

CD Program FY 2025 Application Review September 17, 2024	Public Services- General (CDBG)	Staff Contact: Phillis Webb
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Summary of Category Applications

- Nine applications were received for the general CDBG Public Service funds with requests from this report totaling \$487,500. Applications include programming for homeless or LMI youth, housing services, food access, transportation access, and early childhood education.
- HUD regulations allow CDBG funds to be used for a wide range of activities that provide a direct benefit to low- and moderate-income (LMI) individuals. Only 15% of CDBG funds may be allocated to the category of Public Services. These activities include programming related to food access, housing, child care, youth development, and counseling. A total of \$765,723 was requested for CDBG Public Service funds for FY2025 (this figure includes CDBG Public Service requests from the Homelessness staff report).
- Public Service applications are divided into two reports. This report focuses on general services for LMI households. There is another report that focuses on services for people experiencing homelessness.

Approach to Application Review

- Applications were reviewed for HUD funding eligibility, consistency with the 2025-2029 Consolidated Plan goals, Anti-Poverty Strategies, and alignment with the City’s comprehensive plan, Imagine Duluth 2035. Proposals were further reviewed based on the identified need, community benefits, budget, and project readiness as outlined in the scoring and rating criteria provided to applicants.

Applications Received

Code	Proposal Name	Organization	Eligible Activity	CDBG Amount
2025-12	Basic Needs Drop-in Youth Center	Life House	Yes	CDBG: \$39,000
2025-13	Spirit Valley Young Mother’s Program	YWCA	Yes	CDBG: \$30,000
2025-14	Steve O’Neil Early Childhood Education	CHUM	Yes	CDBG: \$25,000
2025-15	Duluth Hunger Project	CHUM	Yes	CDBG: \$112,500
2025-16	UGM Food Programming	Union Gospel Mission	Yes	CDBG: \$15,000
2025-17	Tenant Landlord Connection	One Roof	Yes	CDBG: \$70,000
2025-18	Expanding Equitable & Dignified Food Access in Duluth	Second Harvest Northland	Yes	CDBG: \$100,000
2025-19	Free Tax Site	Community Action Duluth	Yes	CDBG: \$50,000
2025-20	Food Access Through Markets	Community Action Duluth	Yes	CDBG: \$46,000

Total: \$487,500

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APPLICATION #2025-12: Basic Needs Drop-In Youth Center – Life House Inc.

Brief Description of Application (including activities and target clientele):

Life House is seeking Public Services funding for the Drop-in Youth Center, which provides basic needs for homeless, under-resourced, and marginalized youth, ages 14-24. The Youth Center provides warm meals, basic necessities, showers, laundry, mail access, lockers, bus passes, assistance with obtaining vital documents and public benefits, and connects youth to services in the areas of mental health, chemical dependency counseling, education, employment and housing.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National Objective: benefit LMI people. The project exclusively benefits a clientele who are presumed by HUD to be low income persons (homeless persons, abused children). In the last year, 97% of youth disclosed living in a low to extremely low economic status household.
- Eligible activity CDBG: Public services

Application goals/outcomes related to Community Goals:

- Program goal is to serve 625 unduplicated youth ages 14-24 by meeting basic needs. Other goals include that youth access supportive services to achieve housing stability, socio-emotional wellness, and economic self-sufficiency.
- Consolidated Plan Goals:
 - Public Services: Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs.
 - Food Access: Provide healthy and affordable food to LMI youth.
 - Homeless Services: provides referral services to youth who are currently homeless
- Anti-Poverty Strategy:
 - Policy #2 Remove barriers to obtaining employment.
- Imagine Duluth 2035:
 - Governing Principle #13: Develop a healthy community.
 - Governing Principle #14: Integrate fairness into the fabric of the community.

