research and Analyze</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop</td>
<td></td>
</tr>
<tr>
<td><strong>Strategy 1.3</strong></td>
<td>Produce and endorse model language that can be used by landlords in advertising or leasing documents inclusive to Section 8 Housing Choice Voucher holders.</td>
<td>Listen and Provide Input</td>
<td>Educate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Research and Analyze</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop</td>
<td></td>
</tr>
<tr>
<td><strong>Strategy 1.4</strong></td>
<td>Consider the feasibility of a Section 8 protection ordinance that prohibits landlords from advertising &quot;no Section 8&quot; or denying prospective tenants solely on the basis of receiving public assistance through Section 8. Review Minneapolis, MN and Portland, OR ordinances for guidance.</td>
<td>Listen and Provide Input</td>
<td>Educate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Research and Analyze</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop</td>
<td></td>
</tr>
</tbody>
</table>
## Impediment 2: Exclusionary rental housing practices and policies directed at persons with criminal histories

<table>
<thead>
<tr>
<th>Strategy 2.1</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategy 2.1</strong>&lt;br&gt;Create a criminal history rental-housing guide that summarizes best practices in leasing to persons with criminal history and provide landlords with language to use for applications and leases.</td>
<td>Listen and Provide Input&lt;br&gt;Research and Analyze&lt;br&gt;Develop</td>
<td>Educate&lt;br&gt;Evaluate</td>
<td>Educate&lt;br&gt;Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 2.2</strong>&lt;br&gt;Collaborate with local partners to create and expand educational programs and incentives for landlords. Build upon existing programs that address eviction prevention training and invest in funds that incentivize apprehensive landlords who wouldn't normally lease out to tenants with criminal backgrounds.</td>
<td>Listen and Provide Input&lt;br&gt;Research and Analyze&lt;br&gt;Develop</td>
<td>Educate&lt;br&gt;Evaluate</td>
<td>Educate&lt;br&gt;Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 2.3</strong>&lt;br&gt;Collaborate with partners, including local landlords, to develop a unified background check that will streamline tenant application processes and eliminate duplicate fees for background checks.</td>
<td>Listen and Provide Input&lt;br&gt;Research and Analyze&lt;br&gt;Develop</td>
<td>Educate&lt;br&gt;Evaluate</td>
<td>Educate&lt;br&gt;Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 2.4</strong>&lt;br&gt;Create an educational marketing campaign, similar to &quot;ban the box,&quot; that supports best practices in leasing to people with criminal histories.</td>
<td>Listen and Provide Input&lt;br&gt;Research and Analyze&lt;br&gt;Develop</td>
<td>Educate&lt;br&gt;Evaluate</td>
<td>Educate&lt;br&gt;Evaluate</td>
</tr>
</tbody>
</table>
**Impediment 3: Involuntary Displacement and Limited Housing Choice Caused by Gentrification**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>April 1, 2022 - March 31, 2022</td>
<td>April 1, 2022 - March 31, 2024</td>
<td>April 1, 2024 - March 31, 2026</td>
</tr>
<tr>
<td><strong>Strategy 3.1</strong>&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Research and Analyze</td>
<td>Research and Analyze</td>
<td>Research and Analyze</td>
</tr>
<tr>
<td>Commit to monitoring and tracking neighborhood changes at regular intervals in order to identify the location of populations who are vulnerable to displacement, neighborhoods that are prone to gentrification, and neighborhoods that are undergoing gentrification.</td>
<td>Develop</td>
<td>Develop</td>
<td>Develop</td>
</tr>
<tr>
<td></td>
<td>Evaluate</td>
<td>Evaluate</td>
<td>Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 3.2</strong>&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Listen and Provide Input</td>
<td>Develop</td>
<td>Educate</td>
</tr>
<tr>
<td>Create anti-displacement strategies through public engagement and research addressing displacement of protected classes in Duluth and codify anti-displacement strategies at the city level for example by integrating them into the Community Development funding application and other processes.</td>
<td>Research and Analyze</td>
<td>Educate</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td>Develop</td>
<td>Educate</td>
<td>Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 3.3</strong>&lt;sup&gt;c&lt;/sup&gt;</td>
<td>Listen and Provide Input</td>
<td>Educate</td>
<td>Educate</td>
</tr>
<tr>
<td>Disseminate research and guidance on anti-displacement strategies to local partners</td>
<td>Research and Analyze</td>
<td>Educate</td>
<td>Evaluate</td>
</tr>
<tr>
<td></td>
<td>Develop</td>
<td>Evaluate</td>
<td>Evaluate</td>
</tr>
<tr>
<td><strong>Strategy 3.4</strong>&lt;sup&gt;d&lt;/sup&gt;</td>
<td>Listen and Provide Input</td>
<td>Develop</td>
<td>Educate</td>
</tr>
<tr>
<td>Develop a framework that considers housing choice along with the transportation and service needs of the expected/predicted tenants when siting new affordable housing developments, including projects funded by the Community Development Funding Program and tax credit projects with affordability components.</td>
<td>Research and Analyze</td>
<td>Educate</td>
<td>Evaluate</td>
</tr>
<tr>
<td>Phase 1</td>
<td>Phase 2</td>
<td>Phase 3</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>---------</td>
<td>---------</td>
<td></td>
</tr>
<tr>
<td>Apr 1, 2021 - Mar 31, 2022</td>
<td>Apr 1, 2022 - March 31, 2023</td>
<td>April 1, 2023 - March 31, 2024</td>
<td></td>
</tr>
<tr>
<td>Listen and Provide Input</td>
<td>Develop</td>
<td>Evaluate</td>
<td></td>
</tr>
<tr>
<td>Research and Analyze</td>
<td>Develop</td>
<td>Evaluate</td>
<td></td>
</tr>
<tr>
<td>Educate</td>
<td>Develop</td>
<td>Evaluate</td>
<td></td>
</tr>
</tbody>
</table>

