

## Executive Summary

### ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

The Consolidated Plan is a five-year planning document that describes the goals for the City of Duluth's Community Development program. The City uses a collaborative process to establish the goals and priorities for community development actions. This process allows the City and Citizens to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context, and to reduce duplication of efforts at all levels. This document outlines the community's outcomes and objectives for 2025 through 2029.

The Consolidated Plan approach is also the means to meet the submission requirements for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG) formula programs. The City of Duluth is considered an entitlement community by the Department of Housing and Urban Development (HUD), therefore receives these funds on an annual basis. Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. HUD determines the amount of each entitlement grantee's annual funding allocation formula using several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

The Consolidated Plan goals are required to be addressed during the five-year period, therefore the City of Duluth prepares an annual action plan (AAP) stating how it will pursue these goals for community development programs, as well as all housing programs. The one-year Annual Action Plan (AAP) for 2025 program year is also included in this document. The AAP includes the City's applications for 2025 CDBG funding, which the City uses to invest in housing, public improvements, economic development, public services, and job creation activities. Duluth also receives HOME funds to assist in the provision of long-term, safe and affordable housing, as well as ESG funding, which supports programs that assist individuals and families to quickly regain stability in permanent housing after experiencing a housing crisis or homelessness.

The goals for this Consolidated Plan

### Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Through the needs assessment and market analysis, citizen participation process, and agency consultation, the City of Duluth Community Development Committee (CDC), a citizen-led group

established the following Consolidated Plan Goals that are to be met during the next five years. Each goal is associated with an expected achievement number and expected total funding allocation for the entire five years. The City of Duluth expects to receive \$14,000,000 in CDBG funds, \$2,250,000 in HOME Funds, and 1,050,000 in ESG funds during the next 5 years. The following description provides the intended goal number(s) and allocation amount.

- **Affordable Housing:** Increase the number and condition of affordable housing units for low to moderate income (LMI) people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. Housing should serve people in need of support services, accessible units, individual units, and those that are seniors. Housing should utilize energy efficient practices. All housing efforts should support the policies and strategies of the Imagine Duluth 2035 Comprehensive Plan.
  - 300 homeowner housing units to be rehabilitated
  - 250 rental units to be rehabilitated
  - 50 homeowner housing units to be added
  - 250 rental units to be added
  - \$8,675,000
- **Neighborhood Revitalization:** Improve LMI neighborhoods by addressing vacant, condemned, blighted, and/or deteriorated properties. Provide green infrastructure and/or neighborhood infrastructure/amenities that improve safety, accessibility, livability and equity. Improve buildings that provide essential services and basic needs to LMI people. Create and/or improve community gathering areas that focus on social interaction. Revitalization efforts should include strategies to prevent displacement of LMI people.
  - 4000 people will be assisted
  - \$600,000
- **Increase Incomes:** Provide job training and skill development to assist people who are LMI in accessing living wage jobs. Job training should include collaboration with the CareerForce Center and ensure a focus on needed job sectors. Assist LMI people to grow/start their business and grow their income. All efforts should support the City's Workforce Development Strategic Plan.
  - 200 people will have incomes increased
  - \$1,300,000
- **Create Living Wage Jobs**
  - 60 businesses will be assisted
  - \$400,000
- **Health Services-** Provide health, dental, and mental health services to people who are low moderate income.
  - 1000 people will be assisted
  - \$100,000
- **Food Access-** Provide easy access to healthy and affordable food to people who are low moderate income.
  - 40,000 people will be assisted

- \$350,000
- **Homeless Services**-Provide shelter, services, and rental assistance to people who are homeless or at risk of becoming homeless.
  - 23,000 people will be assisted
  - \$2,000,000
- **Public Services**- Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs.
  - 17,000 people will be assisted
  - \$300,000
- **Childcare and Children's Programming**-Ensure childcare and children programming is available in LMI neighborhoods and for LMI people that is safe, affordable, and convenient. Focus on programs that promote healthy living with education and recreation emphasis
  - 500 people will be assisted
  - \$300,000
- **Community Development Facilities**- Community Development Facilities are buildings or structures that meet a priority need, are open to the public, and benefit low moderate-income people, example of these facilities include Homeless Facilities, Transportation Facilities, Food Facility or Recreation Facilities.
  - 3000 people will benefit
  - \$600,000

Unfortunately, the level of need to achieve a goal usually is greater than the limited resources available to meet the need. Accordingly, the Consolidated Plan process requires the community to identify their priority needs.

### 3. Evaluation of past performance

Each program that is funded with CDBG, HOME and ESG funding is monitored annually to make sure that the number of people who were going to be served for a specific need were met. If not, then that program is evaluated to determine whether the need for the program is still a priority or if that need is being met elsewhere due to other new funding sources or if the community dynamics have changed and the demand for a specific need has decreased. This information is presented in a document described as the Consolidated Annual Performance and Evaluation Report (CAPER).

The most recent CAPER was submitted for the 2023 program year, which contained accomplishment from the 2020, 2021, 2022, and 2023 program years (currently we are in the 2024 program year and those accomplishments will be not available until the spring of 2025). During 2019/2020 the City of Duluth, along with the rest of the United States were impacted by COVID-19; a direct impact was a reduction in construction. Housing agencies have been focusing on construction and rehab projects to address the construction slowdown during these years.

The chart below shows the accomplishments and expected accomplishments for the 2020-2024 Consolidated Plan.

Consolidated Plan

DULUTH

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OMB Control No: 2506-0117 (exp. 09/30/2021)

5 year goal in Consolidated Plan (2020-2024)	Dollar Allocation	5 Year total goal number	Expected Accomplishment
<b>Affordable Housing</b>	\$7,803,990		
Homeowner Housing Added		50	17 units
Build Rental Units		250	34 units
Home Owner Rehab		500	165 units
Rental Rehab		500	70 units
<b>Transportation Access</b>	\$50,000	1	1 facility
<b>Neighborhood Revitalization</b>	\$300,000	6	11 structures
<b>Increase Incomes</b>	\$1,300,000	200	586 people
<b>Create Living Wage Jobs</b>	\$375,000	70	63 people
<b>Health Services</b>	\$150,000	1,000	5,836 people
<b>Food Access</b>	\$75,000	85,250	86,884 people
<b>Childcare Access</b>	\$100,000	500	378 people
<b>Public Service- basic needs, prevent evictions, other</b>	\$325,000	17,500	10,224 people
<b>Infrastructure Improvements</b>	\$200,000	1,000	2,850 households
<b>Homelessness</b>	\$2,011,030		
Overnight shelter		8,150	8,179 people
Rental Assistance		270	86 people
Support Services		15,000	15,662 people
Prevention		26	76 people

#### 4. Summary of citizen participation process and consultation process and Summary of Public Comments

The citizen participation process outlined in the 2020 Citizen Participation Plan was integral in goal-setting and developing strategies in the plan. The City used a combination of a public hearing, newspaper outreach, and surveys (both online and in person) to identify needs in Duluth. The Citizen Participation Plan lists the public process that the Planning & Development Division utilizes throughout the year. The plan includes the process for the development of the Consolidated Plan. The Citizen Participation Plan can be found online at: <https://duluthmn.gov/planning-development>

As part of the community outreach supporting the 2025-2029 Consolidated Planning process, the City Planning & Development Division staff have used multiple outreach strategies to engage community members and the organizations that serve our community. A Community Needs survey was available for

about three weeks from May 10 to May 31, 2024. The survey was available online and City staff tabled at community events with the survey. Division staff conducted one-on-one interviews, both in-person and over email, with nonprofit and service providers who work on issues of healthcare, housing, homelessness, education, and other community issues. The Community Development Committee held a Public Hearing on June 25, 2024 to hear about community needs and how to prioritize them.

#### **Key Needs From All Outreach Methods**

- A competitive housing market, including a limited availability of affordable housing units, is pushing people with moderate and lower incomes into lower quality housing and riskier home purchases. Many renters and potential homebuyers feel they are forced to choose unhealthy and unsafe housing because they cannot find affordable alternatives. Potential homebuyers reported having to offer over asking prices and sometimes waive inspections in order to make competitive bids.
- A lack of affordable childcare options, including outside typical business hours of 8am-4pm, is preventing community members from getting and maintaining employment.
- There are not enough landlords who accept Section 8 housing vouchers, resulting in very limited housing choices for renters with low incomes. Some survey respondents reported that once they mentioned their housing voucher, they had difficulty finding property managers who would even talk to them about rental units.

A public hearing on the draft Consolidated Plan was held on November 19, 2024. All comments received during the public comment period and at the Community Development Committee meetings are referenced in the meeting summary from the public hearings.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments will be considered.

#### **7. Summary**

The Consolidated Plan consists of a number of parts including: a housing and community needs assessment that analyzes the current market conditions, a section on the needs for people who are homeless, a Strategic Plan section and the Annual Action Plan. The Strategic Plan is a key component of the Consolidated Plan, as this section outlines the Community's objectives and outcomes to meet the needs identified in the assessment section. The Annual Action Plan, one of five annual plans, outlines how the federal Community Development resources will be allocated in FY 2025. Each year after that an Annual Plan will be completed to communicate how these funds will be allocated to meet the objectives identified in the Consolidated Plan.

The Annual Action Plans will also include a section that evaluates the community's performance towards meeting the objectives outlined in the Consolidated Plan, meaning how well we are achieving progress towards the priority needs of the City of Duluth.