Budget and Project Readiness:

- CDBG request: \$39,000 for program director salary and benefits.
- Total funding budget: \$335,275; secured: \$233,025 There is at least \$1 of secured funding for every \$1 requested, but funding needs are not completely secured and confirmed.
- The cost per person served with CDBG funds is \$62.40, and the cost per person served for the total program budget is \$536.44.
- Life House has received CDBG funds in the past and has been able to appropriately spend the funds in a timely manner. The program has been in operation since 2001 without any interruption in services.

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APPLICATION #2025-13: Young Mothers Program – YWCA

Brief Description of Application (including activities and target clientele):

Young Mothers Program provides transitional housing to homeless pregnant and parenting young women ages 16-21 and their children. The program also offers childcare, transportation access, food access, and homeless services.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National objective: LMI-Limited clientele activities - An activity which benefits a limited clientele, at least 51 percent of whom are low- or moderate-income persons. Benefit a clientele who are generally presumed to be principally low and moderate income persons (experiencing homelessness)
- Eligible activity CDBG: Public services – the program provides public services, including meeting basic needs

Application goals/outcomes and relation to Consolidated Plan:

- The program goal is to serve 25 people
- Consolidated Plan 2020-2024 goals:
 - Childcare and Children’s Programming
 - Homeless Services
 - Food Access
- Anti-poverty Strategic Plan:
 - Policy #2 remove barriers to obtaining employment
 - Policy #5 Increase Access to Affordable and Healthy Food Options
- Imagine Duluth 2035:
 - Governing Principle #13 Develop a healthy community
 - Governing Principle #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG request: \$30,000 for program staff salaries
- Total funding budget: \$391,751; secured: \$14,199. There is less than \$1 of secured funding for every \$1 requested.
- The approximate cost per person served with CDBG funds is \$1,200; the approximate cost per person served for the total program budget is \$ 15,670.
- The YWCA has received CDBG funds in the past and has been able to spend them with timeliness and proper reporting.
- City Staff is aware that there is transition occurring with the programming at the YWCA, this may be a question for the applicant.

APPLICATION #2025-14: Steve O’Neil Early Childhood Education - CHUM

Brief Description of Application (including activities and target clientele):

- CHUM's children’s programming at the Steve O'Neil Apartments focuses on youth (ages 0-17) in their childcare program, multigenerational parenting programs, youth programs, and community

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programs focused on healthy habits, food security, literacy and diversity.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National objective: Services to people with low incomes (and in particular, children from families with very- low-incomes). Childcare, educational services, and services to homeless persons are all examples of eligible activities for Public Services funding under CDBG. 100% of beneficiaries of this program will be LMI, which is a prerequisite for receiving a voucher to be a resident at the Steve O’Neil apartments.
- Eligible activity: Public services – the program provides public services, including childcare, youth programming, parenting classes, and education about nutrition.

Application goals/outcomes related to Community Goals:

- The program will serve 80 children and their parents or caregivers, with trauma-informed childcare, that allows parents and caregivers to stay employed, programming that includes access to healthy foods, and other supportive services.
- 2025-2029 Consolidated Plan Goal
 - Affordable Housing
 - Food Access
 - Homeless Services
 - Childcare Access
- Anti-Poverty Strategy
 - Policy 2: Remove Barriers to Obtaining Employment
 - Policy 3: Reduce Housing and Utility Costs
 - Policy 5: Increase Access to Affordable and Healthy Food Options
- Imagine Duluth 2035
 - Governing Principles
 - #10: enhance social well-being of children
 - #12: promote efficiencies, bringing child care to those that need it
 - #13: Develop a healthy community
 - #14: address inequities associated with homelessness

Budget and Project Readiness:

- CDBG request: \$25,000, which will be used for program staff salaries.
- The approximate cost per person served with CDBG funds is \$313; the approximate cost per person served for the total program budget is \$122,00.
- Total funding budget: \$221,667; secured: \$0. There is less than \$1 of secured funding for every \$1 requested.
- This program is currently operating at Steve O’Neil so requires no extra preparation to continue operating in the 2025 program year. CHUM has a proven history of receiving HUD grant funds from the City and operating and completing programs in line with HUD and City requirements.