**Strategy 4.1**
Conduct a feasibility study that investigates creative tools to incentivize the development of affordable and accessible units in new housing developments.

**Strategy 4.2**
Continue to make changes to the City's Unified Development Code that address outdated tenant use and zoning policies related to accessibility and residential developments.

**Strategy 4.3**
Explore new or existing rehabilitation programs, such as a tax credit for affordable housing, that target rental housing quality, accessibility, and property ownership accountability.

**Strategy 4.4**
Support new or existing housing programs that focus on healthy homes and neighborhood revitalization for ADA accessibility improvement, including programs in Duluth.
Data and Methodology

Data from the US Census Bureau

Decennial Census
Census data used in this report are actual counts of the entire population.

American Community Survey 5-year estimates
ACS data used in this report are 5-year estimates based on annual surveys sent out to a sample of the population. When referring to ACS data in this report, we often mention just one year as shorthand. The year stated is the most recent year in the 5-year period so when we say 2016 ACS data we mean an estimate based on the data from 2014-2018.

Appendix

The following pages contain data tables showing all of the 2018 and 2017 ACS data used in this report for the city and neighborhoods.
## Duluth, MN
### American Community Survey (ACS) 5-year estimates 2011-2015

<table>
<thead>
<tr>
<th>Population</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>240,582</td>
</tr>
</tbody>
</table>

### Race & Ethnicity

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>122,284</td>
</tr>
<tr>
<td>Black or African American</td>
<td>3,269</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>1,007</td>
</tr>
<tr>
<td>Asian</td>
<td>1,996</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific Islander</td>
<td>124</td>
</tr>
<tr>
<td>Some other race</td>
<td>3,031</td>
</tr>
<tr>
<td>White and Black or African American</td>
<td>3,269</td>
</tr>
<tr>
<td>White and American Indian and Alaska Native</td>
<td>1,007</td>
</tr>
<tr>
<td>White and Asian</td>
<td>1,929</td>
</tr>
<tr>
<td>Black or African American and American Indian and Alaska Native</td>
<td>3,269</td>
</tr>
</tbody>
</table>

### Race alone or in combination with one or more other races

<table>
<thead>
<tr>
<th>Race/Combination</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>122,284</td>
</tr>
<tr>
<td>Black or African American</td>
<td>3,269</td>
</tr>
<tr>
<td>American Indian and Alaska Native</td>
<td>1,007</td>
</tr>
<tr>
<td>Asian</td>
<td>1,996</td>
</tr>
<tr>
<td>Native Hawaiian and Other Pacific Islander</td>
<td>124</td>
</tr>
<tr>
<td>Some other race</td>
<td>3,031</td>
</tr>
<tr>
<td>Hispanic or Latin American</td>
<td>1,591</td>
</tr>
<tr>
<td>Not Hispanic or Latino</td>
<td>11,964</td>
</tr>
</tbody>
</table>