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

**1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	DULUTH	Planning and Development Division
HOME Administrator	DULUTH	Planning and Development Division
ESG Administrator	DULUTH	Planning and Development Division

**Table 1 – Responsible Agencies**

### Narrative

On behalf of the City of Duluth, the Planning and Development Division within the Department of Planning and Economic Development is the lead agency responsible for formulating plans and strategies for housing and community development efforts. The Division is directly responsible for administering and developing the Consolidated Plan, which outlines the community's goals and investment strategies for the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships Program (HOME) and Emergency Solution Grant Program (ESGP). Also, the Community Development Division works with other City departments, the Housing and Redevelopment Authority of Duluth (HRA), neighborhood and citywide non-profit groups to implement the Community Development program.

### Consolidated Plan Public Contact Information

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## **PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(l) and 91.315(l)**

### **1. Introduction**

The City of Duluth is dedicated to developing a Consolidated Plan that is effective in meeting the needs of low-income & moderate-income people within the city. The Community Development Division spent nine months developing this plan which included outreach to the public and a variety of stakeholders.

An advisory group of citizens assists with reviewing community development strategies by providing direct citizen input into the planning and prioritization process. That group is the Community Development Committee (CD Committee). The CD Committee is made up of nine communitywide representatives. The CD Committee is advisory to the City Administration and the City Council.

The participation process for the Community Development Program is detailed in the City of Duluth Citizen Participation Plan, 2020 publication. In general terms, the process consists of two tiers. The CD Committee helps to provide community perspectives on the Community Development Program and oversee the funding process. Secondly, the city uses a public hearing and community needs survey.

The Community Development Division, as the lead entity, strives to involve many partners in addressing community development needs and issues. There are many other participants involved with housing and community development issues and programs in Duluth. As the lead agency, the Division strives to achieve close cooperation among these other entities.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).**

The Planning and Development Division works closely with the Housing and Redevelopment Authority of Duluth (Duluth HRA) which is the local public housing administrator for Duluth. The City participates in a group called the Affordable Housing Coalition, which is made up of numerous agencies in Duluth that provide housing and homeless services and programs to those in need. This group meets regularly to discuss issues and gaps in service, as well as, works to develop strategies to assist those in need of housing assistance and other needs. This group is comprised of City and County officials, as well as housing agencies: Duluth HRA, One Roof Community Housing and Ecolibrium3, as well as supportive housing providers: Salvation Army, Center City Housing, Loaves and Fishes, Life House, Lutheran Social Services, MACV; and homeless shelters: CHUM and Safe Haven, Union Gospel Mission and service providers such as Human Development Center, Damiano, American Indian Community Housing Organization, Community Action Duluth. City staff attends these meetings with the St. Louis County Public Health and Human Services staff.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

The City of Duluth is located in the St. Louis County Continuum of Care (COC). The City of Duluth has a very interactive role with the COC- in reviewing the community needs for the whole populations as well as the sub populations, and using this information in developing a prioritization process based on the annual needs and current data and performance measures to align the funding to best address the needs of homeless persons and persons at risk. Annually, City Staff presents the draft funding recommendations for the ESG and CDBG funds. The City also presents the annual CAPER to the COC.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS**

The City of Duluth continues to work closely with the St. Louis County Continuum of Care (CoC) on providing the ESG guidance which contains specific protocols for prioritizing services to eligible households. As part of the CoC several committees have been developed that have representation from the City, County, service providers, and clients. These committees and their duties are as follows.

Heading Home St. Louis County Leadership Council- Establishes annual targets through strategic planning, decides final funding and reallocation, review and ranks projects, and monitors program performances.

Data/HMIS Committee- Regularly review system level data and identify additional internal and external data sources. Oversees and monitors HMIS data collection and data quality and resolve any issues between provider (s) and Data Collection.

Evaluation and Planning Committee – Reviews the annual Point in Time Count (PIT), performance measures, HMIS data, and City and County ESG annual reports (CAPERS) and makes recommendations to the leadership council and identify strategies not yet in place, revisit and update the objective achievements and plan of action.

Other ad-hoc workgroups have been created to address Coordinated Entry, communication of priorities, and prevention targeting.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities**



**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Lead-based Paint Strategy Public Housing Needs
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of Duluth and the Housing and Redevelopment Authority of Duluth (HRA) have an ongoing working relationship, and HRA was consulted throughout the Consolidated Plan process to take into account housing needs and strategies.
2	<b>Agency/Group/Organization</b>	Duluth Affordable Housing Coalition
	<b>Agency/Group/Organization Type</b>	Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homelessness Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Duluth's Affordable Housing Coalition is made up of over twenty non-profit organizations and governmental agencies working to develop and preserve affordable housing throughout Duluth. The Coalition addresses the need for affordable housing along the entire spectrum from the "hardest to house" through workforce housing. The consultation with this group was extremely helpful in identifying gaps in service and developing priorities and goals. The city will continue to work with this group to prioritize and direct funding.
3	<b>Agency/Group/Organization</b>	COMMUNITY ACTION DULUTH
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Education Services-Employment Community Action Agency
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Action Duluth is a Community Action Agency and provides a number of services including a Financial Opportunities Center, is a career and personal financial service centers that focus on the financial bottom line for low-to-moderate income individuals. They will continue to be consulted about the identification of barriers to employment and increasing income. Community Action Duluth works with other agencies that were actively involved in the development of the consolidated plan.
4	<b>Agency/Group/Organization</b>	Duluth Workforce Center
	<b>Agency/Group/Organization Type</b>	Services-Education Services-Employment Local and State Collaboration
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development Anti-poverty Strategy Employment Services
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Duluth Workforce Center is also known as the Duluth CareerForce, which is a collaboration of the several agencies including the Duluth Workforce Department and Minnesota Department of Employment and Economic Development. The City relies upon this agency to coordinate city job training, education, and employment connections. CareerForce will continue to be used in identifying growing industry sectors, employment training needs, and other efforts needed to grow jobs and employment in Duluth. As identified by the center, Duluth is now working to encourage economic development efforts to include training for construction and aircraft assembly sectors, which are in great need.
5	<b>Agency/Group/Organization</b>	Community Development Committee
	<b>Agency/Group/Organization Type</b>	Citizen Committee
	<b>What section of the Plan was addressed by Consultation?</b>	Oversees City CDBG Process

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Community Development Committee is a group of appointed citizens that have interest and experience with housing and community development issues. The Committee oversees the entire CDBG Program; including the development of the Consolidated Plan, Annual Action Plan, CAPER Report, and all funding recommendations. The committee makes recommendations to the City Council and Mayor.
7	<b>Agency/Group/Organization</b>	Ordean Foundation
	<b>Agency/Group/Organization Type</b>	Private Foundation Foundation
	<b>What section of the Plan was addressed by Consultation?</b>	Funding Partner
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Ordean Foundation works to fund projects and efforts in the Duluth area, often times with much overlap of CDBG related activities. The City of Duluth will continue to collaborate with the Ordean Foundation to continue to ensure that gaps in services are met and avoid duplication of services/funding.
8	<b>Agency/Group/Organization</b>	Northland Foundation
	<b>Agency/Group/Organization Type</b>	Private Foundation Foundation
	<b>What section of the Plan was addressed by Consultation?</b>	Funding Partner
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Northland Foundation is a regional foundation serving the communities of northeastern Minnesota, emphasizing funding projects to help children, youth, families, small businesses, and the elderly. The City will continue to work with the Northland Foundation to identify funding gaps and eliminate the duplication of services/funding.
9	<b>Agency/Group/Organization</b>	Duluth Superior Area Community Foundation
	<b>Agency/Group/Organization Type</b>	Private Foundation Foundation
	<b>What section of the Plan was addressed by Consultation?</b>	Funding Partner

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Duluth Superior Area Community Foundation works to improve the region through funding projects that include the arts, community and economic development, education, environment, and human services. The City will continue to collaborate with the foundation to identify the gaps in services and avoid the duplication of services.
11	<b>Agency/Group/Organization</b>	Duluth Local Initiatives Support Corporation
	<b>Agency/Group/Organization Type</b>	Local Initiative Support Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development Funding Partner
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Duluth Local Initiative Support Coalition (Duluth LISC) is an agency in Duluth that works to help nonprofit community development organizations transform distressed neighborhoods into healthy and sustainable communities. Duluth LISC also helps to coordinate the neighborhood revitalization plans that Duluth has completed for each of the four core neighborhoods in Duluth. The city works with LISC to coordinate the Duluth At Work program which is a job training program for low income people. Duluth works with LISC to identify needs, coordinate revitalization efforts, and collaborate to reach the low income neighborhoods.
12	<b>Agency/Group/Organization</b>	St. Louis County Health and Human Services Dept
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Health Child Welfare Agency Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	County Government
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The St. Louis County Health and Human Services Department manages the county Continuum of Care process and works to coordinate homeless and emergency services in within the County. The County is a partner with the city in providing coordination in homeless services and working to identify gaps and unmet needs.

13	<b>Agency/Group/Organization</b>	St Louis County Community Development Division
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	County Government
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The St. Louis County Community Development Division manages the CDBG funds that come to the county. Although these funds are directed outside of the City of Duluth, the city continues to consult with the county's Community Development staff in order to look for opportunities for collaboration and to identify gaps.
15	<b>Agency/Group/Organization</b>	MN ASSISTANCE COUNCIL FOR VETERANS
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Needs - Veterans
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	MACV offers services and housing for veterans experiencing homelessness. The organization was asked a series of questions regarding the identification of priority community needs, emerging needs, and fair housing. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
16	<b>Agency/Group/Organization</b>	SALVATION ARMY (DULUTH)
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homelessness Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Salvation Army offers services and housing for people experiencing homelessness. The organization was asked a series of questions regarding the identification of priority community needs, emerging needs, and fair housing. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.