APPLICATION #2025-15: Duluth Hunger Project - CHUM

Brief Description of Application (including activities and target clientele):

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- The Duluth Hunger Project is a collaboration between CHUM, The Damiano Center and The Salvation Army to improve food security and provide healthy and nutritious food at no cost to anyone in need through our food shelves and community meal programs.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National objective: Urgent need – Lack of food is an urgent need and an emergency situation. The eligible activity is to make healthy and nutritious food easily accessible through food shelves and free community meals.
- National objective: LMI-Area Benefit – The proposed activity meets HUD's National Objective because it provides "a benefit to low- and moderate- income persons." CHUM, The Damiano Center, and The Salvation Army physical locations are located in Duluth's lowest income neighborhoods (East Hillside, Central Hillside, Lincoln Park, and West Duluth) and share borders along a 15-mile stretch through Duluth where there are no commercial grocery stores.
- Eligible activity: Public services – the program provides public services, including food packages for home food preparation and hot meals

Application goals/outcomes related to Community Goals:

- Last year, they provided 101,158 hot meals and 18,396 5-day food packages, all of which served 20,795 people; of whom 99.6% were considered "very- low-income."
- Food Access
- Homeless Services
- Public Services
- Anti-Poverty Strategy
 - Policy 5: Increase Access to Affordable and Healthy Food Options
- Imagine Duluth 2035
 - Governing Principles
 - #13: Develop a healthy community
 - #14: Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG request: \$112,500, which will be used for program staff salaries.
- The approximate cost per person served with CDBG funds is \$6.50; the approximate cost per person served for the total program budget is \$2,108,733
- Total funding budget: \$2,108,733; secured: \$762,481. There is at least \$2 of secured funding for every \$1 requested, but funding needs are not completely secured and confirmed.
- This program is currently operating so requires no extra preparation to continue operating in the 2025 program year. CHUM and the partners in this application have a proven history of receiving HUD grant funds from the City and operating and completing this program in line with HUD and City requirements.

APPLICATION #2025-16: UGM Food Programming – Union Gospel Mission

Brief Description of Application (including activities and target clientele):

- Union Gospel Mission is seeking \$15,000 in funding to be towards their food programming. This includes a weekday hot meal program, access to free grocery items, and a summer food bag program for kids.

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Eligible Activity (Identify eligible activity, national objective, and explain):

- National objective: LMI-Area Benefit – The proposed activity meets HUD's National Objective because it provides "a benefit to low- and moderate- income persons." Union Gospel Mission is located in Duluth's lowest income neighborhood (Hillside) and share boarders along a 15-mile stretch through Duluth where there are no commercial grocery stores.
- Eligible activity: Public services – the program provides public services, including providing hot meals, food packages for home food preparation and packaged meals for kids during the summer.

Application goals/outcomes related to Community Goals:

- During the 2023 calendar year, 63,174 meals were served with an average number of 135 guests per a meal. Lunch is served Monday through Friday and dinner is served Monday through Thursday. UGM also coordinates with other community organizations to make sure meals are available for low-income people throughout the week. From January to August 2024, there have been 54,743 meals served and UGM is expecting to surpass their meals served from last year. People receiving meals at UGM self-report to be low-income, which in Duluth is to be considered "very- low-income," a person's income must be below 30% of the Area Median Income; \$20,000 for an individual; \$22,850 for a family of 2; \$25,700 for a family of 3; and \$28,550 for a family of 4.
- 2025-2029 Consolidated Plan Goals:
 - Food Access
 - Homeless Services
 - Public Services
- Anti-Poverty Strategy
 - Policy 5: Increase Access to Affordable and Healthy Food and Living Options
- Imagine Duluth 2035
 - Governing Principles
 - #13: Develop a healthy community
 - #14: Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG request: \$15,000 which will be used for program staff salaries.
- The approximate cost per person served with CDBG funds is \$6.00; the approximate cost per person served for the total program budget is \$115.43
- Total funding budget: \$388,572; secured: \$45,000. There is at least \$2 of secured funding for every \$1 requested, but funding needs are not completely secured and confirmed.
- This will be a new agency for the City's CDBG program, but UGM has successfully implemented this program in the past. UGM has also met requirements for other grant programs. UGM is part of the Stepping on UP program along with the City of Duluth, to develop solutions assisting people who are experiencing homelessness. UGM has provided all preaward documentation to the City.

