



Planning & Development Division
Planning & Economic Development Department

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Fiscal Year 2021 Community Needs Assessment

Community Development Funding Program

The City of Duluth is an Entitlement Community as defined by the Department of Housing and Urban Development (HUD), which means that the City receives about \$3 million in community development funds annually. These funds assist households with low- and moderate-incomes (up to \$61,450 for a family of four in 2020) and neighborhoods where most of the residents have low- and moderate-incomes. Annual funding sources include Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) Program, and Emergency Solutions Grant (ESG) Program.

The City Planning & Development Division collaborates with many community organizations to meet the needs of and assist low- and moderate- income individuals and the neighborhoods in which they live. This includes improving housing stock, increasing economic self-sufficiency, and supporting social programs in the city. To help understand the critical needs in the community and inform the priorities for each funding year, the City conducts an annual Community Needs Assessment. The Community Needs Assessment process typically include a community survey as well as a Public Hearing by the Community Development (CD) Committee. The CD Committee uses the information gathered during the Community Needs Assessment to set funding priorities for the next fiscal year of the Community Development Program.

Fiscal Year 2021 Outreach Methods

To gather input on funding priorities for the fiscal year 2021 Community Needs Assessment, the City of Duluth asked community members to complete an online survey, submit comments during the public comment period, or attend a virtual Public Hearing to share their input. The online survey was open from September 4 - September 15, 2020, public comments were accepted from September 4 – September 22, 2020 and a Public Hearing was held on September 22, 2020. This document contains a summary of the fiscal year 2021 Community Needs Assessment.

Key Findings

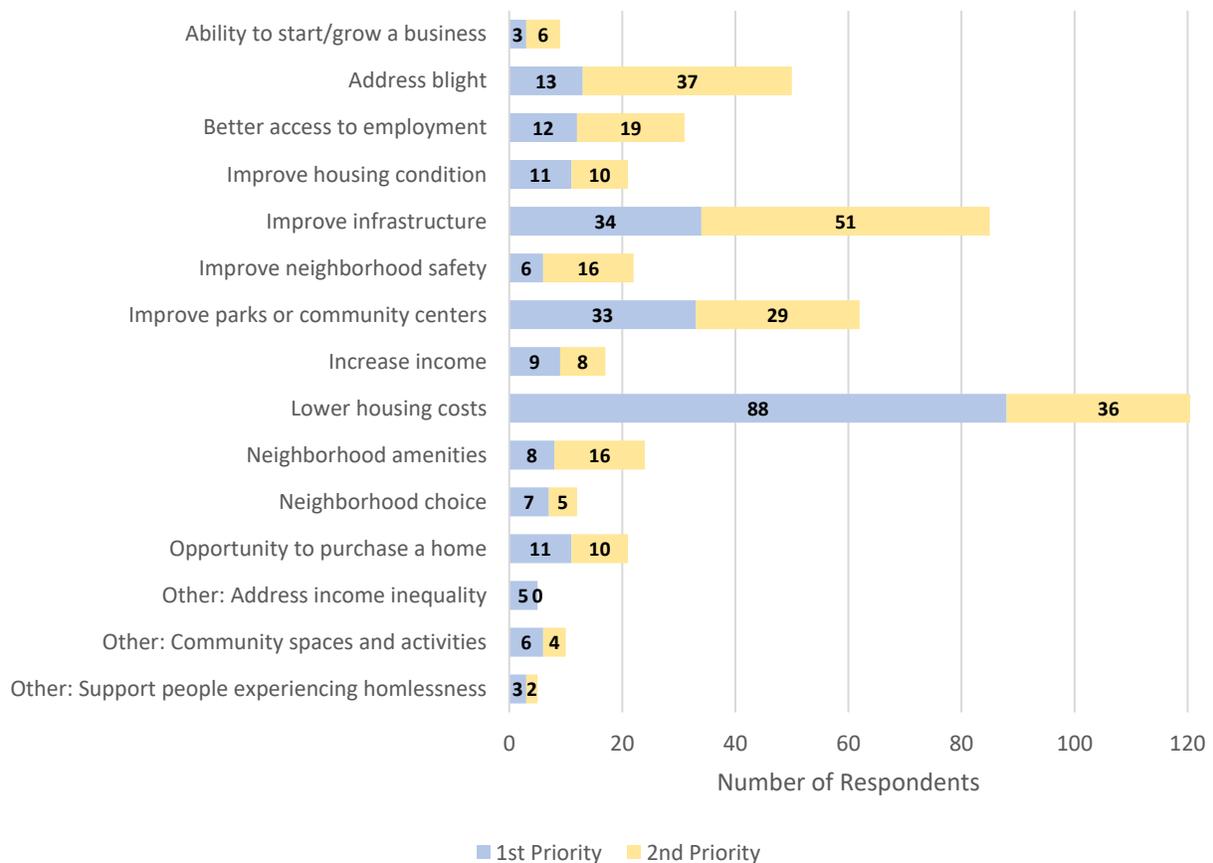
Housing is a major community concern and the most prominent community need. Limited housing availability means that potential buyers and renters have few choices and little power to negotiate. In this competitive housing market, inequities are intensified.

Online Survey

Top Funding Priorities

A total of 249 community members responded to the online survey. Survey respondents were presented with a list of activities that can be funded with HUD community development funds. They were asked to choose one first priority and one second priority activity. Both priority questions were required, and all 249 respondents chose both their first priority and second priority activities. After choosing each activity, respondents were directed to a follow-up question that asked for more detail about the activity they chose. Graphics throughout this summary indicate if a response was made as part of the respondent’s first priority activity (blue-colored) or second priority (peach-colored) activity.