### Age

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-10 years</td>
<td>16,418</td>
</tr>
<tr>
<td>10-19 years</td>
<td>25,579</td>
</tr>
<tr>
<td>20-24 years</td>
<td>19,909</td>
</tr>
</tbody>
</table>

### Poverty

<table>
<thead>
<tr>
<th>Poverty Measure</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low income before poverty level</td>
<td>15,221</td>
</tr>
<tr>
<td>Total poverty population</td>
<td>62,353</td>
</tr>
</tbody>
</table>

### Disability

<table>
<thead>
<tr>
<th>Disability Status</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>With a disability</td>
<td>14,809</td>
</tr>
</tbody>
</table>

### Sex

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>12,425</td>
</tr>
<tr>
<td>Female</td>
<td>3,577</td>
</tr>
</tbody>
</table>
### Housing Units & Households

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>28,408</td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>13,059</td>
<td>46%</td>
</tr>
<tr>
<td>Renter</td>
<td>15,349</td>
<td>54%</td>
</tr>
<tr>
<td>Vacant</td>
<td>0</td>
<td>0%</td>
</tr>
</tbody>
</table>

#### Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Total</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner</td>
<td>21,947</td>
<td>77%</td>
</tr>
<tr>
<td>Renter</td>
<td>6,461</td>
<td>23%</td>
</tr>
</tbody>
</table>

#### Median Household Income (in 2019 dollars)

<table>
<thead>
<tr>
<th>Type</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Occupied</td>
<td>54,641</td>
</tr>
<tr>
<td>Renter Occupied</td>
<td>32,375</td>
</tr>
</tbody>
</table>

#### Race of Householder

<table>
<thead>
<tr>
<th>Race</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>32,276</td>
</tr>
<tr>
<td>Black</td>
<td>20,104</td>
</tr>
<tr>
<td>American Indian</td>
<td>1,265</td>
</tr>
<tr>
<td>Asian</td>
<td>1,265</td>
</tr>
<tr>
<td>Hawaiian and Other</td>
<td>110</td>
</tr>
</tbody>
</table>

#### Housing Costs

- Median gross rent as a percentage of household income: 29%
<table>
<thead>
<tr>
<th>Year</th>
<th>Program Area</th>
<th>Target Setting</th>
<th>Actual Outcome</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Education</td>
<td>100% Growth</td>
<td>75% Growth</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>Health</td>
<td>20% Improvement</td>
<td>15% Improvement</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>Housing</td>
<td>50% Availability</td>
<td>45% Availability</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>Environment</td>
<td>30% Reduction</td>
<td>25% Reduction</td>
<td></td>
</tr>
</tbody>
</table>

Note: These figures are approximate and subject to change based on community feedback.
<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditure</th>
<th>Revenue</th>
<th>Distribution</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>12,345</td>
<td>9,876</td>
<td>5,432</td>
<td></td>
</tr>
<tr>
<td><strong>Programs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>3,456</td>
<td>2,345</td>
<td>1,987</td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>2,345</td>
<td>1,234</td>
<td>1,012</td>
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<tr>
<td>Environment</td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>Local Government</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>Capital Projects</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>Transportation</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>Local Programs</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>State and Federal Programs</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
</tr>
<tr>
<td><strong>Investment</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
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<tr>
<td><strong>Reimbursable</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
<td></td>
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<tr>
<td><strong>Other</strong></td>
<td>1,987</td>
<td>1,234</td>
<td>1,012</td>
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<tr>
<td><strong>Total</strong></td>
<td>12,345</td>
<td>9,876</td>
<td>5,432</td>
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Consolidated Plan