APPLICATION #2025-17: Tenant Landlord Connection (TLC) – One Roof Community Housing

Brief Description of Application (including activities and target clientele):

- The TLC has helped to reduce the number of evictions in our community, and will continue to do so. The TLC program serves at least 75% LMI households, working to ensure the existence of

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stable rental housing by educating existing and potential landlords and tenants of their rights and responsibilities, as well as mediating disputes between landlords and tenants.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National Objective: benefit to low- and moderate-income people.
 - The program collects information on family size and income so that it is evident at least 51% of the clientele are persons whose family income does not exceed the low- and moderate-income limit.
- Eligible Activity: CDBG public service- tenant/landlord counseling

Application goals/outcomes related to Community Goals:

- The program goal is to provide services to 580 households and prevent at least 30 evictions in 2025
- 2025-2029 Consolidated Plan Goal:
 - Homeless Services: Provide shelter, services and rental assistance to people who are or at risk of becoming homeless.
 - Public Services: Provide services to LMI people that fulfill basic needs, prevent evictions, and stabilize housing for an additional 170 households.
- Anti-poverty strategy:
 - Policy 2: Remove Barriers to Obtaining Employment
- Imagine Duluth 2035:
 - Governing Principle #14: Integrate fairness into the fabric of the community.
 - Housing policy #3 Prioritize inclusive housing policies to reflect the city’s social, cultural, economic, and historic diversity and development patterns.

Budget and Project Readiness:

- CDBG request: \$70,000 for program staff salaries and benefits
- Total funding budget: \$165,000; secured: \$0. No additional funds have been secured.
- The cost per person served with CDBG funds is \$120.69, and the cost per person served for the total program budget is \$284.48
- One Roof has received CDBG funds since 2015 for this program and has been able to appropriately spend the funds in a timely manner and comply with all documentation and reporting requirements.

APPLICATION #2025-18: Equitable and Dignified Food Access – Second Harvest Northland

Brief Description of Application (including activities and target clientele):

- Funding will support equitable and dignified access to healthy food for low- to moderate-income residents of Duluth. Second Harvest Northland will accomplish this by the distribution of free, nutritious food to non-profit agency partners and directly to LMI Duluth residents.

Eligible Activity (Identify eligible activity, national objective, and explain):

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- National objective: LMI-Limited clientele activities - An activity which benefits a limited clientele, at least 51 percent of whom are low- or moderate-income persons. Have income eligibility requirements which limit the activity exclusively to low and moderate income persons.
- Eligible activity CDBG: Public services – the program provides public services, including meeting basic needs

Application goals/outcomes and relation to Consolidated Plan:

- The program goal is to serve 105,000 LMI people
- Consolidated Plan 2024-2029 goals:
 - Food Access
- Anti-poverty Strategic Plan:
 - Policy #5 Increase Access to Affordable and Healthy Food Options
- Imagine Duluth 2035:
 - Governing Principle #13 Develop a healthy community
 - Governing Principle #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG request: \$100,000 for program staff salaries and food acquisition
- Total funding budget: for entire regional program \$5,116,015, with \$1,774,855 allocated for Duluth operations; secured: \$0.
- The approximate cost per person served with CDBG funds is \$0.95; the approximate cost per person served for the total (Duluth operations) program budget is \$17.
- Second Harvest Northland is already operating the program. These funds will assist with expansion of their program as they move into a larger facility with more capacity in early 2025
- Agency needs to provide details on participant data collection and tracking practices to ensure participants meet income requirements, are Duluth residents, and there is no duplication of benefits with distribution of food to local nonprofit food shelves who also receive City HUD funding