17	<b>Agency/Group/Organization</b>	CENTER CITY HOUSING
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homelessness Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Center City Housing develops, owns and manages affordable housing properties for low to moderate income people, people struggling with alcoholism and addiction, and people experiencing homelessness. The organization was asked a series of five questions regarding the identification of priority community needs, emerging needs, and fair housing. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
19	<b>Agency/Group/Organization</b>	City of Duluth
	<b>Agency/Group/Organization Type</b>	Other government - Local Engineering Department
	<b>What section of the Plan was addressed by Consultation?</b>	Transportation and Infrastructure
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Engineering Department is responsible for designing and maintaining much of the transportation infrastructure such as roads and sidewalks. They consider ADA requirement, Safe Routes to School, and ways to improve neighborhood aesthetics via boulevard design and tree planting along roads. The department was asked a series of five questions regarding the identification of priority community needs, emerging needs, and fair housing. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
20	<b>Agency/Group/Organization</b>	SOAR CAREER SOLUTIONS/Goodwill
	<b>Agency/Group/Organization Type</b>	Services-Education Services-Employment
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development Anti-poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	SOAR provides holistic and creative career planning services to low to moderate income job seekers and career changers in Duluth and the surrounding area. The organization was asked a series of five questions regarding the identification of priority community needs, emerging needs, and fair housing. The information they provided in the consultation helped inform the Community Needs Assessment and the goals for this 5-year Consolidated Plan.
21	<b>Agency/Group/Organization</b>	Churches United in Ministry (CHUM)
	<b>Agency/Group/Organization Type</b>	Services-Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	CHUM runs the homeless shelter in Duluth; and CHUM staff have active roles in the homeless programming for the community. City staff regularly interacts with CHUM on programming.
22	<b>Agency/Group/Organization</b>	Union Gospel Mission (UGM)
	<b>Agency/Group/Organization Type</b>	Services-Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homelessness Strategy Homeless Needs - Chronically homeless
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	UGM operates a food program and counseling services for people who are experiencing homelessness. They have recently opened 20 supportive units for people who were homeless. They are active in the community and regularly interact with the city regarding programming needs.

**Identify any Agency Types not consulted and provide rationale for not consulting**

NA

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	Saint Louis County	The Continuum of Care efforts of the county relate closely with the goals and strategies of the development of the Strategic Plan. The City works closely with the county to ensure that the needs associated in the Continuum of Care are also addressed within the Strategic Plan. Both plans have a goal to provide homeless services and ensure that there is adequate coverage of homeless programs.
Imagine Duluth 2035	City of Duluth	In 2018, the City updated the Comprehensive Plan to focus more on providing a resilient, accessible, sustainable, fairer and health community for the people who live in Duluth. This plan is a guiding document that is currently being used.

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))**

The City of Duluth works with Minnesota Housing in prioritizing housing and community needs. Annually the City signs a Joint Powers Agreement with the State for Low Income Housing Tax Credit financing to leverage higher dollar amounts for the construction of housing.

**Narrative (optional):**

The City of Duluth coordinates with local governments and agencies that manage flood plains, shore land areas, public water, and emergency management which includes, the City of Duluth Fire Department which provides emergency management services, the Planning and Economic Development Department which provides flood plain management for the City, and the St Louis River Technical Advisory Committee which is committee organized by the city of Duluth to connect partners from the Minnesota Department of Natural Resources, Minnesota Pollution Control Agency, and the Environmental Protection Agency which advise and partner on land and water resources. The City also continues to consult with Duluth Workforce Development partners, Ecolibrium3, and Duluth Local Initiatives Support Corporation to identify partners and efforts to narrow the digital divide and improve access to technology which continues to be a priority in the community



## **PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

Citizen Participation Plan can be found online at: <https://duluthmn.gov/planning-development>

As part of the 2025-2029 Consolidated Planning process community outreach, the City Planning & Development Division staff have used multiple outreach strategies to engage community members and the organizations that serve our community. A Community Needs survey was available for about 3 weeks from May 10 to May 31, 2024. The survey was available online and City staff tabled at community events with the survey. Division staff conducted one-on-one interviews, both in-person and over email, with nonprofit and service providers who work on issues of healthcare, housing, homelessness, education, and other community issues. The Community Development Committee held a Public Hearing on June 25, 2024 to hear about community needs.

#### **Key Needs From All Outreach Methods**

- A competitive housing market, including a limited availability of affordable housing units, is pushing people with moderate and lower incomes into lower quality housing and riskier home purchases. Many renters and potential homebuyers feel they are forced to choose unhealthy and unsafe housing because they can't find affordable alternatives. Potential homebuyers reported having to offer over asking prices and sometimes waive inspections in order to make competitive bids.
- A lack of affordable childcare options, including outside typical business hours of 8am-4pm, is preventing community members from getting and maintaining employment.
- There are not enough landlords who accept Section 8 housing vouchers, resulting in very limited housing choices for renters with low incomes. Some survey respondents reported that once they mentioned their housing voucher, they had difficulty finding property managers who would even talk to them about rental units.

#### **Community Needs Survey**

Planning & Development Division staff emailed information about the survey, and a printable flyer with the link and QR code to the survey, to community partners asking them to share the survey on social media. The City shared the survey on its Facebook page. City partners such as the library and CareerForce were asked to display the information about the survey near computers that members of the public have access to at their locations.

City staff tabled at three events held by various community entities. The Lincoln Park Farmer's Market Kick-Off Party was held at the Harrison Community Center in Lincoln Park on May 16<sup>th</sup> from 3-6 pm. The weather was gray and a chill filled the air but the market goers still had energy to partake in a survey. Many chose to take a flyer with a QR code that would lead them to the survey at their convenience, and several people completed the paper version of the survey.

Union Gospel Mission invited Planning staff to attend the lunch hour on May 29<sup>th</sup> from 12-1:00 pm. The guests there expressed a lot of interest in the survey. Many took flyers with the QR code and several people completed the paper version of the survey. City staff heard directly from some of the population in Duluth that experiences financial hardship, sometimes to the point of houseless-ness. Our final outreach event was Freedom Fridays at the Family Freedom Center in Central Hillside on May 31<sup>st</sup>, from 4-6:00 pm. This particular Freedom Friday happened to have primarily children in attendance. The kids did not disappoint however, because they had a lot of enthusiasm for filling out the paper surveys, and some took flyers home for their families.

Neighborhood	% of Respondents	The Community Needs Assessment survey received 231 responses. The survey asked for four demographic identifiers: neighborhood, gender, age, and race. About 53% of respondents live in neighborhoods that include CDBG eligible low-to-moderate income census tracts. About 81% of the respondents identified their race as white, which is about 7% lower than the total white population in Duluth. About 19% of survey respondents identified as Black, Indigenous, and People of Color (BIPOC), which is about 7% higher than the BIPOC population in Duluth, according to the most recent U.S. Census. The survey also received
East Hillside	14%	
Lincoln Park	14%	
Bayview Heights	0.5%	
Central Hillside	12%	
Chester Park/UMD	5%	
Cody	1%	
Congdon Park	1%	
Denfeld	4%	
Downtown/Canal Park	4%	
Duluth Heights	2%	

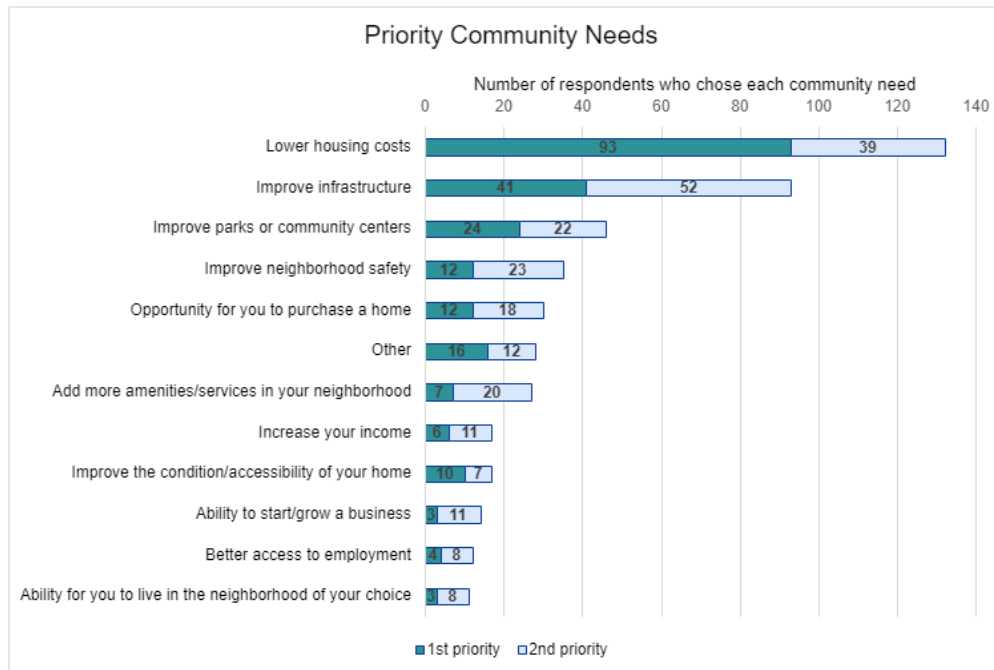
Endion	2%
Fairmount	1%
Gary-New Duluth	2%
Hunters Park	1%
I live in Duluth but I'm not sure which neighborhood I live in	2%
I live in Duluth but my neighborhood isn't listed	2%
I live outside Duluth	4%
Kenwood	2%
Lakeside/Lester Park	13%
Morgan Park	0.5%
Morley Heights/Parkview	2%
North Shore	1%
Norton Park	0.5%
Oneota	0.3%
Park Point	1%
Piedmont Heights	1%

the majority of responses from people who identify as female, at 72%. Four percent of survey respondents identify as nonbinary, and 24% of survey respondents identify as male. The age dispersal of respondents was 24% of respondents were ages 18-34, 50% were ages 35-54, 14% were ages 55-64, and 11% were 65+. Two percent of responses were from people age 17 or under.