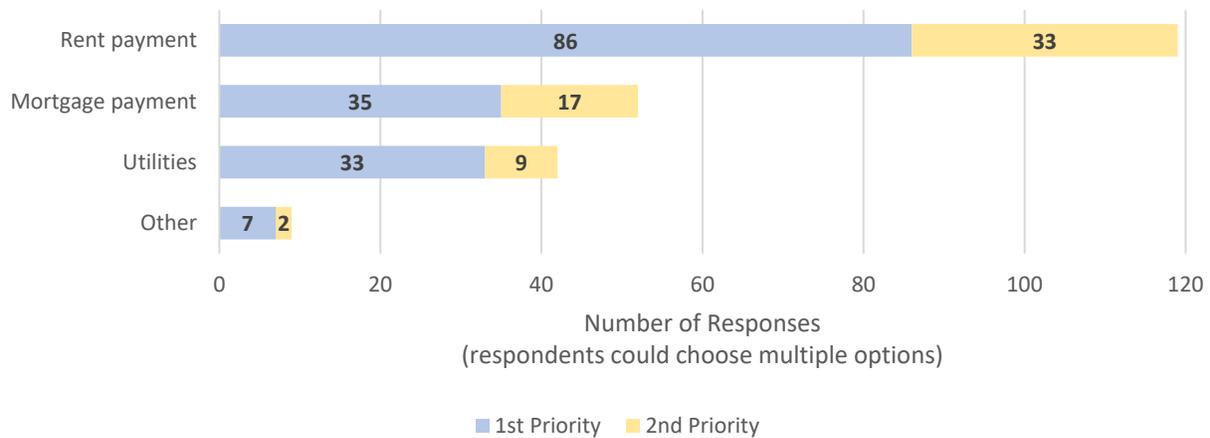
Top Funding Priorities



About a third (35%) of respondents chose lower housing costs as their first priority and 20% chose it as their second priority. In total, half (50%) of all survey respondents chose lower housing costs as either their first or second priority. Other top priorities chosen by respondents included improve infrastructure, improve parks or community centers, and address blight. About a third of respondents (34%) chose improve infrastructure as one of their top priorities, a quarter (25%) of respondents chose improve parks or community centers as one of their top priorities, and 20% of respondents chose address blight as one of their top priorities.

Lower Housing Costs

What housing costs are too high?

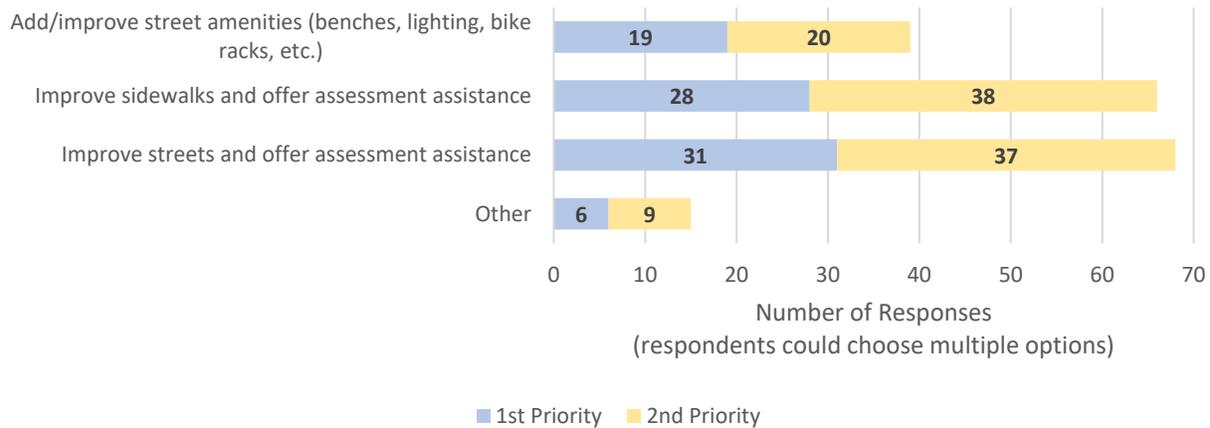


50% of survey respondents chose lower housing costs as one of their top priorities

Of respondents who chose lower housing costs as one of their top priorities, 96% thought rent payments are too high, 42% thought mortgage payments are too high, 34% thought utility costs are too high, and 7% thought other costs are too high. Other costs included security deposits and other up-front costs for rental units, and respondents reiterated that rent payments are very high.

Infrastructure Improvements

Infrastructure Improvements

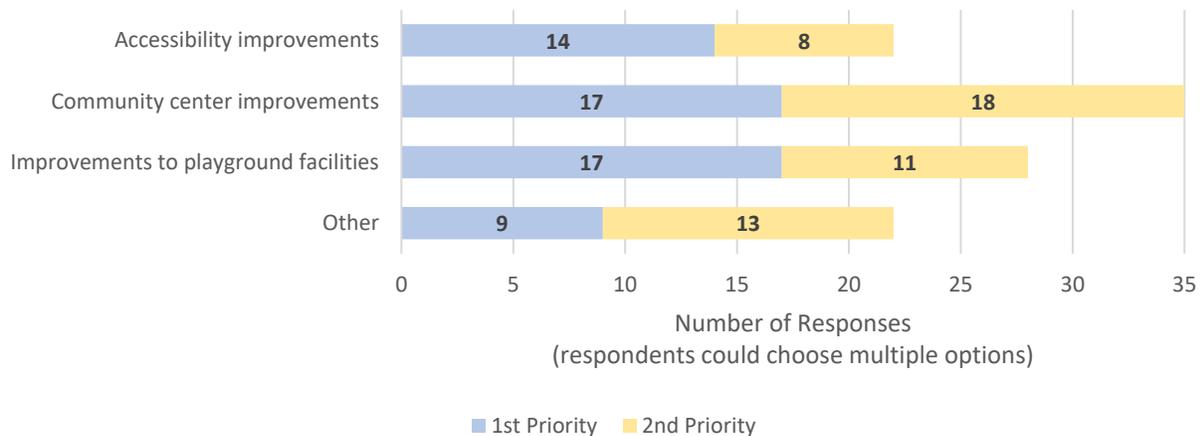


34% of survey respondents chose infrastructure improvements as one of their top priorities