DULUTH

OMB Control No: 2506-0117 (exp. 06/30/2018)
<table>
<thead>
<tr>
<th></th>
<th>D</th>
<th>%</th>
<th>C</th>
<th>%</th>
<th>R</th>
<th>%</th>
<th>B</th>
<th>%</th>
<th>#</th>
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<th>261</th>
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<tbody>
<tr>
<td><strong>Advanced Infrastructure</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Sewerage and Wastewater</td>
<td>1.65</td>
<td>0.03</td>
<td>1.68</td>
<td>0.03</td>
<td>1.68</td>
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<td>0.03</td>
<td>1.68</td>
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<tr>
<td>Water supply and treatment</td>
<td>0.42</td>
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<td>0.41</td>
<td>0.01</td>
<td>0.41</td>
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<td>0.41</td>
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<tr>
<td>Parks and recreation</td>
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<td>0.00</td>
<td>0.09</td>
<td>0.00</td>
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<td>0.00</td>
<td>0.09</td>
<td>0.00</td>
<td>0.09</td>
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<tr>
<td><strong>Community Development</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing and development</td>
<td>1.02</td>
<td>0.01</td>
<td>1.02</td>
<td>0.01</td>
<td>1.02</td>
<td>0.01</td>
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</tr>
<tr>
<td>Economic development</td>
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<td>0.00</td>
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<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
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<tr>
<td><strong>Natural Resources</strong></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural and recreational resources</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td>0.03</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.19</td>
<td>0.05</td>
<td>3.19</td>
<td>0.05</td>
<td>3.19</td>
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<td>3.19</td>
<td>0.05</td>
<td>3.19</td>
<td>0.05</td>
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<tr>
<td><strong>Total for Planning</strong></td>
<td>3.19</td>
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<td>3.19</td>
<td>0.05</td>
<td>3.19</td>
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<td>3.19</td>
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<td>3.19</td>
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Consolidated Plan

OMB Control No: 2506-0117 (exp. 06/30/2018)
<table>
<thead>
<tr>
<th>Objective and Indicator</th>
<th>Outcome</th>
<th>Outcome</th>
<th>Outcome</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Consolidated Plan**

OMB Control No: 2506-0117 (exp. 06/30/2018)
## Application for Federal Assistance SF-424

1. **Type of Submission**
   - [x] Application
   - [ ] Amendment/Correction Application
2. **Type of Application**
   - [x] New
   - [ ] Renewal
   - [ ] Other (Specify):
3. **Data Received**
   - [ ] 3. Data Received by State
   - [ ] 4. Assistant Identifier
4. **Federal Entity Identifier**
   - [ ] 5. Federal Entity Identifier
   - [ ] 6. State Application Identifier
5. **Applicant Information**
   - [x] Legal Name:
     - [x] City:
     - County:
     - State:
     - Zip Code:
     - Country:
     - DUNS Number:
6. **Address**
   - Street:
   - City:
   - County:
   - State:
   - Zip Code:
7. **Organizational Unit**
   - Department Name:
   - Program Name:
8. **Name and Contact Information of Person to be Contacted on Matters Involving This Application**
   - [ ] First Name:
   - Last Name:
   - Title:
   - Telephone Number:
   - Fax Number:

---

**Grantee SF-424's and Certification(s)**

---

**Consolidated Plan**

**DULUTH**

**OMB Control No: 2506-0117 (exp. 06/30/2018)**
<table>
<thead>
<tr>
<th>Application for Federal Assistance SF-424</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>9. Type of Applicant 1: Selected Applicant Type:</strong></td>
</tr>
<tr>
<td>- Type of Applicant 1: Governmental Organization</td>
</tr>
<tr>
<td>- Type of Applicant 2: Selected Applicant Type:</td>
</tr>
<tr>
<td>- Type of Applicant 2: Selected Applicant Type:</td>
</tr>
<tr>
<td>- Other: [ ]</td>
</tr>
</tbody>
</table>

**Name of Federal Agency:**

CDBG Housing and Urban Development

**Catalog of Federal Domestic Assistance Number:**

[ ] 248

**Competiiton Identification Number:**

[ ]

**Areas Affected by Project (Cities, Counties, States, etc.):**

[ ]

**Descriptive Title of Applicant's Project:**

City of Duluth CDBG 2023 Community Development Block Grant

* Check supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments
### Application for Federal Assistance SF-424

16. Congressional Districts Of:

- **[ ]** House District: [ ]
- **[ ]** Senate District: [ ]

17. Proposed Project:

- **[ ]** Start Date: 01/01/2020
- **[ ]** End Date: 01/31/2021

18. Estimated Finding ($):

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>4,491,265</td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Program Income</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>4,491,265</td>
</tr>
</tbody>
</table>

19. Is Application Subject to Review by State Under Executive Order 13772 Process?

- [ ] Program is subject to P.O. 13772 and has not been selected by the State for review.
- [ ] Program is not covered by P.O. 13772.

20. Is the Applicant Delinquent On Any Federal Debt? (If “Yes,” provide explanation in attachment.)

- [ ] Yes
- [ ] No

21. By signing this application, I certify (1) to the statements contained in the list of certifications; and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances; and agree to comply with any withholding terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 23, Section 3001.)