Riverside	1%
Smithville	0.2%
Spirit Valley	2%
Woodland	4%
<b>Qualified Census Tract</b>	<b>53%</b>

<b>Race</b>	<b># of Respondents</b>	<b>% of Respondents</b>
Asian	2	1%
Black	5	3%
Mixed Race	21	11%
Native American/Indigenous	8	4%
White	161	81%
<b>Total</b>	<b>198</b>	<b>100%</b>

Survey respondents were asked to choose a first and second-priority community need. When first and second choices are totaled, the overwhelming top choice is “lower housing costs.” The second and third priorities are “improve infrastructure” and “improve parks or community centers.” Many survey respondents also chose “improve neighborhood safety” as a top priority.



Respondents were then asked to answer a follow-up question about their top priorities. Most of the 132 respondents who chose lower housing costs reported that rent payments are too high (86%). Half of these respondents (51%) reported utility payments are too high and nearly half (48%) reported that mortgage payments are too high. Several respondents added that property taxes are too high.

Ninety-three respondents chose “improve infrastructure” as a top priority. Responses to the follow-up question has minimal differences. The options to “improve streets”, “add/improve pedestrian safety and accessibility”, and “improve sidewalks” were within 2 percentage points of one another at a response rate of 68%, 67%, and 66% respectively. The 20% of respondents who chose “other” identified

**“Anything that can be done to make it**

multi-modal transportation, listing pedestrian, bicycle, and bus infrastructure as a priority at 11%. As one respondent put it, “Anything that

**easier to travel  
without a car!"**

can be done to make it easier to travel without a car!" Also of note is the 2% of "other" responses that identify water and sewer infrastructure, including lead pipe mediation, as a priority.

The third-highest ranked priority, "improve parks or community centers", received a total of 47 responses. The follow-up question revealed "improvements to playground facilities" and "community center improvements" are of nearly equal concern at rates of 57% and 55% respectively. Following closely is the preference to "improve access for people of all abilities, at 40%. Thirty-two percent of respondents identified "other" as a priority, with major themes ranging from the need for more restrooms, garbage receptacles and sharps containers, to tree maintenance and invasive species mediation with native plantings.

**"Supply was so  
limited, you were  
bidding against 10s of  
other people on every  
home. Had to waive  
common sense things  
like inspections.  
Competing against  
cash offers."**

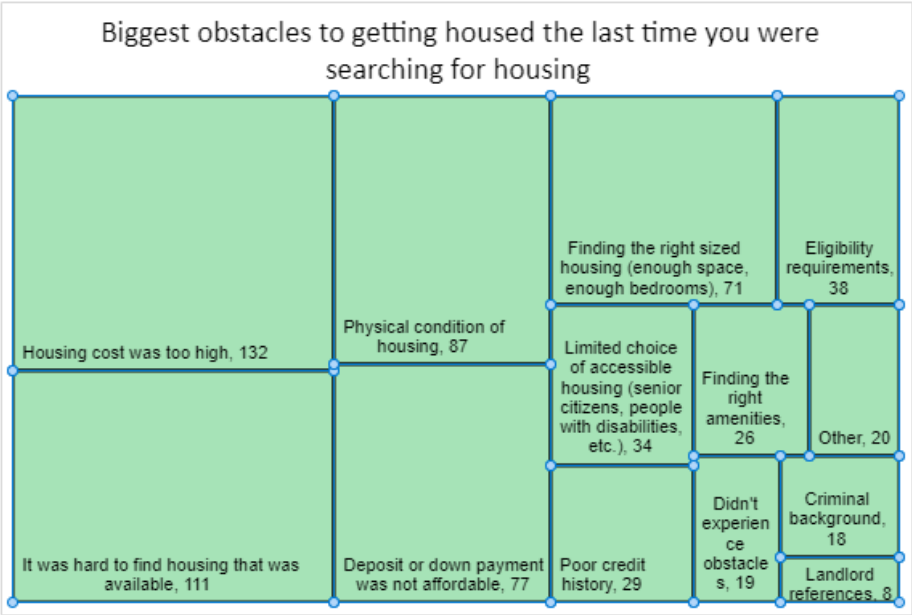
Survey respondents shared many insights about the obstacles they experienced looking for housing. Overall respondents reported struggling to find available housing at all, and the housing they could find was frequently too expensive or not in good condition. Some respondents reported having to agree to risky deals, and having to settle for unhealthy or unaffordable housing because of a such competitive housing market. Some respondents reported that their needs have changed since purchasing a home and that they are stuck in housing they can't age in or housing their family has outgrown because they can't find affordable housing that meets their new needs.

Many renters with housing vouchers reported not being able to find enough landlords who will accept Section 8 vouchers and that they often had to settle for unhealthy, run-down housing. Some renters struggled with very high move-in costs, up to three times the monthly rent amount. Families, particularly single parents with only one household income, expressed difficulty being able to afford enough

**"Getting ignored by  
landlords when  
looking for section 8  
rentals. Why are  
landlords so**

bedrooms for the size of their family. One respondent wrote, “Competition with college students renting single family homes by the bedroom. I’m a single mom and have to put 3 kids in a two bedroom because that’s all I can afford.”

hesitant in allowing section 8?”



Consultation with Community Partners

Planning staff also consulted with community organizations and partners to identify needs, issues, and priorities that should be reflected in the Consolidated Plan. The top three identified existing needs include:

- Affordable housing

- Childcare
- Rehabilitation and repairs to existing housing stock

Every agency that responded to the questionnaire mentioned the dire need for affordable housing at least once, if not a few times. Making matters worse, even when affordable housing is available for rent, it is in too poor of condition for Section 8 voucher holders to use their federal funding for subsidized housing. The more affordable rental properties in Duluth tend to be in poor condition due to their old age and the increasing cost of labor and materials for making repairs. Affordable childcare, including outside typical business hours of 8am-4pm, has been identified by area agencies as a necessity for acquiring and maintaining employment. Public transportation was also mentioned several times, for improving the rate of employment for their clients.

Over the next five-years, the agencies intend to work toward:

- Affordable housing, including in higher-income neighborhoods
- Continuing to provide the basics, such as food, clothing and shelter
- Assisting clients in navigating employment and available social services
- Down-payment assistance for homeownership and BIPOC homeownership
- Providing or helping to supplement childcare

During these in-person interviews, agencies would often mention the right of individuals to live in their preferred neighborhood. They observe the current housing market in Duluth not offering enough affordable options, or housing that accepts Section 8 vouchers, in neighborhoods with higher average household incomes. Clients have noticed this as well, as they have struggled to find housing in neighborhoods that feel safer to them. One respondent, when asked if they are living in their preferred neighborhood said, “No, I have section 8 so I am limited on where I can live... I have witnessed more violence here in this public and section 8 housing than I have in my entire 30 years. My heart aches for the conditions and locations that families have to live in because they are low income. You can only expect people to be as healthy as the people they are surrounded by.”

Planning Division staff will continue to consult the area agencies throughout the Consolidated Plan process.

### **Public Hearing**

Approximately 20 people attended the Community Needs Public Hearing on June 25, 2024. In small groups, attendees participated in a funding activity. Each group was provided with 20 cards valuing \$50,000 each, for a total of \$1 million. In their groups, they decided how to allocate that



funding among about 30 different eligible funding activities. The highest funded programs by all the groups combined were 1) multi-family new construction, 2) single-family new construction, and tied for 3) multi-family rehab and childcare.

The activity limited funding public service programs because of HUD's 15% cap on public service spending. The highest funded public service programs by all the groups combined were 1) childcare, tied for 2) mental health and housing for people with needs, and 3) housing for single parents with children.

After their initial funding decisions, the groups were told that the funding had been reduced and they needed to remove \$150,000. The categories that were most frequently cut or removed were sidewalks, infrastructure improvements, and multimodal transportation improvements. Participants commented that these were important community needs, but that other entities or funding sources would be more appropriate to address these needs (for example: the Duluth Transit Authority, and funding specifically for transportation, infrastructure, and street maintenance).

The information from this input was used in the goal setting for the new consolidated plan and on the 2025 funding applications, which is described in the draft Consolidated Plan and 2025 Action Plan. The Community Development Committee reviewed the draft Consolidated Plan, the Action Plan, and FY2025 funding recommendations at their November 19, 2024 public meeting. The draft Consolidated Plan was published for a 30-day public comment period from November 2, 2024 to December 3, 2024. The 30-day comment period will be advertised in the local newspaper and online. Copies of the draft materials was available at the local library, in the Planning & Development division office, and online. The Committee held a Public Hearing on November 19, 2024 to hear community input regarding the Consolidated Plan, the Action Plan, and the FY2025 funding recommendations. On December 3, 2024, the Community Development Committee formally provided final recommendations for the Consolidated Plan, 2025 Action Plan, and 2025 funding recommendations. These recommendations were presented to City Council for formal approval at the January 27, 2025 City Council meeting before being submitted to HUD.

### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Internet Outreach	Minorities  Low to Moderate income people	The city conducted an online survey and asked sub-recipients to help to distribute and encourage their participants and the community to identify their needs.	231 responses were recorded and included in the Consolidated Plan Outreach Summary	All comments accepted.	
2	In Person	Minorities  Persons with disabilities  Non-targeted/broad community  Persons experiencing homelessness	Consulted with nonprofit and service providers who work on issues of healthcare, housing, homelessness, and education, and other community issues.	12 agencies participated in the consultation and provided responses to the open-ended 5-question survey.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	Non-targeted/broad community	A Public Hearing advertisement was placed in the Duluth News Tribune which has a broad circulation throughout the region.	No comments were received.	NA	
4	Public Hearing	Persons with disabilities  Non-targeted/broad community	8 people attended the public hearing.	No additional comments were received.	All comments were accepted.	