Of respondents who chose improve infrastructure as one of their top priorities, 80% thought improvements to streets are needed, 78% thought improvements to sidewalks are needed, 46% thought improvements to street amenities are needed, and 18% said other improvements are needed. Other infrastructure improvements suggested by respondents included improvements to utilities, such as water and sewer, and prioritizing safety and accessibility in all modes of transportation, specifically to stop designing roads to prioritize only cars.

Park and Community Center Improvements

Park and Community Center Improvements

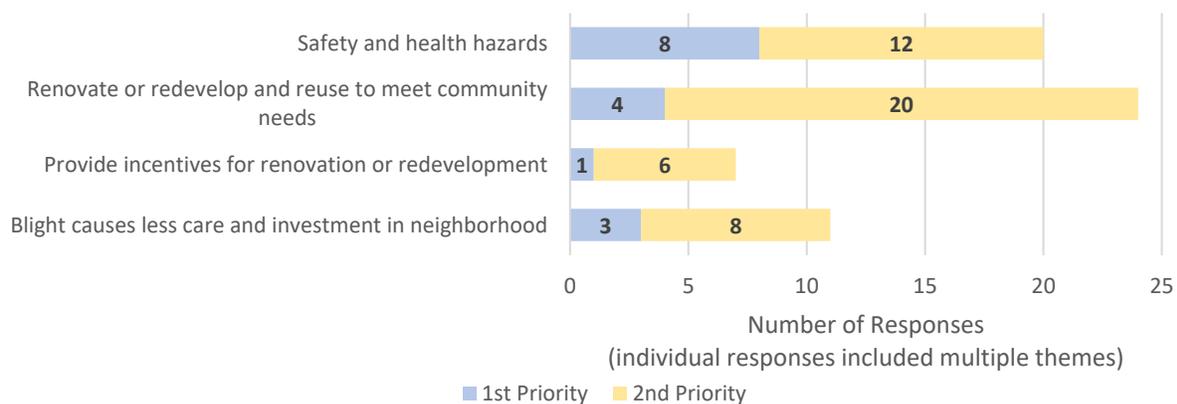


25% of survey respondents chose park and community center improvements as one of their top priorities

Of respondents who chose improve parks or community centers as one of their top priorities, 56% thought community center improvements are needed, 45% thought improvements to playground facilities are needed, 35% thought accessibility improvements are needed, and 35% thought other improvements are needed. Respondents who chose other improvements want increased access and improvements to recreation facilities such as ski areas, skate parks, dog parks, skiing hills, sports complexes, playgrounds, nature playscapes, and pocket parks. They brought up trail, walkway, park building and infrastructure maintenance, stream and native plant restoration, general park maintenance, a financial investment/priority in parks and maintaining green spaces. Respondents also mentioned a need for programming and safe places for youth, public school programming in parks, and expanded library programming and services.

Address Blight

How is blight currently affecting you or your neighborhood?
 What would improve the situation?



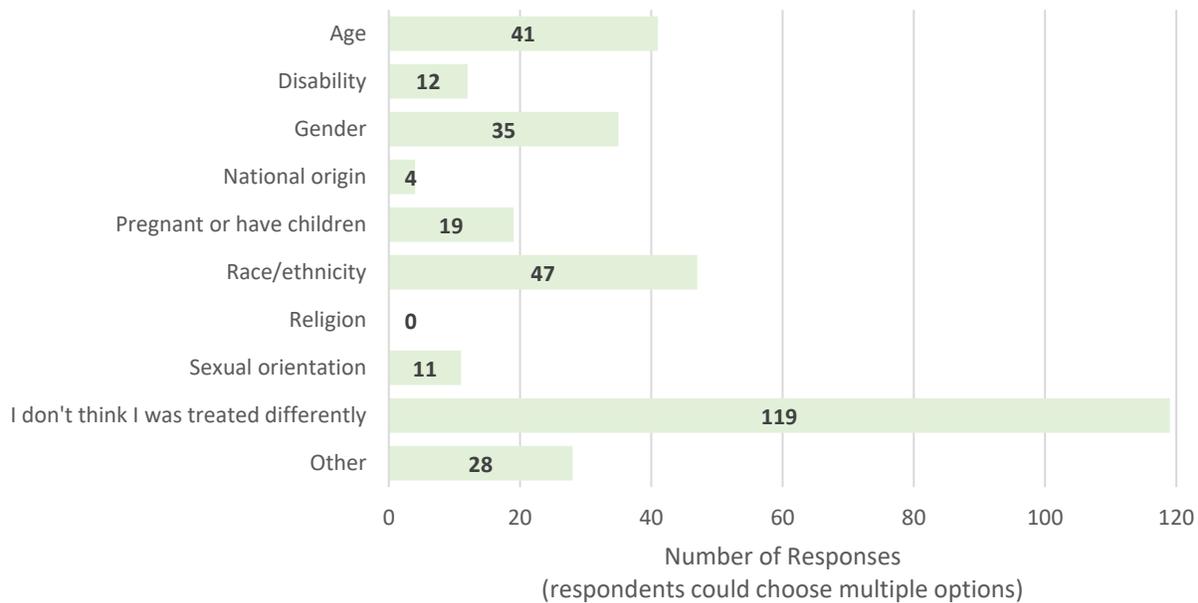
20% of survey respondents chose address blight as one of their top priorities

Of respondents who chose address blight as one of their top priorities, 48% thought blight should be addressed by renovating or redeveloping blighted properties and then reusing them to meet community needs, 40% said blight is causing safety and health hazards in their neighborhoods, 22% said that blight is causing less care and investment in their neighborhood, and 14% suggested providing incentives for the renovation or redevelopment of blighted properties.

