

Fiscal Year 2019 Community Needs Assessment

The Community Needs Assessment process for fiscal year 2019 included an online survey, a focus group, and a community meeting. The online survey was available for four weeks (from May 15th – June 8th) and had 143 responses. The focus group meeting, held on May 31st, had seven participants. The community meeting, held on June 6th at Damiano, had approximately ten attendees as well as a few CD Committee members who participated in discussions regarding community needs.

The survey was developed to identify community priorities within the constraints of eligible uses of federal community development funds. Survey respondents were asked about HOME Investment Partnership (HOME) and Community Development Block Grant (CDBG) funds. The survey did not include Emergency Solutions Grant (ESG) funds because there is little flexibility in how those funds can be used. To identify needs for ESG funds, Community Planning staff conducted a focus group with community advocates who have been involved in developing the Homeless Bill of Rights. At the community meeting, attendees were asked to identify community needs in four broad categories that touch on all sources of HUD funding.

Needs Assessment Key Takeaways

- HOME: Single family rehab was identified as the most pressing need for HOME funding and community members would be willing to fund new construction at lower levels in order to increase funding for rehab.
- CDBG: Affordable housing was identified as the most pressing need for CDBG funding and community members would be willing to fund public facilities at lower levels in order to increase funding for affordable housing.
- Housing: Housing needs to be more affordable, particularly for the “working poor,” and the quality of our existing housing stock needs to be improved.
- Homelessness: People experiencing homelessness need to be supported with basic needs and safety while they are homeless.
- Economic Development: There should be more job training and employment pathways for living wage jobs and support for small businesses.
- Public Services: People in crisis and/or transition need more support and easier access to services.
- Public Facilities: Public facilities should offer benefits to all community members and encourage community gatherings.

Summary of Needs Identified

Community Planning staff reviewed open ended comments from the survey, notes from the focus group, and notes from the community meeting to identify themes. The lists below offer a summary of needs identified by the community during this outreach process.

<p><u>Housing</u></p> <ul style="list-style-type: none"> • more housing with supportive services to increase housing stability • address blighted homes and buildings, including dealing with absentee landlords who do not adequately maintain housing units • more focus on energy efficiency for new construction and rehabs • more variety in housing options (tiny homes, co-housing, cooperative housing) • address barriers to using housing vouchers (rents too high to afford even with voucher, units not up HUD standards, landlords who do not allow tenants to use vouchers) • more affordable rental housing – rents are too high for many, even vouchers are difficult to use, new construction seems to be unaffordable • pathways to home ownership for lower income households • rehab is important for Duluth and can be used as a strategy to create more quality affordable housing <p><u>Homelessness</u></p> <ul style="list-style-type: none"> • places for people experiencing homelessness to get out of unsafe weather (heating and cooling shelters) • hygiene facilities (bathrooms, showers, laundry) • lockers for people to safely store their belongings • supportive services for people dealing with mental health issues and addiction while homeless • facilities and supportive services for families experiencing homelessness 	<p><u>Economic Development</u></p> <ul style="list-style-type: none"> • seed money for small business startups • support minority entrepreneurs • support small business resiliency and ability to recover from disasters • transportation options that support employment and job retention • address the gap for “working poor” – lower wage workers who live in poverty but make too much to qualify for benefits and services • focus on training and employment for living wage jobs (rather than minimum wage jobs) <p><u>Public Services</u></p> <ul style="list-style-type: none"> • food delivery options • supportive assistance for individuals transitioning from jail or prison • capacity to support all family members when an individual is experiencing crisis (ex: halfway house with services for parents and children) • better access to addiction treatment and recovery support services • better access to mental health services <p><u>Public Facilities</u></p> <ul style="list-style-type: none"> • more trash cans and bathrooms in public parks • public wifi • facilities that are public gathering spaces and also help community members address needs (ex: community center that offers wellness services)
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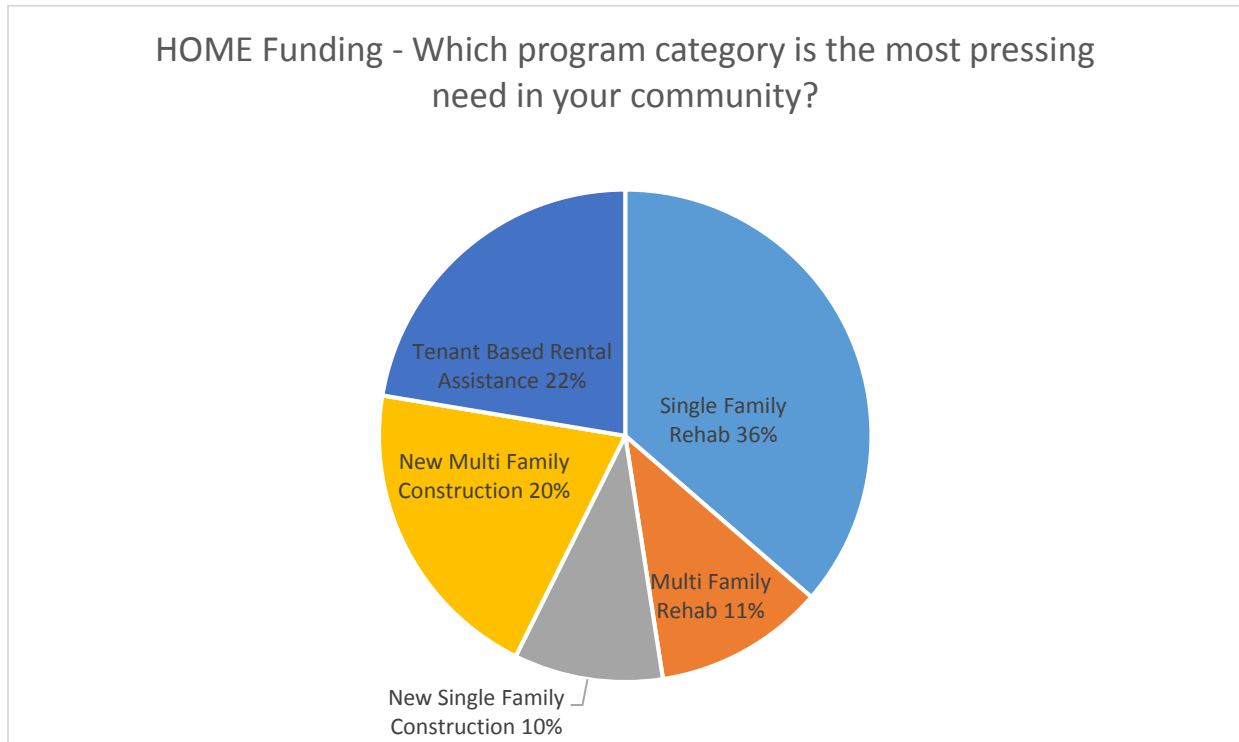
Survey Results