**Table 4 – Citizen Participation Outreach**

## Needs Assessment

### NA-05 Overview

#### Needs Assessment Overview

The citizen participation process is outlined in the 2020 Citizen Participation Plan and was integral in goal-setting and developing strategies in the plan. The City used a combination of public hearing, consultation, newspaper outreach, and surveys (both online and in person) to identify needs in Duluth. The key needs identified from all outreach methods include: 1) A competitive housing market, including a limited availability of affordable housing units, is pushing people with moderate and lower incomes into lower quality housing and riskier home purchases. Many renters and potential homebuyers feel they are forced to choose unhealthy and unsafe housing because they can't find affordable alternatives. Potential homebuyers reported having to offer over asking prices and sometimes waive inspections in order to make competitive bids, 2) A lack of affordable childcare options, including outside typical business hours of 8am-4pm, is preventing community members from getting and maintaining employment, and 3) There are not enough landlords who accept Section 8 housing vouchers, resulting in very limited housing choices for renters with low incomes. Some survey respondents reported that once they mentioned their housing voucher, they had difficulty finding property managers who would even talk to them about rental units.

A Community Needs survey was available for about 3 weeks from May 10 to May 31, 2024. The survey was available online and City staff tabled with the survey at community events and during a free lunch service for people experiencing homelessness. The Community Needs Assessment survey received 231 responses. About 53% of respondents live in neighborhoods that include CDBG eligible low-to moderate-income census tracts. About 19% of survey respondents identified as Black, Indigenous, and People of Color (BIPOC), which is about 7% higher than the BIPOC population in Duluth, according to the most recent U.S. Census. Survey respondents shared many insights about the obstacles they experienced looking for housing. Overall respondents reported struggling to find available housing at all, and the housing they could find was frequently too expensive or not in good condition. Some respondents reported having to agree to risky deals and having to settle for unhealthy or unaffordable housing because of a competitive housing market. Some respondents reported that their needs have changed since purchasing a home and that they are stuck in housing they can't age in or housing their family has outgrown because they can't find affordable housing that meets their new needs. Division staff conducted one-on-one interviews, both in-person and over email, with nonprofit and service providers who work on issues of healthcare, housing, homelessness, education, and other community issues. Every organization mentioned the dire need for affordable housing at least once, if not a few times. Making matters worse, even when affordable housing is available for rent, it is sometimes in too poor of a condition for Section 8 voucher holders to use their federal funding for subsidized housing. Approximately 20 people attended the Community Needs Public Hearing on June 25, 2024. In small

groups, attendees participated in a funding activity. Each group was provided with 20 cards valuing \$50,000 each, for a total of \$1 million. In their groups, they decided how to allocate that funding among about 30 different eligible funding activities. The highest funded programs by all the groups combined were new construction of housing and housing rehab. The activity limited funding public service programs because of HUD's 15% cap on public service spending. The highest funded public service programs by all the groups combined were childcare, mental health, and supportive housing.

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	86,180	85,850	-0%
Households	35,410	36,525	3%
Median Income	\$45,034.00	\$54,084.00	20%

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

### Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	5,995	5,350	6,460	4,145	14,575
Small Family Households	790	1,010	1,870	1,275	6,685
Large Family Households	130	275	195	250	795
Household contains at least one person 62-74 years of age	1,030	795	1,165	1,010	3,090
Household contains at least one person age 75 or older	655	1,120	760	470	1,280
Households with one or more children 6 years old or younger	424	655	715	639	1,265

**Table 6 - Total Households Table**

**Data Source:** 2016-2020 CHAS

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	225	125	4	20	374	0	0	10	45	55
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	65	0	30	85	180	4	0	40	4	48
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	40	155	20	10	225	4	10	30	20	64
Housing cost burden greater than 50% of income (and none of the above problems)	2,500	885	175	15	3,575	755	360	170	15	1,300

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	690	1,240	650	155	2,735	310	655	955	310	2,230
Zero/negative Income (and none of the above problems)	285	0	0	0	285	90	0	0	0	90

**Table 7 – Housing Problems Table**

Data 2016-2020 CHAS  
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	2,830	1,170	230	130	4,360	765	370	250	85	1,470
Having none of four housing problems	1,780	2,215	2,390	1,040	7,425	620	1,595	3,590	2,890	8,695
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

**Table 8 – Housing Problems 2**

Data 2016-2020 CHAS  
Source:



### 3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	480	430	115	1,025	160	205	365	730
Large Related	60	40	10	110	35	44	25	104
Elderly	620	464	195	1,279	480	540	245	1,265
Other	2,220	1,335	515	4,070	395	240	480	1,115
Total need by income	3,380	2,269	835	6,484	1,070	1,029	1,115	3,214

**Table 9 – Cost Burden > 30%**

Data: 2016-2020 CHAS  
Source:

### 4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	115	115	150	70	0	220
Large Related	0	0	0	0	35	4	0	39
Elderly	325	319	85	729	280	150	60	490
Other	0	1,870	540	2,410	295	0	0	295
Total need by income	325	2,189	740	3,254	760	224	60	1,044

**Table 10 – Cost Burden > 50%**

Data: 2016-2020 CHAS  
Source:

### 5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	65	135	15	65	280	4	10	65	24	103

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Multiple, unrelated family households	4	0	8	0	12	0	0	4	0	4
Other, non-family households	35	25	25	30	115	4	0	0	0	4
Total need by income	104	160	48	95	407	8	10	69	24	111

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present								

Table 12 – Crowding Information – 2/2

Data Source:  
Comments:

### Describe the number and type of single person households in need of housing assistance.

There is no one comprehensive description of the single person household in need of housing assistance; they vary from people with felonies to people who have recently escaped a domestic violence situation to veterans to young adults who are no longer living in foster care. The COC uses the PIC and HMIS data to prioritize the housing need and services in the community.

### Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Safe Haven Shelter and the American Indian Community Housing Organization's Dabinool'gan Shelter both provide emergency shelter for victims of domestic violence. Safe Haven serves more than 500 and AICHO serves more than 100 women and children each year. Approximately one third (1/3) of the persons served are single women; two thirds (2/3) are the women and children who make up the families that are served. Also, almost two thirds (2/3) of the women (and children) accessing the domestic violence shelters in Duluth are either of Black/African American or Native American, which is extremely high compared to the general population of Duluth. According to shelter reports, many of the singles and families will return to their previous living situation, some will find market-rate housing in

the community and a small amount will access transitional housing or permanent supportive housing units in the community. Others will be assisted in obtaining housing through rapid re-housing assistance. Life House, which focuses on providing housing to youth, has also increased efforts to provide housing and services to victims of violence, especially ones who have had the experience of being trafficked.

### **What are the most common housing problems?**

The cost of housing and the lack of affordable units are the main housing problem in Duluth. Of those who had one or more housing problems, renters were the most affected by housing cost, at approximately twice the rate of homeowners. Low- and moderate-income rental households paying 30% or more of their income for housing numbered 7,125, the same income homeowners paying 30% or more numbered 3,403. For severely cost burdened households, those paying 50% or more of income for housing, there were 4,190 renters and 1,594 homeowners. The lowest income households (0-30% area median income) were the most cost burdened. Recently, the City of Duluth commissioned a housing study that shows the need for affordable housing has been increasing.

### **Are any populations/household types more affected than others by these problems?**

The CHAS numbers indicate that approximately one-third of renter households have one or more severe housing problems. This information was substantiated with the Update of Affordable and Workforce Housing Needs in Duluth, Minnesota dated October 2019. This study stated that following affordable housing units needed to be built between 2019 and 2024 to meet demand, unfortunately this the number of units built did not meet this number.

- 87 single family units
- 36 owner occupied units
- 2,202 Subsidized Rental units for 50% or less AMI households
- 1,010 Affordable Rental units for 50 to 80% AMI households
- 297 Active Adult (55+) Senior 50 to 60% AMI households

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

For many years, St. Louis County has funded prevention and homeless assistance in the City of Duluth through the state-funded Family Homeless Prevention and Assistance Program (FHPAP). In 2009, the City began providing prevention and rapid re-housing assistance through the Homeless Prevention and Rapid Re-housing Program (HPRP) stimulus program. Through the HEARTH Act, and with the changes to

the Emergency Solutions Grant (ESG) Program, the City began receiving additional ESG funds targeted specifically for prevention and rapid re-housing activities. Community Development staff, along with the Duluth housing and services providers that carry out prevention and Rapid Re-housing assistance, identified Prevention risk factors to be used in targeting households to serve. The risk factors used by the ESG (and FHPAP) programs include:

- Has moved 2 or more times prior to application for assistance because of economic reasons
- Is living in the home of another because of economic hardship
- Has been notified that their right to occupy their current housing will be terminated within 2 weeks
- Lives in a hotel or motel because they have no place else to go
- Is exiting a public-funded institution or system of care
- Household income 30% or below the area median income

The needs of formerly homeless families and individuals receiving rapid-rehousing assistance whose assistance is or will be terminated continue to need connections to mainstream services as well as continued, but less frequent, monitoring by the case manager that has been working with them. In addition, the County has been increasing efforts to work with Board and Lodges to better address housing needs for low income individuals.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

The City does not have a methodology for estimating the number of at-risk households. However, with the ESG funds available for prevention and rapid re-housing assistance, 35% are targeted for prevention assistance and 65% are targeted for rapid re-housing. The FHPAP program targets 65% of the funding for prevention and 35% for rapid re-housing. ESG providers meet bi-monthly to review household need of current applicants and prioritize assistance to families first, then youth, then singles.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

The high cost of housing, especially for those in the 0-30% income category, creates instability and overcrowding. An increased risk of homelessness is also a by-product.