Housing

The survey included two questions about respondents’ experiences searching for housing. The first of these questions asked if they were treated differently than other the last time they were searching for housing. The answer categories that were provided on the survey are all protected classes according to federal fair housing law. Respondents could also indicate that they were not treated differently or could explain other ways in which they were treated differently. The second question asked about obstacles respondents encountered while searching for housing. The City knows from listening to community and from the responses to this survey that housing is a major concern for many people in Duluth, so these questions will help provide additional context to people’s experiences with housing.

The last time you were searching for housing, do you think you were treated differently than other people?



Nearly half (44%) of survey respondents indicated that they were treated differently than others for at least one reason, while 49% of respondents indicated they do not think they were treated differently than others the last time they were looking for housing. Many respondents indicated that they were treated differently because of race/ethnicity (19% of respondents), age (17% of respondents), and gender (14% of respondents). The 12% of respondents who indicated they were treated differently for other reasons mentioned Section 8 vouchers, marital status, legal/criminal history, and being treated better than others because of their white privilege.

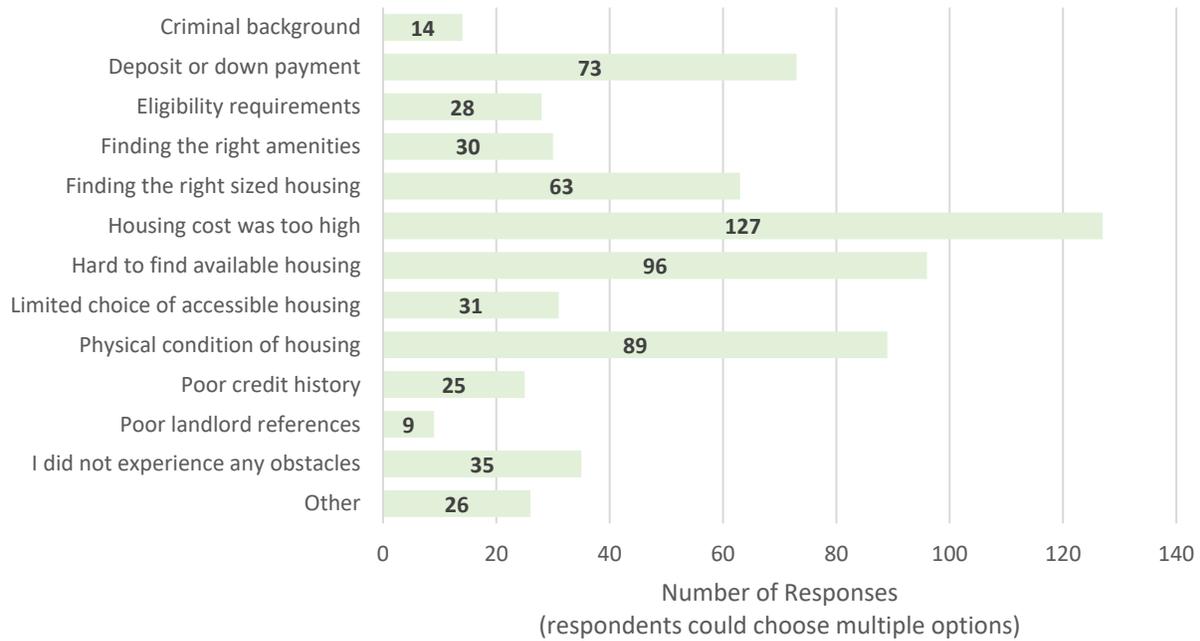
The graph below shows statistically significant differences in response rates for the most-selected categories of race/ethnicity, age, and gender.



More than half (56%) of Black, Indigenous, and People of Color (BIPOC) respondents indicated that they were treated differently because of race/ethnicity, while only 11% of white respondents said this. Respondents ages 18-29 identified being treated differently because of age at a much higher rate than overall survey respondents, while respondents ages 40-49 identified being treated differently because of age at a much lower rate than overall survey respondents. Nonbinary respondents said they were treated differently because of their gender at a significantly higher rate than overall survey respondents or respondents who identified as women or men. There was no significant difference between the rates that women and men indicated they were treated differently because of gender.

The second survey question about respondents’ experiences while searching for housing focused on the obstacles they faced while searching. Over half of survey respondents (51%) said that one of the biggest obstacles they faced finding housing was that the cost was too high. A quarter or more of respondents also experienced the following obstacles: there not being housing available (39% of respondents), the physical condition of housing (36% of respondents), up-front housing costs such as security deposit or down payment (29% of respondents), and finding the right sized housing (25% of respondents). The 10% of respondents who said other obstacles made it difficult to obtain housing mentioned having pets, neighborhood choice, race-based discrimination, and high prices for substandard housing that would require an investment to fix-up. The graph on the next pages shows the number of responses in each category.