- [ ] I certify

Authorized Representative:

- First Name: [ ]
- Last Name: [ ]

22. *Date Signed: 7/7/2020*
### ASSURANCES - CONSTRUCTION PROGRAMS

| OMB Number: 2506-0117 | Expiration Date: 06/30/2018 |

Public record keeping for this collection is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate of any aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (2506-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these statements may not be applicable in your present situation. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify additional assurances, if such are the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers or documents related to the assistance, and will establish a proper accounting system in accordance with generally accepted accounting standards and agency directives.

3. Will not dispose of, modify the use of or change the location of the property conveyed or selected in the site and facilities without the prior written consent of the awarding agency. Will enter into the Federal awarding agency directives and will include a covenant in the title of the property acquired in which it is clear with Federal assistance funds to assure nondiscrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the granting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the completed work conforms with the approved plans and specifications, and will furnish progress reports and data thereto information as may be required by the assistance awarding agency or State.

6. Will provide and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using the facilities for purposes that are inconsistent with the purposes of the Federal assistance, or personal gain.

8. Will comply with the Intergovernmental Personal Act of 1970 (42 U.S.C. § 4727-4755) relating to prescribed standards for control systems for programs funded under one of the 19 formulas or regulations specified in Appendix A of CDBG Standards for a Real System of Personal Administration (29 C.F.R. 940, Support H).

9. Will comply with the Local and Based Pain Prevention Act (42 U.S.C. § 55401 et seq.) which prohibits the use of local based pain in construction of rehabilitation of resource structures.

10. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title II of the Civil Rights Act of 1964 (42 U.S.C. § 2000d-3) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. § 1681-1688 and 1884-1886), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicap; (d) the Age Discrimination Act of 1975 as amended (42 U.S.C. § 6101 et seq.) which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1973 (P.L. 92-580), as amended relating to non-discrimination on the basis of drug status; (f) the Comprehensive Alcoholism and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-916), as amended, relating to nondiscrimination on the basis of alcohol or alcoholism; (g) 45 U.S. and 20 U.S.C. of the Public Service Act of 1942 (42 U.S.C. § 2802 et seq.) as amended relating to confidentiality of alcohol and drug abuse patient records; (h) 18 U.S.C. of the Civil Rights Act of 1960 (42 U.S.C. § 2000d et seq.) as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions of the applicable statute; under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute which may apply to the application.  

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**Consolidated Plan**  
DULUTH  
OMB Control No: 2506-0117 (exp. 06/30/2018)
11. Will comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-140), which provide for the equitable treatment of persons displaced by public works projects and the fair and equitable acquisition of property acquired by project sponsors regardless of Federal participation in the project.

12. Will comply with the provisions of the Housing Act of 1937 (U.S.C. §§1437f-161d and 1524-1530) which limit the political activities of employers whose principal employment activities are conducted in whole or in part with Federal funds.


14. Will comply with the insurance purchase requirements of Section 110(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients of special flood hazard areas to participate in the program and to purchase flood insurance of the total cost of reasonable construction and acquisition is $1,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) enforcement of environmental quality standards pursuant to the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order 11514 setting forth standards of violating facilities pursuant to 40 CFR 11738; (b) the implementation of wetlands pursuant to 40 CFR 1990; (c) the implementation of flood hazard floodplains in accordance with 40 CFR 199; (d) the implementation of flood hazard floodplains in accordance with 40 CFR 199; (e) the implementation of flood hazard floodplains in accordance with 40 CFR 199; (f) the implementation of flood hazard floodplains in accordance with 40 CFR 199;

16. Will comply with the requirements of Section 106(e) of the Trafficking Victims Protection Act (TVPA) of 2000 as amended (22 U.S.C. §7107) which prohibits grant awards to any recipient of a subrecipient from engaging in or tolerating forms of trafficking in persons during the period of time that the award is in effect.

17. Will comply with the provisions of Section 170(c) of the Clean Air Act of 1963, as amended (42 U.S.C. §7401 et seq.) regarding the prevention of air pollution from the burning of coal.

18. Will comply with the provisions of the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and 40 C.F.R. 261 et seq., related to controlling components of potential contamination of the nation's water and sewer systems.


20. Will comply with the requirements of Section 106(e) of the Trafficking Victims Protection Act (TVPA) of 2000 as amended (22 U.S.C. §7107) which prohibits grant awards to any recipient of a subrecipient from engaging in or tolerating forms of trafficking in persons during the period of time that the award is in effect.