## **Discussion**

There is a variety of characteristics of LMI households that need housing, but there are several studies showing the City of Duluth needs more affordable units.

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

#### 0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,920	985	440
White	3,140	730	315
Black / African American	240	50	69
Asian	115	40	0
American Indian, Alaska Native	210	90	0
Pacific Islander	0	0	0
Hispanic	115	10	25

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2016-2020 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

#### 30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,380	1,525	0
White	2,980	1,465	0
Black / African American	155	15	0
Asian	60	4	0
American Indian, Alaska Native	85	25	0
Pacific Islander	0	0	0
Hispanic	20	4	0

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data 2016-2020 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

#### 50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,315	3,855	0
White	2,160	3,445	0
Black / African American	24	80	0
Asian	4	40	0
American Indian, Alaska Native	40	85	0
Pacific Islander	0	0	0
Hispanic	65	29	0

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data 2016-2020 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

#### 80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,000	2,935	0
White	945	2,760	0
Black / African American	0	20	0
Asian	20	0	0
American Indian, Alaska Native	0	50	0
Pacific Islander	0	0	0
Hispanic	20	75	0

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

**Data** 2016-2020 CHAS  
**Source:**

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### **Discussion**

The information shows the current housing stock is insufficient.

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

#### 0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,235	1,675	440
White	2,630	1,240	315
Black / African American	175	115	69
Asian	70	85	0
American Indian, Alaska Native	180	120	0
Pacific Islander	0	0	0
Hispanic	100	25	25

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data 2016-2020 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

#### 30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,695	3,215	0
White	1,505	2,935	0
Black / African American	90	80	0



<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Asian	10	54	0
American Indian, Alaska Native	50	60	0
Pacific Islander	0	0	0
Hispanic	4	25	0

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data 2016-2020 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

#### 50%-80% of Area Median Income

<b>Severe Housing Problems*</b>	<b>Has one or more of four housing problems</b>	<b>Has none of the four housing problems</b>	<b>Household has no/negative income, but none of the other housing problems</b>
Jurisdiction as a whole	610	5,565	0
White	565	5,040	0
Black / African American	0	105	0
Asian	0	45	0
American Indian, Alaska Native	0	125	0
Pacific Islander	0	0	0
Hispanic	40	50	0

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data 2016-2020 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

### 80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	235	3,700	0
White	235	3,470	0
Black / African American	0	20	0
Asian	0	20	0
American Indian, Alaska Native	0	50	0
Pacific Islander	0	0	0
Hispanic	0	95	0

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data 2016-2020 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### Discussion

In the 0%-30% area median income category, 76% or more of persons in a racial or ethnic group would have to have severe housing problems to indicate a disproportionately greater need. In this income group, American Indian / Alaska Native were at 79%, and Hispanic at 86%. In the 80%-100% income category, Black / African American, American Indian, and Hispanic groups showed greater percentage need than Duluth as a whole.

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Commented [HF1]: HF - begin sections

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction:

In the category of households who pay 30%-50% of their income for housing, there were no racial or ethnic group with disproportionately greater need than all households falling into this category. However, for those paying half or more of their income for housing, three groups showed a higher percentage of need, Black / African American, American Indian, and Hispanic.

### Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	24,725	5,620	5,215	445
White	23,105	5,030	4,430	315
Black / African American	285	159	265	69
Asian	220	120	70	0
American Indian, Alaska Native	375	125	220	0
Pacific Islander	0	0	0	0
Hispanic	315	70	120	25

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2016-2020 CHAS  
Source:

### Discussion:

### **NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)**

**Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

There are a few instances of statistical disproportional need by racial or ethnic group in the tables showing housing problems. However, the small number of racial or ethnic households make it difficult to draw any conclusions from these numbers. A general trend is seen when the racial and ethnic categories are combined and compare that to the total jurisdiction and to white people. In general people of color disproportionately face a greater housing cost burden and greater housing need.

**If they have needs not identified above, what are those needs?**

All of the needs are identified above.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

The population of people of color (POC) in Duluth is small so it is hard to show any statistically significant trends or difference when focusing on one racial group other than white people. If we combine all people of color into one group and compare to statistics about Duluth as a whole or to the white population it is easier to see statistically significant trends and differences. The overall population of people of color in Duluth has increased slightly since the previous Consolidated Plan, according to the 2020 Decennial Census reporting 10,170 people or 11.7% of the population. The demographics of Duluth neighborhoods continue to reflect the impacts of historic redlining practices. Some of the lowest income neighborhoods in the city also have some of the highest percent of residents that are people of color. The Downtown (30% POC), Central Hillside (35% POC), East Hillside (31% POC), and Lincoln Park (31% POC) all see much higher rates of residents of color and rates of poverty than Duluth as a whole. Duluth's overall poverty rate is 17% of the population living with income below poverty. In the Downtown, where many of the homeless shelters are currently located, 51% are living with income below poverty. Central Hillside, East Hillside, and Lincoln Park have rates of poverty at 42%, 33%, and 29% respectively.

## NA-35 Public Housing – 91.205(b)

### Introduction

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.

Currently the Duluth HRA owns and manages 1008 units of public housing, including six high-rise developments (Tri-Towers, Grandview Manor, King Manor, Ramsey Manor, Midtowne Manor I, and Midtowne Manor II) as well as approximately 300 scattered site properties located throughout the City as mostly single-family homes. The Duluth HRA also owns public housing units through the HUD HOPE VI grant program awarded in 2003. Three mixed-income developments were created through this program. Those developments include Harbor Highlands, Village Place, and The Village at Matterhorn.

In addition to public housing, the Duluth HRA administers HUD funded rental assistance to qualifying households through the Section 8 Housing Choice Voucher program. Participants in this program select privately owned housing in the City that meets the program's payment standards, housing quality, and eligibility factors. The Housing Choice Voucher program currently serves 1,411 participating households.

### Totals in Use

	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	1	27	1,118	1,411	70	1,333	0	0	0

Table 22 - Public Housing by Program Type

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

## Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	2,436	4,537	10,456	10,419	7,337	10,524	0	0
Average length of stay	0	1	6	5	2	5	0	0
Average Household size	1	1	1	2	1	2	0	0
# Homeless at admission	0	3	4	7	5	2	0	0
# of Elderly Program Participants (>62)	0	2	179	144	4	140	0	0
# of Disabled Families	1	5	414	603	25	574	0	0
# of Families requesting accessibility features	1	27	1,118	1,411	70	1,333	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

**Table 23 – Characteristics of Public Housing Residents by Program Type**

**Data Source:** PIC (PIH Information Center)

## Race of Residents

Race	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	23	856	1,058	44	1,009	0	0	0
Black/African American	0	3	136	207	11	196	0	0	0
Asian	0	0	58	14	1	12	0	0	0
American Indian/Alaska Native	1	1	60	132	14	116	0	0	0
Pacific Islander	0	0	8	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

## Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	9	11	0	11	0	0	0
Not Hispanic	1	27	1,109	1,400	70	1,322	0	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

Section 504 prohibits discrimination based on disability in any program or activity that receives financial assistance from any federal agency, including HUD. In response to the Section 504 Needs assessment completed in the past, the HRA has set up an Admission and Continued Occupancy Plan (ACOP) to comply with 24 CFR Part 8. Further outlined in chapters 2 and 3 of the ACOP, the HRA must make all aspects of the public housing program accessible to persons with disabilities and consider requests for reasonable accommodations when a person's disability limits their full access to the unit, the program, or the PHA's services. In response to the Section 504 needs assessment, the HRA has put in place a detailed process for when an accessible unit becomes available and when an applicant with a need for an accessible unit comes into the pool of applicants being processed.

### **Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

The wait times for public housing through the Duluth HRA are 12-18 months for all unit sizes. A total of 1,868 applications are on the waitlist for public housing. The breakdown of units for public housing applications are as follows: one bedroom with 1,233, two bedrooms with 447, three bedrooms with 163, four bedrooms with 22, and five bedrooms with three units. It is certain that not every applicant on the waiting list will receive public housing from the HRA in the next year, making it evident that outside housing programs or an increase in public housing is needed.

There are currently 2,935 individuals on the Section 8 Housing Choice Voucher waitlist. It takes approximately 24 months to obtain housing after being on the Section 8 waitlist. It is certain that not every applicant on the waiting list will receive a Housing Choice Voucher from the HRA in the next year, making it evident that outside housing programs or an increase in number of vouchers is needed. For the most recent full calendar year the percentage of Housing Choice vouchers returned was 46.5% of 200 vouchers issued. The percentage of participants not able to lease up is skewed due to the tight rental market in Duluth and short window of time to successfully find an apartment with a voucher, in addition not all property owners are accepting people with Vouchers as renters.

### **How do these needs compare to the housing needs of the population at large**

Housing is a pressing need for many individuals and households in Duluth; therefore, the HRA is not the sole entity addressing Duluth's housing concerns. As can be seen from the waitlist populations for both public housing and the Housing Choice Voucher program, other programs need to work to fill in the gaps to provide affordable housing options. The Duluth HRA administers a tenant based rental assistance program through the City's HOME program to fill some of these gaps. Other non-profits and private developers work to create new units through mixed income developments and subsidy or barrier removal programs to address the variety of Duluth's housing needs.