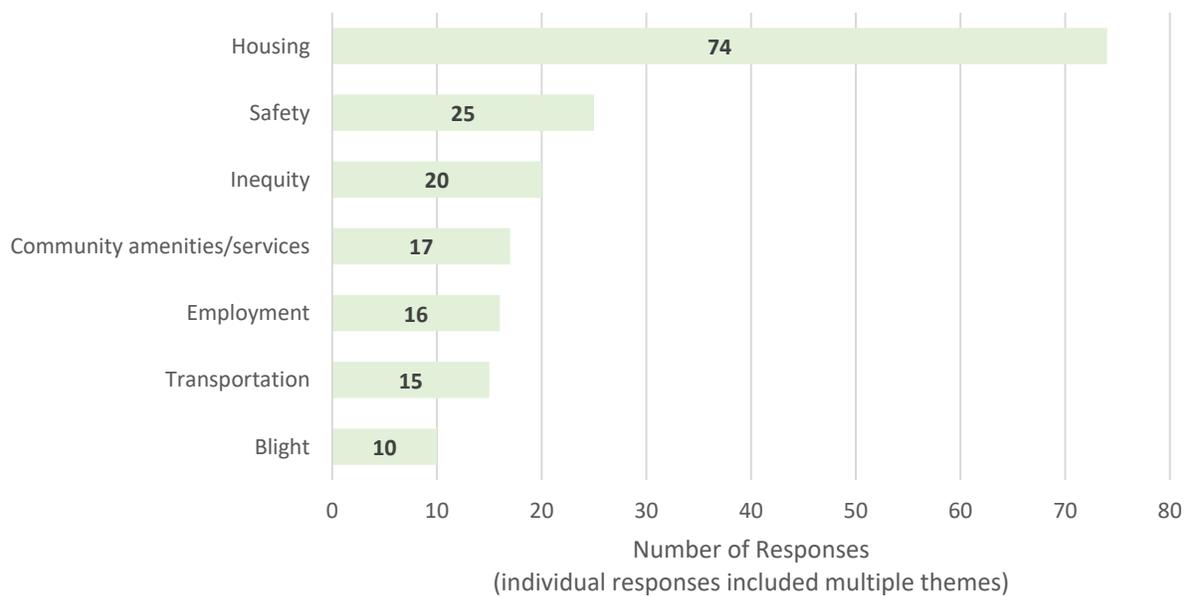
What was the biggest obstacle to obtaining housing the last time you were searching for housing?



Other Community Needs

Survey respondents were asked to discuss any other community needs or issues in an open-ended question. Half of all survey respondents chose to answer this question and seven major themes rose to the top when looking at all the responses.

What else needs to be addressed?



The most repeated concern was housing, with 30% of survey respondents choosing to discuss housing issues in more detail. Many respondents who discussed housing talked about how housing intersected with other issues such as employment, discrimination, and blight. About 10% of survey respondents brought up concerns about community safety and 8% of survey respondents discussed inequity. Other major themes included amenities and services, employment, transportation, and blight.

Many respondents said that Duluth needs more safe, quality, affordable housing. Respondents expressed concern that many available jobs do not pay enough to afford housing here. They felt limited housing availability has led to high prices for substandard

WE WERE TOLD THAT WE WERE NOT PERMITTED TO MOVE OUT OF THE PROPERTY, THAT WE WERE RENTING ON A MONTH TO MONTH BASIS, BETWEEN THE MONTHS OF [NOVEMBER AND MARCH]. IF WE CONTINUED TO MOVE OUT DURING THAT PERIOD, WE WOULD BE LIABLE FOR PAYING RENT FOR ALL THOSE MONTHS.

housing, both to buy and to rent. Respondents indicated that many houses available to purchase require a substantial additional investment to fix up. Renters also detailed instances of having little power as tenants due to limited availability of rental housing. They described landlords being able to set inflexible lease terms or not respond to complaints about housing condition because tenants do not have many, or any, other options. Respondents also discussed concerns about how the rental practices of many private market,

IT IS EMBARRASSING FOR ME TO HAVE PEOPLE OVER WHEN MY APARTMENT LOOKS IN SUCH ROUGH SHAPE.

WOULD LIKE TO SEE MORE SUITABLE HOUSING AVAILABLE FOR COLLEGE STUDENTS. THIS IN TURN WOULD OPEN UP MORE AVAILABLE HOMES TO RENT / BUY FOR FAMILIES.

off-campus student apartments - renting by room rather than an entire house - has driven up rental housing costs and made it difficult for families to find affordable housing with enough bedrooms. Many of these respondents suggested that local colleges and universities should address this issue with more appropriate student housing options.

WE NEED SAFE AFFORDABLE HOUSING IN DULUTH. THE NEIGHBORHOODS THAT A SINGLE PARENT CAN AFFORD TO LIVE IN ARE USUALLY UNSAFE FOR THE CHILDREN. THE BUILDINGS ARE FALLING APART AND LANDLORDS DO NOT CARE ABOUT FIXING STUFF BECAUSE THEY KNOW PEOPLE DON'T HAVE MANY OPTIONS FOR HOUSING.

WE NEED SAFE PEDESTRIAN SPACE AND SIDEWALKS THAT ARE ACCESSIBLE. I WORRY ABOUT MY KIDS IN TRAFFIC ALONE BECAUSE STREETS ARE DESIGNED FOR CARS HERE AND NOT TO KEEP THEM SAFE.

Safety issues often overlapped with inequity issues in the open-ended responses. Respondents expressed exasperation and anger with ongoing racial inequities, including tense relationships with the police and perceived inauthentic community building efforts on the part of the police. Other safety concerns were related to safe and accessible transportation for people of all abilities, safe pedestrian and bike infrastructure in neighborhoods, and safety for pedestrians in the winter.