HOME Program

Survey respondents were presented with the following table showing average HOME funding allocations and program categories.

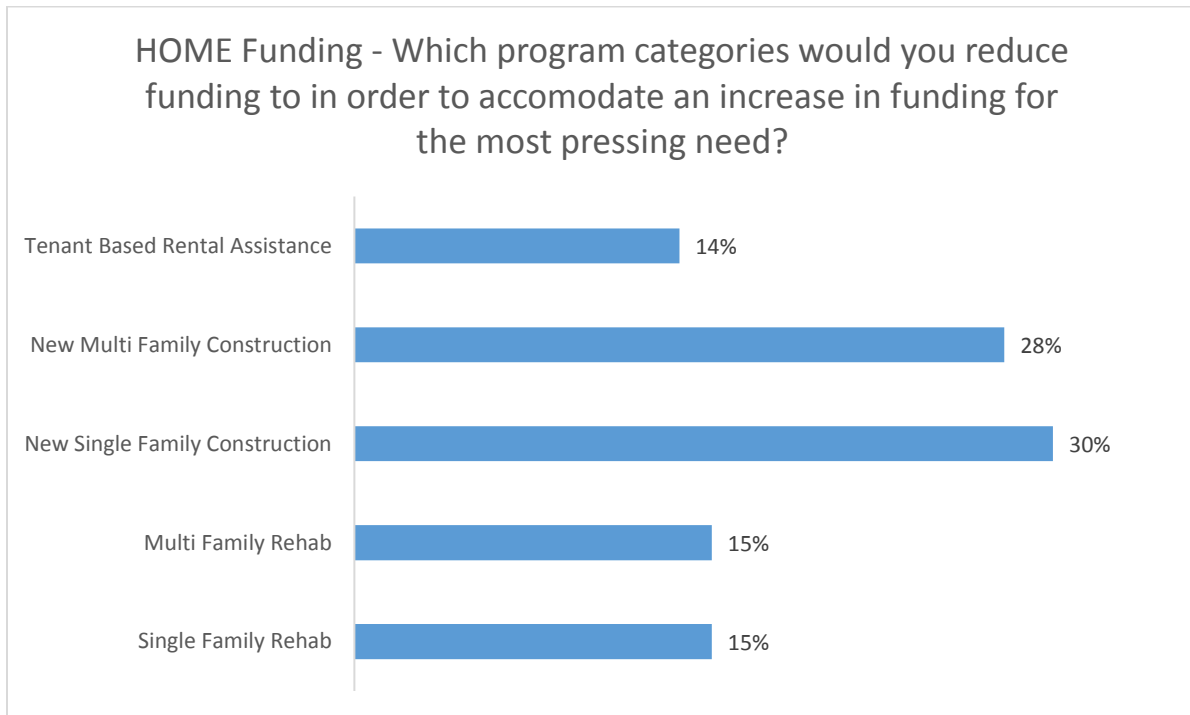
HOME Program funding data from 2015-2018 used to derive averages		Average annual allocation:	\$473,435
Program Categories eligible uses of HOME funds with established capacity in the community to carry out programs		Average % of HOME Program	
Single Family Rehab acquire and rehab blighted homes and sell to low-moderate income households low interest rehab loans and grants for low-moderate income homeowners		23%	
Multi Family (Rental) Rehab low interest rehab loans and grants for homeowners who rent to low-moderate income tenants		24%	
New Single Family Construction new single family homes build and sold to low-moderate income households		4%	
New Multi Family Construction new multi family housing units built and rented affordably to low-moderate income households		23%	
Tenant Based Rental Assistance voucher system similar to Section 8 that subsidizes market rate rents for low income households		26%	
Program Total		100%	