## Discussion

The HRA, as an entity operating both the public housing and Section 8 Housing Choice Voucher Certificate programs, is also required by HUD to prepare and submit an annual Agency Plan as well as a periodic five-year Plan to HUD, and the HRA is further required by HUD to submit these Plans to the City of Duluth for its review and completion of a certification of consistency with the City's Consolidated Plan. This HRA Agency Plan submission includes the HRA's planned capital improvements to its public housing properties for the upcoming year as well as five years out. The Plan also includes any proposed public housing development, and any planned demolition or disposition of public housing. The HRA has no plans to demolish any public housing units or properties in the coming year. It does expect to add an additional scattered site unit under the acquisition and rehab development method in the coming year with HUD Replacement Housing Funding. The agency is also currently undertaking many capital improvements of its public housing properties, including energy-related improvements, at both its high rises and scattered site properties. The City supports the HRA's Family Self-Sufficiency and Section 8 voucher homeownership programs, and is satisfied that residents have access to homeownership opportunities. For a number of years, the City has awarded HOME funds to the HRA for tenant-based rental assistance. This program provides housing vouchers for homeless families and individuals that would otherwise be on the Section 8 waiting list. It allows households that do not currently qualify for HRA's programs to receive a rental voucher, and then work to address their ineligibility issues, such as past unpaid rent or a too recent criminal conviction. The City intends to continue to set aside HOME funding for tenant-based rental assistance.

In addition to a Tenant representative on the Board of Commissioners, an active Resident Advisory Board reviews and provides input into the HRA's Agency Plan and capital improvement plans. The membership includes the Presidents of the Resident Clubs from each of the six high-rise buildings. These Clubs have regular meetings that serve as venue to talk about HRA policies and procedures. The City is satisfied that residents have meaningful input into the management of public housing. The HRA is a High Performer under HUD's Public Housing Assessment System (PHAS), which grades the HRA on management operations, physical conditions, Capital Fund administration, and financial condition. The HRA is also a High Performer under the Section 8 Management Assessment Program (SEMAP). The HRA will endeavor to retain its High Performer statuses for both programs. NA-40 Homeless Needs Assessment – 91.205(c)

### Introduction:

St. Louis County (SLC) is one of many Continuum of Care (CoC) regions in Minnesota. Duluth is geographically located at the southern end of St. Louis County. There are two entitlement communities in SLC, the City of Duluth and St. Louis County. The City of Duluth has long history of working closely with SLC and homeless housing and service providers to address issues that impact persons who are homeless or at-risk of becoming homeless. The City and County work on the CoC's Planning and

Evaluation Committee that look at homelessness through a countywide perspective and distribution of resources, is to help homeless individuals, families and youth to be rapidly re-housed in the most permanent housing possible, increase their housing stability and the housing security that goes along with stability, and to prevent new occurrences of homelessness. With the understanding that homelessness is not caused merely by lack of shelter, but rather involves underlying, unmet physical, economic and/or social needs, the supportive services provided for the homeless are designed to meet those needs.

The City and County work together with continued focus on the HEARTH regulations and related activities in administering a coordinated homeless response system that incorporates new prevention, rapid housing and coordinated assessment activities outlined in the Emergency Solutions Grant regulations and the Continuum of Care regulations along with former shelter (including transitional housing) outreach and supportive service activities. The HHSCLC Leadership Council is the governing and advisory board that oversees the funding activities in Duluth and SLC, including the annual CoC funding competition, the Family Homeless Prevention and Assistance Program (FHPAP) state funding competition in SLC and the Emergency Solutions Grant Program funding process for both Duluth and SLC. The Continuum of Care's priorities are focusing on Permanent Supportive Housing, expanding shelter, and addressing disparities that exist across the housing and homelessness response system.

#### Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	2941	200	3500	250	na	na
Persons in Households with Only Children	924	20	1100	50	na	na
Persons in Households with Only Adults	2017	180	2400	200	na	na
Chronically Homeless Individuals	1202	81	100	na	na	na

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Families	na	na	na	na	na	na
Veterans	131	na	na	Na	na	na
Unaccompanied Child	11	na	na	na	na	na
Persons with HIV	21	na	na	na	na	Na

Table 25 - Homeless Needs Assessment

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Limited data is unavailable for homeless individuals and families, families with children, veterans and their families, and unaccompanied youth for number of persons becoming and exiting homelessness each year and number of days that persons experience homelessness. This is data that is not collected at this time. One of the priorities for the City and the COC is to improve data collection.

#### Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	1246	na
Black or African American	657	na
Asian	16	na
American Indian or Alaska Native	880	na
Pacific Islander	14	na
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	81	na
Not Hispanic	1165	na

Data Source  
Comments:

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

The number of families experiencing homelessness is difficult due to many of them being "doubled-up" The COC had prioritized singles as having the most need in the community. Shelter agencies have also stated there is a greater demand for shelter units to house singles. Although there aren't any specific data numbers, a trend being seen at CHUM, Safe Haven, Union Gospel Mission and Loaves and Fishes shelter is an increase in the number of seniors (60+) who are using their facilities.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

People of color experience a higher percentage of being homelessness. The COC is working on initiatives to address racial inequity.

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

Many of the people who are experiencing homelessness have had issues with mental illness and/or drug addiction. The City, COC and St. Louis County are working to address these significant issues in the community.

**Discussion:**

Agencies, the COC and community advocates have stated one of the reasons for Duluth's high homeless rate is the lack of housing units. It has been determined that an additional 800 housing units would help address the homeless crisis.

**NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)**

**Introduction:**

Through the Community Needs assessment, following priority needs have been identified by local organizations and community members: 1) Affordable housing,, 2) Continuing to provide the basics, such as food, clothing and shelter, 3) Assisting clients in navigating housing, employment, and available social services, 4) Down-payment assistance for homeownership and BIPOC homeownership, 4) Providing or helping to supplement childcare and child programming.

**Describe the characteristics of special needs populations in your community:**

The current housing market in Duluth not offering enough affordable options, or housing that accepts Section 8 vouchers, especially in neighborhoods with higher average household incomes. Clients have noticed this as well, as they have struggled to find housing in neighborhoods that feel safe to them. One respondent, when asked if they are living in their preferred neighborhood said, "No, I have section 8 so I am limited on where I can live... I have witnessed more violence here in this public and section 8 housing

than I have in my entire 30 years. My heart aches for the conditions and locations that families have to live in because they are low income. You can only expect people to be as healthy as the people they are surrounded by.” Many renters with housing vouchers reported not being able to find enough landlords who will accept Section 8 vouchers and that they often had to settle for unhealthy, run-down housing. Some renters struggled with very high move-in costs, up to three times the monthly rent amount. Families, particularly single parents with only one household income, expressed difficulty being able to afford enough bedrooms for the size of their family. One respondent wrote, “Competition with college students renting single family homes by the bedroom. I’m a single mom and have to put 3 kids in a two bedroom because that’s all I can afford.” According to 2017-2021 ACS data, 52% of renter households in Duluth are cost-burdened. Affordable childcare, including outside typical business hours of 8am-4pm, has been identified by area organizations as a necessity for acquiring and maintaining employment. According to the most recent ACS data, 20% of Duluth households include children under 18-years-old. Public transportation was also mentioned several times, for improving the rate of employment for their clients. City-wide 10% of households do not have access to a vehicle. In LMA census tracts, 30% to 60% of households do not have access to a vehicle. Duluth remains in the midst of an opioid and meth epidemic. From January to November 2023, the Duluth Police Department (DPD) responded to 37 opioid-related fatal overdoses, surpassing the total amount of fatal opioid-related overdoses that occurred in 2022 (35). This number represents an 11-year-high, or a 3,600% increase in opioid-related fatal overdoses (2013 to current), and an 11-year-high, or an 873.81% increase in opioid-related overdoses (2013 to current) within the City of Duluth. The Duluth Police Department along with the Lake Superior Violent Offender Task Force (LSVOTF) continues to work tirelessly to hold dealers accountable who bring these opioids into our community and victimize those who suffer from Substance Use Disorders. The LSVOTF has seized a record number of opioid (fentanyl) pills, powder fentanyl, and meth already this year. From January to November 2023, the Duluth Police Department administered Narcan 110 times, 105 of which saved the individual from fatally overdosing. Two local organizations, Harm Reduction Sisters and Rural AIDS Action Network provide free Narcan and will train interested individuals its use. Minnesota’s “Steve’s Law” provides limited immunity for the individual overdosing, as well as the person calling 911. The DPD regularly reminds community members that they will not be prosecuted for calling 911 in an overdose event and encourages harm reduction methods such as not using alone, injecting slowly, testing each new batch with test strips, choosing smoking over injecting, using lower doses, and carrying Narcan.

**What are the housing and supportive service needs of these populations and how are these needs determined?**

Supportive housing is an accommodating type of housing that either offers or connects occupants to needed support. Funding will be used for new construction, acquisition and rehabilitation of existing buildings for projects that provide supportive housing for persons with special needs. The supportive services that these projects provide to residents will allow persons with disabilities to live independently. Obstacles to non-homeless special needs primarily include lack of sufficient dollars. In Duluth 31% of households have an annual income of \$35,000 or less. State and federal funding has steadily decreased recently and the economic downturn impacts funding for persons with special needs,