21. Will comply with the requirements of Section 170(c) of the Clean Air Act of 1963, as amended (42 U.S.C. §7401 et seq.) regarding the prevention of air pollution from the burning of coal.
## Application for Federal Assistance SF-424

### Applicant Information:
- **Entity Name:** [illegible]
- **Employer Identification Number (EIN):** 41-0505563
- **Organizational DUNS:*** [illegible]
- **Address:**
  - **Street:** 311 E. 2nd Ave.
  - **City:** Duluth
  - **State:** MN
  - **Zip Code:** 55802
- **Phone Number:** [illegible]

### Contact Information:
- **Contact Name:** Mr. Thomas E. Dahl
- **Phone:** 218-732-2163
- **Fax Number:**
- **Email:** feo@ci.duluthmn.us

### Application Information:
- **Type of Submission:** New
- **Type of Application:** Financial Assistance Request
- **Revision:** Yes

### Federal Award Information:
- **Federal Award Number:** [illegible]
- **Amount:** [illegible]

### Other Information:
- **Date Received:** [illegible]
- **Assistance Identifier:** [illegible]
- **Last Name:** [illegible]
- **First Name:** [illegible]
- **Email:** [illegible]
Application for Federal Assistance SF-424

<table>
<thead>
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<tbody>
<tr>
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</tr>
<tr>
<td>[ ] Federal Agency</td>
</tr>
<tr>
<td>[ ] Non-Profit Organization</td>
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<tr>
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10. Name of Federal Agency:  

11. Catalog of Federal Domestic Assistance Number:  

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12. Funding Opportunity Number:  

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13. Competition Identification Number:  

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<tr>
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</tbody>
</table>

14. Areas Affected by Project (Cities, Counties, States, etc.):  

Add Attachment  
Delete Attachment  
View attachment

15. Descriptive Title of Applicant’s Project:  

Add Attachment  
Delete Attachment  
View attachment
Application for Federal Assistance SF-424

16. Congressional Districts Of:
   * a. Applicant
   * b. Project
   * c. Proposed Project

Add an additional list of Program Project Congressional Districts if needed.

17. Proposed Project:
   * a. Grant Date: 01/01/2023
   * b. End Date: 01/01/2024

18. Estimated Funding ($):
   * a. Federal
   * b. Applicant
   * c. State
   * d. Local
   * e. CBOE
   * f. Program Income
   * g. TOTAL

19. Is Application Subject to Review By State Under Executive Order 12372 Process?
   [ ] 1. This application was made available to the State under the Executive Order 12372 Process for review on
   [ ] 2. Program is subject to EO 12372 but has not been selected by the State for review

20. Is the Applicant Delinquent On Any Federal Debt? (If “Yes,” provide explanation in attachment.)
   [ ] Yes
   [x] No

21. “By my signature, I certify that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 21, Section 1001)

   [x] I AGREE

   * This list of certifications and assurances, or an Internet site where you may obtain this form, is contained in the announcement or agency's standard instructions

Authorized Representative:

Name: [Signature]
Birth Date: [Signature]
City: [Signature]
State: [Signature]
County: [Signature]
Telephone Number: [Signature]
Email: [Signature]

* Signature of Authorized Representative: [Signature]
* Date Signed: [Signature]

Consolidated Plan
DULUTH 271
OMB Control No: 2506-0117 (exp. 06/30/2018)
Consolidated Plan DULUTH 272

OMB Control No: 2506-0117 (exp. 06/30/2018)

Public action reports for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimates or any other aspect of this information collections, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project, 3504 D St. NW, Washington DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.
11. Will comply with the requirements of Title II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§4601-4691), which provide for fair and equitable treatment of persons displaced by eminent domain for the reasons of public interest, necessity, or safety.


14. Will comply with the provisions of the Environmental Protection Act of 1973 (42 U.S.C. §§9601-9675), which require the protection of the environment and the health of the public from the effects of toxic substances.

15. Will comply with the provisions of the Safe Drinking Water Act of 1974 (42 U.S.C. §§300f-300j), which require the protection of the public from the effects of toxic substances.

16. Will comply with the provisions of the Clean Air Act of 1970 (42 U.S.C. §§7401 et seq.), which require the protection of the public from the effects of toxic substances.

17. Will comply with the provisions of the Clean Water Act of 1977 (33 U.S.C. §§1251-1370), which require the protection of the public from the effects of toxic substances.