Respondents were then asked to choose the one program category that they identified as the most pressing need in their community.



About one third of survey respondents (36%) identified Single Family Rehab as the most pressing need. Tenant Based Rental Assistance (TBRA) and New Multi Family Construction were also identified as pressing needs by many survey respondents.

Survey respondents were then asked if they thought funding should be increased for the pressing need they had identified. The majority of respondents (87%) said yes the funding should be increased to address that need. Respondents who thought funding should increase for a program category were then asked which of the other program categories should have funding reduced in order to accommodate that increase. Respondents were allowed to choose more than one program category to reduce funding to.



New Single Family Construction was chosen as a potential category to decrease funding to by 30% of survey respondents, followed closely by New Multi Family Construction which was chosen by 28% of respondents. Overall survey respondents identified Single Family Rehab as the most pressing need for HOME funding and would be willing to fund new construction at lower levels in order to increase funding for rehab.

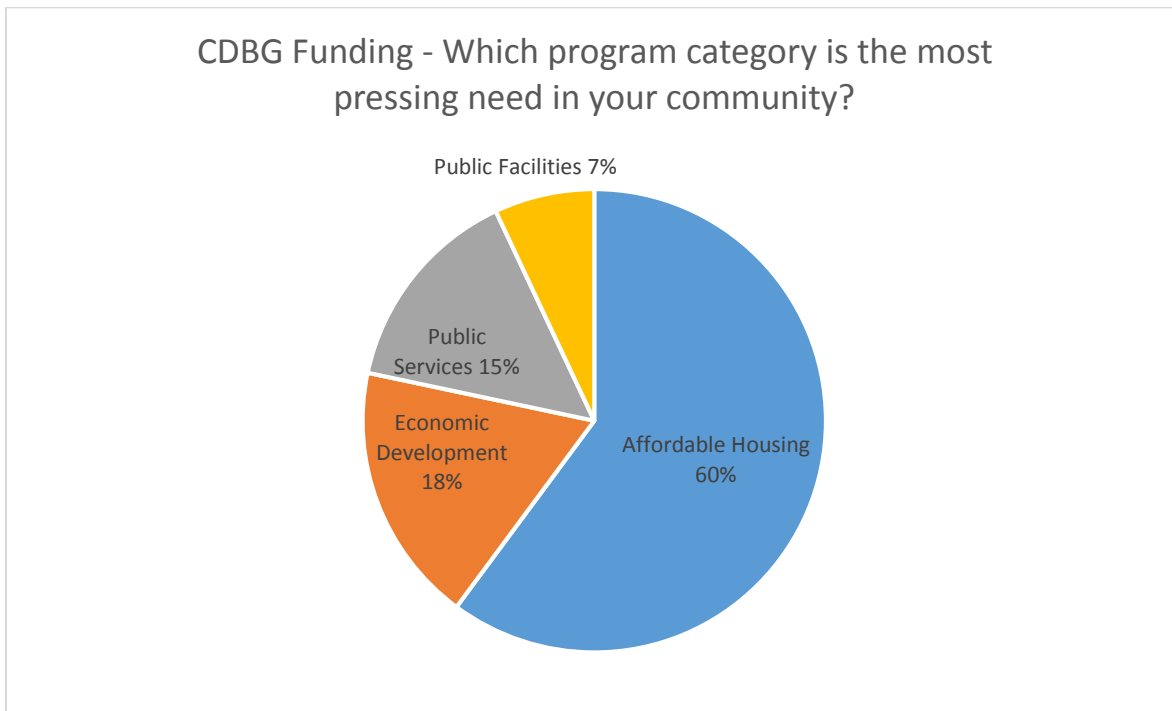
CDBG Program

Survey respondents were presented with the following table showing average CDBG funding allocations and program categories.

