

Planning & Development Division

Planning & Economic Development Department

Room 160 411 West First Street Duluth, Minnesota 55802



Substantial Amendment to FY2019 Annual Action Plan CDBG-CV and ESG-CV Funds for Response to COVID-19 City of Duluth, MN

Need for a Substantial Amendment

The City of Duluth has been notified by the U.S. Department of Housing and Urban Development (HUD) that it will be receiving a special allocation of funds to address the current COVID-19 pandemic. This funding was approved through the passing of the CARES Act by U.S. Congress and will be provided to the City of Duluth in the following amounts, specifically for the city to prevent, prepare for, and respond to COVID-19. The city has received instruction that it must incorporate the funds into a City of Duluth annual action plan. In order, to respond as quickly and accurately as possible to this urgent situation, amending the FY2019 Annual Action Plan (the most recent annual action plan to have previously been approved) will be amended.

Expected New Resources

The city received notice from HUD on April 2, 2020 that it will receive funds upon submittal and approval of the annual action plan. The funding includes the following categories that were based on the most recent entitlement formula by HUD:

Community Development Block Grant- CDBG-CV	\$1,427,448
Emergency Solutions Grant- ESG-CV	\$719,669
Total	\$2,147,117

While there have been some waivers and flexibility with the new funding, HUD will still require much of the same documentation of need, national objective, and eligible activities; while benefiting low- and moderate-income people and neighborhoods.

Goals and Outcomes

The community is experiencing emerging needs and a need for increased services due to conditions that have been exacerbated by the COVID-19 pandemic. The following goals have been identified as critical for the prevention, preparation, and response to COVID-19.

Goals



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Goal Outcome Indicator	Goal	CDBG Funds	ESG Funds
Public Facility or Infrastructure Activities	5,000 people	\$150,000	
other than Low/Moderate Income			
Housing Benefit			
Public service activities other than	5,000 people	\$166,960	\$200,000
Low/Moderate Income Housing Benefit			
Public service activities for	500	\$275,000	
Low/Moderate Income Housing Benefit	households		
Tenant-based rental assistance/ Rapid	250		\$127,703
Rehousing	households		
Homeless Person Overnight Shelter	2,000 persons		\$200,000
Homelessness Prevention	2,000 persons		\$120,000
Jobs created/retained	50 jobs	\$200,000	
Businesses assisted	100 businesses	\$350,000	
Planning and Administration		\$285,488	\$71,966
Total		\$1,427,448	\$719,669

Refining of Activities to be Funded

After the goals are identified and approved a process will be developed to identify specific activities that are needed to address the needs that are being experienced in the community from COVID-19. This will include working with community partners to tailor projects and programs that specifically meet the needs of our community. As a result of public input, efforts to include childcare availability and access to technology will be emphasized during the identification of specific activities. Additionally, both the process to identify partners and the offering of services will include outreach to under-represented groups and communities. Activities will be refined as needed to appropriately respond to the COVID-19 pandemic.