THE DULUTH POLICE DEPARTMENT KEEPS USING THE RHETORIC "COMMUNITY BUILDING" IN THEIR PUBLIC RELATIONS STATEMENTS, BUT THEY ARE BASICALLY GHOSTS AND NON-EXISTENT IN OUR NEIGHBORHOOD. THEY ARE ONLY ENGAGED IN THE COMMUNITY IF THERE ARE SHOTS FIRED, AND THEY COME INTO THE NEIGHBORHOOD, QUICKLY INVESTIGATE AND PICK UP AMMUNITION CASINGS, AND THEN THEY DISAPPEAR. I CAN'T STRESS THIS DISCONNECT BETWEEN THE POLICE AND COMMUNITY ENOUGH.

Respondents talked about a range of inequity issues including racial inequities, accessibility for people with disabilities, and lack of neighborhoods choice. Respondents discussed current trends they see of affordable housing and rental housing limited to certain neighborhoods and a need to have those housing options universally available in all neighborhoods. They also discussed observing concentrations of substandard housing,

ACCESSIBLE, SAFE, RELIABLE TRANSPORTATION FOR PEOPLE OF ALL ABILITIES, ESPECIALLY THOSE WITH DISABILITIES, TO GET TO JOBS IS CRITICAL TO EMPLOYMENT SUCCESS.

DULUTH WILL STAY BACKWARDS FOREVER, NO MATTER WHAT YOU BUILD, UNTIL YOU LISTEN TO THE MOST MARGINALIZED, AND MOVE ASIDE, AND PUT THEM IN ALL PLACES OF POWER, NOT JUST A TOKEN, NOT JUST "DIVERSITY."

especially rental housing, in some neighborhoods, which has led to limited neighborhood choices for many people with low- to moderate-incomes. Some respondents talked about systemic inequities and a broad lack of inclusion they have experienced in Duluth.

ESPECIALLY BECAUSE PEOPLE ARE DOING MORE EXERCISE OUTSIDE DUE TO COVID, I THINK IT SHOULD BE A TOP PRIORITY OF THE CITY TO TRY TO MAKE THE SIDEWALKS SAFE THIS WINTER.

Survey Respondent Demographics

The goal of the Community Needs Assessment is to hear from community members who can benefit directly from the Community Development Funding Program so the City and its partners can respond to their needs. The City works to solicit survey responses from community members who have low- to moderate-incomes and/or live in neighborhoods that HUD defines as low- to moderate-income areas. Poverty in Duluth, as in the nation, is racialized due to our history of racially discriminatory laws and policies such as redlining, racial covenants, mandatory minimum sentences, etc. More information on racial inequities as they relate to community development and fair housing can be found in the [2020 Analysis of Impediments to Fair Housing Choice](#). Because poverty is racialized, many of the neighborhoods eligible for Community Development HUD funds in Duluth are also neighborhoods where a higher concentration of Black, Indigenous, and People of Color (BIPOC) live. Throughout this document, we use the term BIPOC to acknowledge that members of different racial groups face different current and historical legacies of racism in the United States.¹ Below is a summary of survey respondent demographics.