CDBG Program (Community Development Block Grant) Average annual allocation: \$2,252,614 funding data from 2015-2018 used to derive averages	
Program Categories eligible uses of CDBG funds with established capacity in the community to carry out programs	Average % of CDBG Program
Affordable Housing low interest rehab and energy retrofit loans and grants for low-moderate income homeowners rehab and new construction of affordable housing units for low-moderate income individuals and households	49%
Economic Development programs that provide skills training, employment mentoring, and technical assistance for low-moderate income individuals and small businesses run by low-moderate income individuals	18%
Public Services programs or services that assist low-moderate income individuals meet basic needs, such as food, clothing, health care, employment, childcare, and housing stability	15% **
Public Facilities improvements to facilities (ex: community centers, drop in centers) that serve neighborhoods where most of the residents are low-moderate income or that serve mostly low-moderate income clients	18%
Program Total	100%

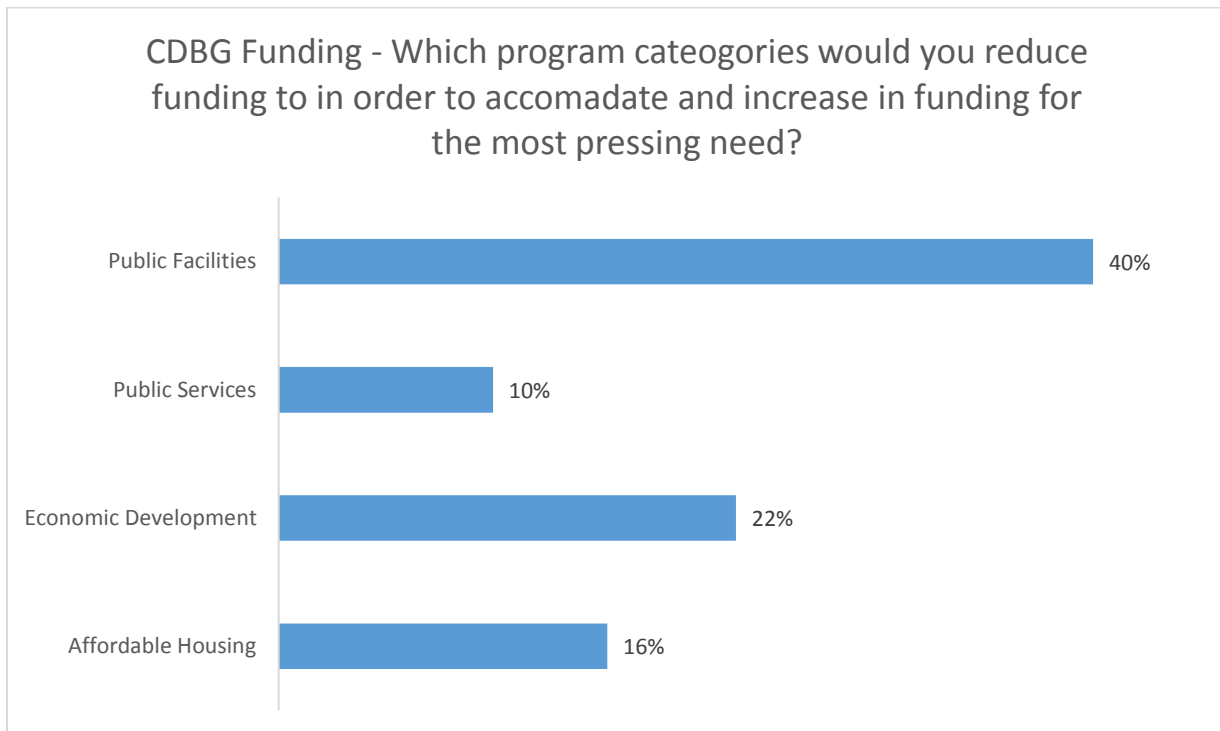
**We are not allowed to spend more than 15% of CDBG funds on Public Services, per federal regulations.

Respondents were then asked to choose the one program category that they identified as the most pressing need in their community.



The majority of survey respondents (60%) identified Affordable Housing as the most pressing need, followed by Economic Development (18%) and Public Services (15%). Only 7% of respondents identified Public Facilities as the most pressing need for CDBG funds.

Survey respondents were then asked if they thought funding should be increased for the pressing need they had identified. The majority of respondents (76%) said yes the funding should be increased to address that need. Respondents who thought funding should increase for a program category were then asked which of the other program categories should have funding reduced in order to accommodate that increase. Respondents were allowed to choose more than one program category to reduce funding to.



Public Facilities was chosen as a potential category to decrease funding to by 40% of survey respondents. Overall survey respondents identified Affordable Housing as the most pressing need for CDBG funding and would be willing to fund Public Facilities at lower levels in order to increase funding for Affordable Housing.