18. Will comply with the provisions of the Occupational Safety and Health Act of 1970 (29 U.S.C. §§651-678), which require the protection of the public from the effects of toxic substances.


## Application for Federal Assistance SF-424

**Type of Submission:**
- [ ] Preliminary
- [x] Application
- [ ] Uplift/Incremental Application

**Type of Application:**
- [ ] New
- [ ] Revision, same appropriation identifier

**Date Received:**

**Applicant Identifier:**

**Federal Entity Identifier:**

**State Use Only:**
- [ ] Date Received by State:
- [ ] State Application Center:

### Applicant Information

1. **Legal Name:**
   - [Type of entity]
   - [Name of entity]

2. **Employer/Agency Identifier Number (EIN/TIN):**
   - [EIN/TIN]

3. **Organization DUNS:**
   - [DUNS Number]

### Address:

- **Street:**
- **City:**
- **County:**
- **State:**
- **Zip Code:**

### Organizational Unit:

- **Department Name:**
- **Division Name:**
- **Program Name:**

### Name and contact information of person to be contacted on matters involving this application:

- **First Name:**
- **Last Name:**
- **Title:**
- **Telephone Number:**
- **Fax Number:**
- **Email:**
<table>
<thead>
<tr>
<th>Application for Federal Assistance SF-424</th>
</tr>
</thead>
<tbody>
<tr>
<td>* 9. Type of Applicant 1: Select Applicant Type:</td>
</tr>
<tr>
<td>City or Town Government</td>
</tr>
<tr>
<td>County Government</td>
</tr>
<tr>
<td>Type of Applicant 2: Select Applicant Type:</td>
</tr>
<tr>
<td>Other (specify):</td>
</tr>
<tr>
<td>* 10. Name of Federal Agency:</td>
</tr>
<tr>
<td>HUD Housing and Urban Development</td>
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<tr>
<td>11. Catalog of Federal Domestic Assistance Number:</td>
</tr>
<tr>
<td>24-559</td>
</tr>
<tr>
<td>CEDA Inc</td>
</tr>
<tr>
<td>HOPE Grant Program</td>
</tr>
<tr>
<td>* 12. Funding Opportunity Number:</td>
</tr>
<tr>
<td># 354-00-1-300</td>
</tr>
<tr>
<td>* Title</td>
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<tr>
<td>HOPE Grant 2020</td>
</tr>
<tr>
<td>13. Competition Identification Number:</td>
</tr>
<tr>
<td>Title:</td>
</tr>
<tr>
<td>14. Areas Affected by Project (Cities, Counties, States, etc.):</td>
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<tr>
<td>Add Attachment</td>
</tr>
<tr>
<td>* 15. Descriptive Title of Applicant's Project:</td>
</tr>
<tr>
<td>City of Duluth (2020) HOPE Grant</td>
</tr>
</tbody>
</table>

Attach supporting documents as specified in agency instructions.
Application for Federal Assistance SF-424

16. Congressional Districts Of:
   - A. Applicant: [Insert]
   - B. Program/Project: [Insert]

17. Proposed Project:
   - a. Start Date: [Insert]
   - b. End Date: [Insert]

18. Estimated Funding ($):
   - a. Federal: [Insert]
   - b. Account: [Insert]
   - c. State: [Insert]
   - d. Local: [Insert]
   - e. Other: [Insert]
   - f. Program Income: [Insert]
   - g. TOTAL: [Insert]

19. Is Application Subject to Review By State Under Executive Order 12372 Process?
   - a. The application was made available to the State under the Executive Order 12372 Process for review.
   - b. Program is subject to E.O. 12372 but not been accepted by the State for review.
   - c. Program is not covered by E.O. 12372.

   - a. Yes
   - b. No

21. "By signing this application, I certify (1) to the statements contained in the list of certifications" and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances" and agree to comply with any existing terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 210, Section 1881)

   Authorized Representative:
   - Name: [Insert]
   - First Name: [Insert]
   - Last Name: [Insert]
   - Title: [Insert]
   - Telephone Number: [Insert]
   - Email: [Insert]

   Signature of Authorized Representative: [Signature]
   * Date Signed: [Insert]
Consolidated Plan

OMB Control No: 2506-0117 (exp. 06/30/2018)
11. Will comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§4601 et seq.) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired by project or program regardless of Federal participation in purchases.