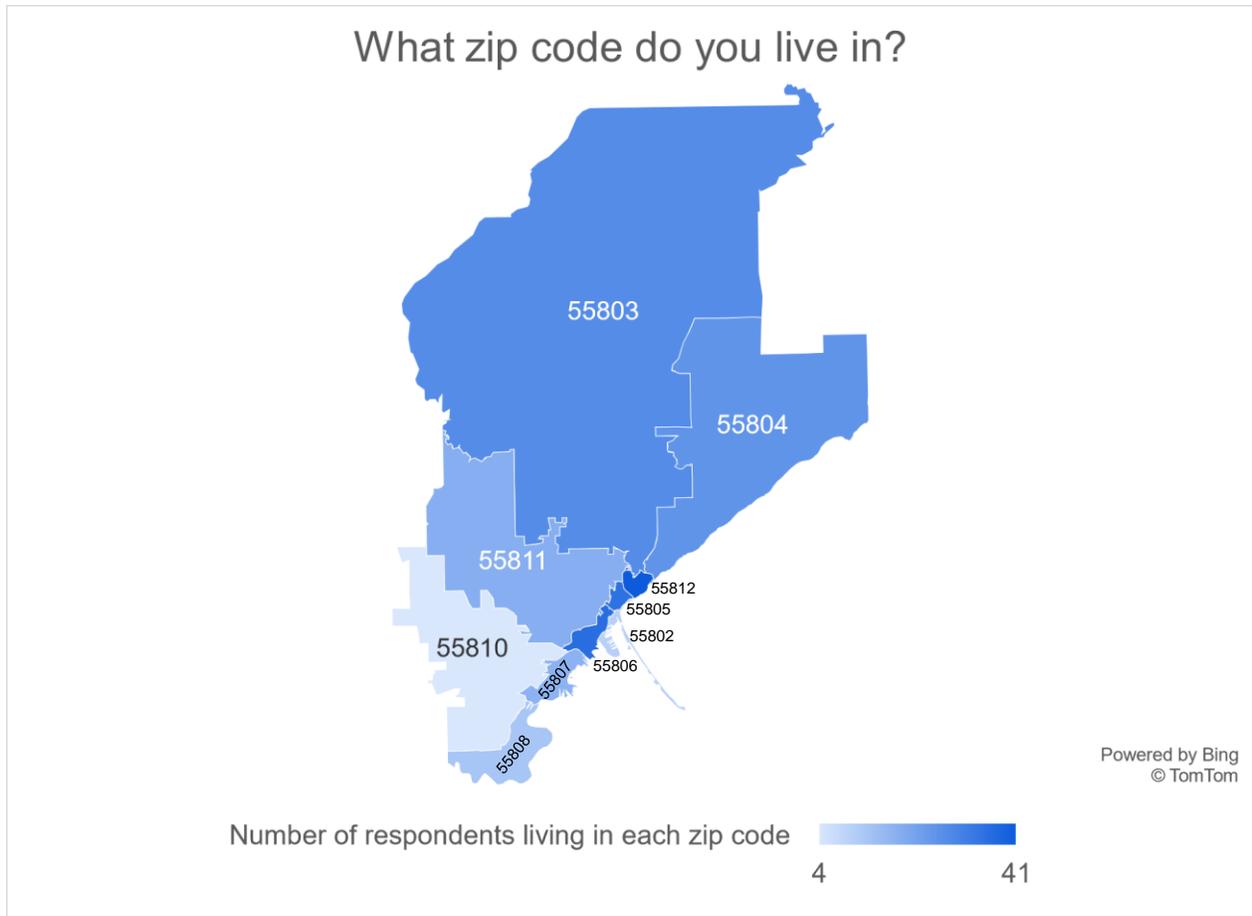
249 Survey Respondents

- 18% of respondents are Black, Indigenous, or People of Color (BIPOC); 70% white
- 72% of respondents are women; 19% men; 3% nonbinary
- 57% of respondents are 30-49 years old; the age range of respondents is 18-79
- 41% to 57% of survey respondents live in HUD defined low- to moderate-income areas
- 36% of respondents struggled with at least one of the following in the last year: meeting basic needs, maintaining stable housing, or accessing medical care
- 25% of respondents cannot afford to pay for their basic needs (including food, clothing, health care, transportation, childcare, and housing) with just their household members income(s)

HUD defines low- to moderate- income (LMI) areas as Census tracts or block groups in which 51% or more of the residents meet HUD guidelines to be considered LMI. In 2020 a four-person household with an income at or below \$61,450 is considered LMI. Zip codes 55805, 55806, 55807, 55808, and portions of 55812 align approximately with the LMI Census block groups in Duluth.

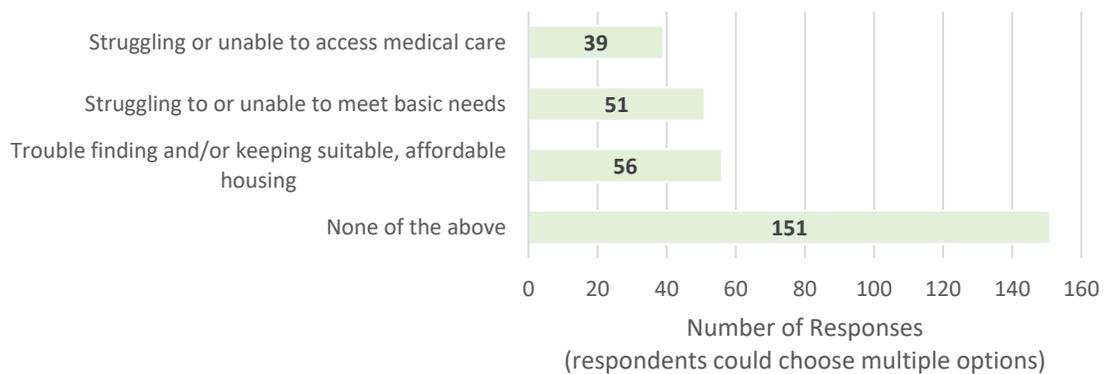
The neighborhoods that align with LMI areas in Duluth include Morgan Park, West Duluth, Lincoln Park, Central Hillside and East Hillside/Endion. Zip code 55812 has a stark dividing line at 21st Ave E, where residents in Census block groups on the west side have significantly lower incomes than residents on the east side. Considering this, the City estimates that 41% to 57% of survey respondents live in HUD defined LMI areas. The 41% figure includes only respondents who live in zip codes 55805, 55806, 55807, and 55808. The 57% figure also includes all the respondents who live in zip code 55812.

¹ <https://www.thebipocproject.org/>



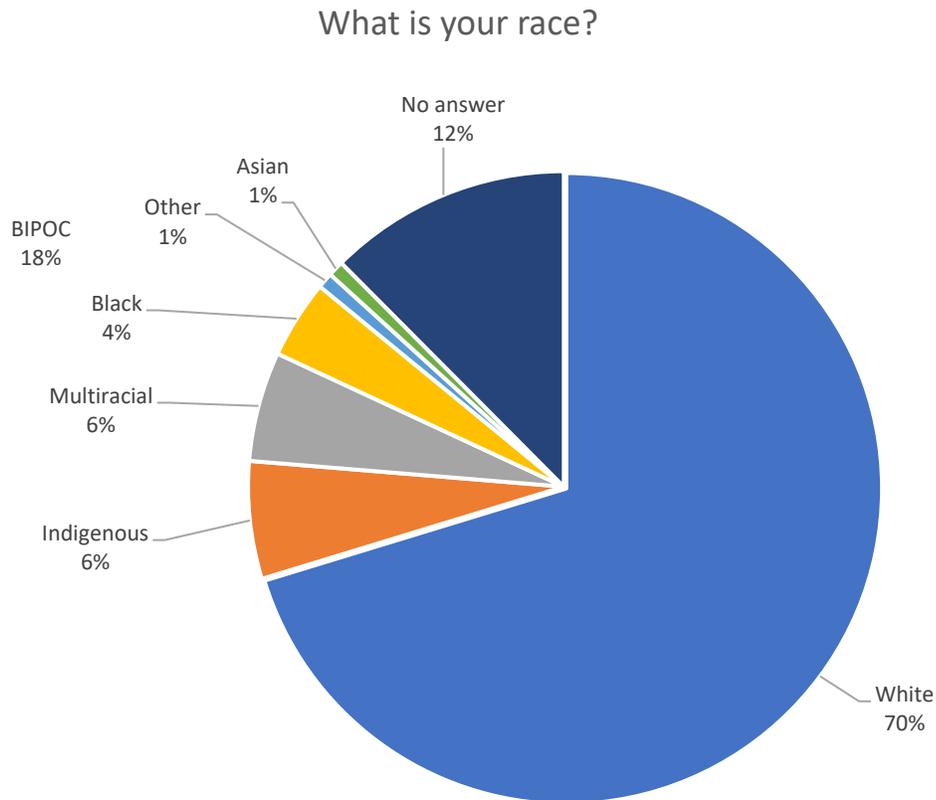
Although the survey did not ask for people’s household incomes, it did ask respondents about their ability to maintain housing and meet their basic needs. Struggling with these issues is likely linked to poverty in some way and many community programs funded with HUD funds are working to address these struggles.