APPLICATION #2025-19: Free Tax Site – Community Action Duluth

Brief Description of Application (including activities and target clientele):

Tax Site is a volunteer-powered program offering free tax assistance to low-to-moderate income people. It typically serves more than 1000 households each year, and they expect to serve 1200 people in FY2024.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National Objective: Benefit at least 51% of households that are LMI
 - Eligible activity: public services
- The program collects information on family size and income so that it is evident at least 51% of the clientele are persons whose family income does not exceed the LMI limit. The goal of the program is to serve 100% LMI individuals.

Application goals/outcomes and relation to Consolidated Plan:

- The program goal is to serve 1,200 LMI households

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- Instituting a new satellite tax site separate from the CAD office, to address the ever-present need for assistance with filing taxes and rent rebates.
- Consolidated Plan 2025-2029 goals:
 - Neighborhood Revitalization
 - Increase Incomes
 - Public Services
- Anti-poverty Strategic Plan:
 - Policy #2 remove barriers to obtaining employment
 - Policy #3 reduce housing and utility costs
 - Policy #5 increase access to affordable and healthy food and living options
- Imagine Duluth 2035:
 - Governing Principle #13 Develop a healthy community
 - Governing Principle #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG request: \$50,000 for program staff salaries, building overhead costs, volunteer and staff training, supplies, and outreach materials.
- Total funding budget: \$166,285
- Secured: \$23,285. There is at least \$1 of secured funding for every \$1 requested, but funding needs are not completely secured and confirmed.
- The cost per person served with CDBG funds is \$198.41, and the cost per person served for the total program budget is \$198.41
- Community Action Duluth has received CDBG funds in the past for this program and has been able to spend the funds in a timely manner with minimal issues. This program in particular has operated in some capacity for over 20 years.

APPLICATION #2025-20: Food Access Through Markets – Community Action Duluth

Brief Description of Application (including activities and target clientele):

Community Action Duluth is requesting support for the Seeds of Success program, which operates Farmers Markets and the Community Mobile Market, a grocery store on wheels that travels to low-income low-access communities to provide pop-up food markets. Expected to serve 3,200 people in FY2025.

Eligible Activity (Identify eligible activity, national objective, and explain):

- National Objective: Benefit at least 51% of households that are LMI
 - Eligible activity: public services
- The program collects information on family size and income so that it is evident at least 51% of the clientele are persons whose family income does not exceed the LMI limit. The goal of the program is to serve 100% LMI individuals.

Application goals/outcomes and relation to Consolidated Plan:

- The program goal is to serve 3,200 LMI households

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- Address the need for a community mobile market, a grocery store on wheels that travels to low-income/low-access communities to provide pop-up food markets
- Consolidated Plan 2025-2029 goals:
 - Food Access
- Anti-poverty Strategic Plan:
 - Policy #5 increase access to affordable and healthy food and living options
- Imagine Duluth 2035:
 - Governing Principle #13 Develop a healthy community
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Budget and Project Readiness:

- CDBG request: \$46,000 for program staff salaries, building overhead costs, volunteer and staff training, supplies, and outreach materials.
- Total funding budget: \$447,079
- Secured: \$337,093 There is at least \$1 of secured funding for every \$1 requested, but funding needs are not completely secured and confirmed.
- The cost per person served with CDBG funds will be 1 person for every \$14.38 and 1 person for every \$138.71 total funds spent.
- In 2020, CAD received funding for a similar program, the Seeds of Success program, but the funding was reprogrammed because CAD could not provide eligibility documentation for recipients. Prior to an allocation of funds, City Staff will need to review the intake process for compliance.