12. Will comply with the provisions of the Nontax Title II of U.S.C. §§1603-1609 and 7324-7326 which limit the political activity of employees whose principal employment activities are financed in whole or in part with Federal funds.


14. Will comply with the requirements of Section 102(c) of the Flood Disaster Protection Act of 1973 (PL 93-234) which requires recipients in special flood hazard areas to participate in the program and to purchase flood insurance if the total cost of reasonable construction and acquisition is $1,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) implementation of environmental quality control measures under the National Environmental Policy Act of 1969 (PL 91-190) and Executive Order (EO) 11514; (b) certification of violation of facilities pursuant to EO 11514; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of land use action in accordance with EO 11990; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (40 U.S.C. §§416 et seq.); and (f) continued Federal accords to State (“Clean Air”) implementation plans under Section 170(b) of the Clean Air Act of 1963, as amended (42 U.S.C. §§7401 et seq.) (g) protection of aquatic and other natural resources under the Safe Drinking Water Act of 1974, as amended (PL 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (PL 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1280 et seq.) related to priority components of potential study areas of the national wild and scenic rivers system.

17. Will meet the standards of a certified agency in regard to compliance with Section 106(c) of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §§470, 10116-163 (classification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and performance audits in accordance with the single Audit Act Amendments of 1975 and related Circular No. A-133 “Audits of States, Local Governments, and Non-Profit Organizations.”

19. Will comply with all applicable requirements of state, federal laws, regulations, orders, rules, and ordinances governing this program.

20. Will comply with the requirements of Section 106(d) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104(d)) which prohibits grants, loans, or contracts to or with a recipient for which the recipient or its subrecipient: (1) Engages in or supports in any manner any form of trafficking in persons during the period of time of the award and in or before the performance of the award; (2) Requires a commercial sex act during the period of time that the award is in effect; or (3) Using forced labor in the performance of the award or subawards under the award.
CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the Consolidated Plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing – The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 24 CFR Part 24. It has, or will establish, a relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

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

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuance, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement:

2. None of the funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement. It will comply with Standard Form 1-71, "Disclosure of Indirect Lobbying," in accordance with its instructions, and

3. It will require that the language of paragraphs 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all levels including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction – The Consolidated Plan is authorized under State and local law for application and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with Plan – The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction’s Consolidated Plan.

Section 108 will comply with section 3 of the Housing and Urban Development Act of 1968 (2 U.S.C. 1701) and implementing regulations at 24 CFR Part 135.

Signature of Authorized Official

[Signature]

Date

Mayor, City of Duluth
Specific Community Development Block Grant Certification

This Entitlement Community certifies that:

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

**Community Development Plan** — Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that are consistent with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 90.

**Following a Plan** — It is following a current consolidated plan that has been approved by HUD.

**Use of Funds** — It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. **Overall Benefit.** The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year [year] shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guarantee funds, by assessing any fee charged or assessment made as a condition of assigning access to such public improvements.

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

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

**Excessive Force** — It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations.

2. A policy of enforcing applicable State and local laws against physically barring entrance to a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
Compliance with Anti-discrimination laws — This grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (12 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint — Its activities concerning lead-based paint will comply with the requirements of 21 CFR Part 35, Sections A, B, J, K and R.

Compliance with Laws — It will comply with applicable laws.

Signature of Authorized Official

[Signature]

Date: 7/1/2020

Mayor, City of Duluth

Title
OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 870.308(b).

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

[Signature of Authorized Official]

Mayor, City of Duluth
Title
Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance - If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs - It is using and will use HOME funds for eligible activities and costs as described in 24 CFR §§92.202 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

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

Signature of Authorized Official: __________________________

Date: 7/7/2020

Mayor, City of Duluth

Title: __________________________

Emergency Solutions Grants Certifications:

The Emergency Solutions Grants Program recipient certifies that:

Major rehabilitation/conversion/renovation — If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases, where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Cost-sharing and Supportive Services — In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation — Any renovation carried out, with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services — The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for these individuals.

Matching Funds — The recipient will obtain matching amounts required under 24 CFR 576.201.

Confidentiality — The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement — To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan — All activities the recipient undertakes with assistance under ESG are consistent with the consolidated plan.
**Discharge Policy**

The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correctional programs and institutions) in order to prevent the discharge from immediately resulting in homelessness for these persons.

Signature of Authorized Official

[Signature]

Date: 7/1/2020

Mayor, City of Duluth

Title
APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION

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