Which of the following have you or your family experienced in the past year?

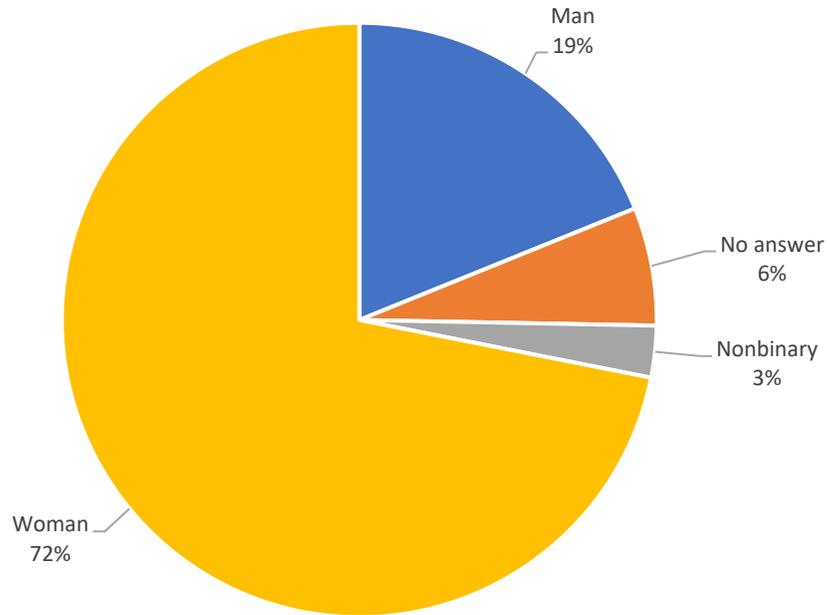


About a third (36%) of respondents struggled with at least one of the following in the past year: meeting basic needs, maintaining stable housing, or accessing medical care. About 22% of respondents had trouble finding and/or keeping suitable, affordable housing, 20% of respondents struggled or were unable to meet their basic needs, and 16% of respondents struggled or were unable to access medical care. A quarter (25%) of respondents said their household currently cannot afford all of their basic needs including food, clothing, health care, transportation, childcare, and housing using only household members' employment income(s).

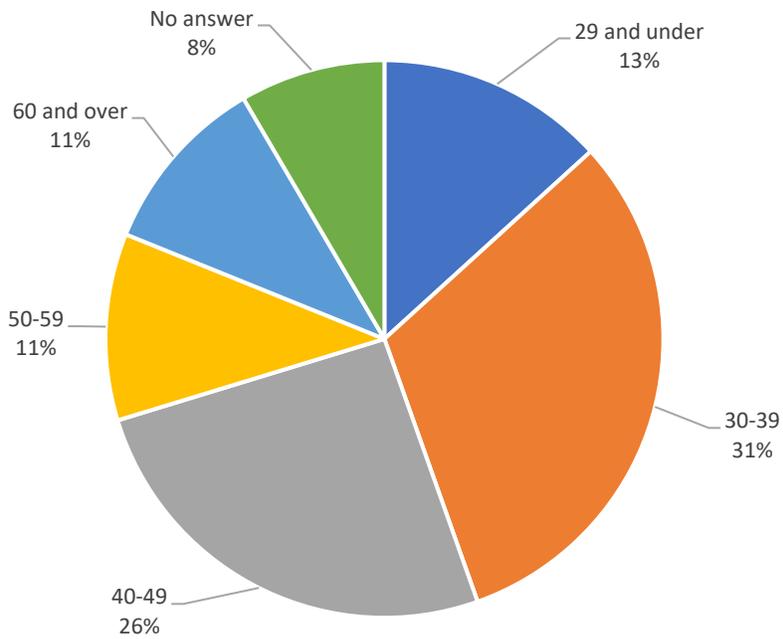
The following pie charts provide a detailed breakdown of the race, gender, and age of survey respondents.



What is your gender?



What is your age?



Community Needs Hearing

There were 19 attendees at the September 22, 2020 virtual Community Development Committee meeting. The meeting included the Community Needs Hearing. The community needs that received the most comments included the high cost of rent, the high cost of housing, the need for improved community facilities, and access to broadband internet. After discussion, the Committee decided to set the fiscal year 2021 Funding Priorities as follows:

- 45% Housing
- 15% Economic Development
- 5% Public Facilities
- 15% Public Services
- 20% Administration