especially affecting homeownership costs (e.g., increased utilities) and impacting homebuyer programs. Accessible Space, Inc. (ASI) is a statewide housing provider that provides affordable supportive housing for very low-income individuals with disabilities. ASI manages 87 units, both one and two bedroom, in Duluth which provides optional 24-hour Assisted Living Plus Services or allows supportive services from community providers. Units are constructed in a way that promotes accessibility for occupants. Residential Services of Northeast Minnesota (RSI) provides innovative services to support the needs of persons with physical disabilities, developmental disabilities, mental illness, and other needs. RSI provides services that include: foster care (group home and in-home), adult rehabilitative mental health services, medical services, and a variety of other services. The Human Development Center (HDC) in Duluth provides many services that benefit special needs including mental health issues for children and adults, chemical dependency issues, and provides referrals to area resources. The Access North Center for Independent Living provides skill development for individuals to become independent, among a variety of other services that teach, help build relationships, and open doors to achieving independent living. Listed below is an inventory of supportive housing facilities for low-and-moderate-income, non-homeless persons, including rental units for elderly and disabled persons receiving Section 8 rental assistance and access to support services. Residential and support service programs for people who are developmentally disabled, have a severe and persistent mental illness or are elderly are also included. Ariel View, Lennox Apartments, Arrowhead House East, Maple Grove Estates, Arrowhead House West, McCarthy Manor, Inc., Carlson Hall, Meridian Apartments, Caromin House, Miketin's Central, Duluth Regional Care Center, Nekton, Inc., Edgewood Vista, Pennel Park Commons, Faith Haven, Pinewood Duluth, Inc., Fresh Start, Reed's Pine Board & Lodging, Gateway Apartments, Reed's Lakeview, Garden House Estates, Residential Services, Inc., Greyson Plaza, St. Ann's Home, Heritage Haven, Inc., September House, Hillside Homes, Inc., Spirit Lake Manor, Kiminki Homes Summit Manor, Lakeland Shores Apartments, Wesley Residence, Lakeside Manor, Inc., Westwood Apartments, Lakewind, Inc., Woodland Garden Apartments, and Lee's Residence. Senior adult services are also provided through the St. Louis County Social Service Department. More than 50 private homes provide long term, short term, respite care, and adult day care. St. Louis County also offers three levels of assisted living in Duluth at HRA's King Manor and Midtowne Manor II. The three levels include general congregate meals with a minimum of one meal per day; the Congregate Housing Service Program (CHSP), housecleaning, laundry, transportation, personal assistance and two meals per day; and the Assisted Living Program which provides 24-hour non-medical supervision, monitoring of medications, and personal care services.

**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

In St. Louis County there were 6 new reported cases of HIV in 2023 according to the Minnesota Department of Health HIV Incidence Report. The Minnesota Department of Health also reports 183 individuals living with HIV/AIDS in St. Louis County as of December 31, 2023. Given the low estimates of persons in Duluth with HIV/AIDS, and because most of the HIV/AIDS related efforts have focused in the Twin Cities metropolitan area, the subpopulation of persons with HIV/AIDS is a low priority.

**If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))**

**Discussion:**

The City of Duluth will continue to support applications to other funders (Greater Minnesota Housing Fund, Minnesota Housing Finance Agency, and various foundations) for housing projects and services that serve persons with special needs. Duluth is a sub allocator of Low Income Housing Tax Credits, and works with the State of Minnesota under a joint powers agreement to allocate credits to housing projects in the City. The City and the Community Development Committee use community input to develop funding targets and goals that support programs that offer services to address the needs of low-to-moderate income community members.

**NA-50 Non-Housing Community Development Needs – 91.215 (f)**

**Describe the jurisdiction’s need for Public Facilities:**

The City of Duluth has determined that the largest need for public facilities is related to upgrading the current public facilities for accessibility improvements, enhancements to neighborhood facilities that expand access to food, and blight removal. Duluth has some of the oldest housing stock in the state of Minnesota. In Duluth 44% of housing units were built before 1940, and 70% were built before 1970. Substandard, unhealthy housing due to aging housing stock and deferred maintenance is an increasingly urgent issue in Duluth. Blight from fire damage and deferred maintenance results in several housing units being condemned for human habitation every year. Once condemned, repairable buildings have a very short window for work to be done, since going through one winter without utilities turned on in Northern Minnesota typically results in the units being too expensive to repair and needing to be demolished.

**How were these needs determined?**

The Community Survey for the 2025 Consolidated Plan and a survey that was used for the Imagine Duluth 2035 had significant number of responses where people expressed concerned about blight in their neighborhoods. There were also concerns about mobility and access to food, more public restrooms, garbage receptacles and sharps containers, as well as tree maintenance and invasive species mediation with native plantings.

**Describe the jurisdiction’s need for Public Improvements:**

During the Consolidated Plan outreach, community members identified accessibility needs including making sidewalks ADA accessible and “Anything that can be done to make it easier to travel without a car!” including multi-modal transportation options such as pedestrian, bicycle, and bus infrastructure as a priority.

**How were these needs determined?**

During the Consolidated Plan process Community Needs Assessment.

**Describe the jurisdiction's need for Public Services:**

The city of Duluth has a strong network of public service providers. There is a high need for mental health services, childcare, and basic services including medical, food, and clothing services. A network of four congregate food sites and many food pantries help to provide food to thousands of people each year. Many organizations also provide limited medical services, with a community clinic that fully serves the medical and dental needs of low-income people.

**How were these needs determined?**

The city went through a very thorough needs assessment that worked to identify needs in low-income neighborhoods and the general community and received hundreds of responses. The city also regularly analyzes the service numbers for the different programs in Duluth and uses these numbers to reevaluate how programs are funded and prioritized.



## Housing Market Analysis

### MA-05 Overview

#### Housing Market Analysis Overview:

In an effort to provide current data on the housing market, the City's Community Development division tracks housing data and compiles it in the Housing Indicator Report. A survey of the rental market was conducted, and data was collected on 3,000 units in the City of Duluth. The data was aggregated, and the results calculated by bedroom type, rent charged, and geographic location. The American Community Survey, St. Louis County Assessor's Office, City of Duluth, and other data sources are tracked annually to determine significant shifts in the housing market and to assist housing providers and developers. Key findings in this report include

- The percentage of Homesteaded properties in Duluth increased slightly
- The median sales price of a single-family home in Duluth increased 58.5% from \$173,500 in 2018 to \$275,000 in 2023 according to the 2024 Housing Indicator Report. Over the last decade, the median sales price increased 86% from \$147,700 in 2013.
- The total number of valid sales (does not include family sales, short sales, forced sales, etc.) increased the highest total number of single-family homes sold in a single year in the last decade.
- Over 65% of homes in Duluth are over 50 years old.
- The overall rental vacancy rate in 2022 was 3.5%, which is generally considered low.
- The market-rate vacancy rate was 4.6% which included non-subsidized units.
- The average rent from 2018 to 2022 increased nearly 20% from \$1,111 to \$1,329, continuing the upward trend.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

Based on 2023 ACS 1-year Estimates Data, there were 38,843 occupied housing units in Duluth, of which 22,868 units (58.9%) were owner occupied and 15,975 units (41.1%) were renter occupied. The 2023 American Community Survey 1-year estimates Duluth’s rental vacancy rate at 2.7%.

The number of housing units has remained relatively consistent since the 1980’s. While there was a slight dip in the 1990 census of 990 units from the previous decade, there has been a slight increase over the past 20 years. In 2010 there were an estimated 38,990 housing units, up from the 1990 count of 34,646 and 2000 count of 35,500. The increase in units despite stagnant population is due to the reduction in household size. In 2000, Duluth’s average household size was 2.26 and in 2017 it was estimated at 2.21.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	23,365	60%
1-unit, attached structure	1,165	3%
2-4 units	5,100	13%
5-19 units	2,395	6%
20 or more units	5,695	15%
Mobile Home, boat, RV, van, etc	1,095	3%
Total	38,815	100%

Table 26 – Residential Properties by Unit Number

Data Source: 2016-2020 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	50	0%	1,270	9%
1 bedroom	820	4%	4,880	34%
2 bedrooms	6,110	28%	4,670	32%
3 or more bedrooms	15,010	68%	3,720	26%
Total	21,990	100%	14,540	101%

Table 27 – Unit Size by Tenure

Data Source: 2016-2020 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

Currently the Duluth HRA owns and manages 1008 units of public housing, including six high-rise developments (Tri-Towers, Grandview Manor, King Manor, Ramsey Manor, Midtowne Manor I, and Midtowne Manor II) as well as approximately 300 scattered site properties located throughout the City. The Duluth HRA also owns public housing units through the HUD HOPE VI grant program awarded in 2003. Three mixed-income developments were created through this program. Those developments include Harbor Highlands, Village Place, and The Village at Matterhorn.

In addition to public housing, the Duluth HRA administers HUD funded rental assistance to qualifying households through the Section 8 Housing Choice Voucher program. Participants in this program select privately owned housing in the City that meets the program's payment standards, housing quality, and eligibility factors. A total of 1,453 individuals are current users of the Section 8 Housing Choice voucher.

For a number of years, the City has awarded HOME funds to the HRA for tenant based rental assistance. In the past, this program has served approximately 13 individuals or families each year. This program provides housing vouchers for homeless families and individuals that would otherwise be on the section 8 waiting list. It allows households that do not currently qualify for the HRA's programs to receive a rental voucher, and then work to address their ineligibility issues, such as past unpaid rent or a too recent criminal conviction. The City intends to continue to provide HOME funding for tenant based rental assistance.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

Among the subsidized housing units in Duluth, 214 are currently at risk of losing their affordability status. This risk is the result of projects that receive Low Income Tax Credit assistance reaching the end of the 15 year compliance period. However, due to 15 year extended affordability agreements with the Minnesota Housing Agency, they are under legal obligation to continue as affordable units for 30 years. Harbor View Phase I was constructed as part of a HOPE VI project, and those 44 units are not at risk of conversion to market rate. The remaining properties were assisted with Low Income Housing Tax Credits, and are covered by restrictive covenants to maintain affordability for a minimum of an additional 15 years. There is presently no reliable information available for expiration of Section 8 contracts in Duluth. Please see the chart identifying affordability periods that will expire within the five-year Consolidated Plan period.

**Does the availability of housing units meet the needs of the population?**

According the recent Duluth Housing Indicator Report the rental market has about a 3.9% vacancy rate which is strained. This vacancy rate is driven by the lack of affordable housing units for low to moderate income residents. More rental units are required for all income groups to help free supply. The student population from University of Minnesota Duluth, College of St. Scholastica, and Lake Superior College, has decreased recently. Although enrollment has declined slightly, there is still a need for affordable rental units for students only 19% live on campus in student housing. Most of the new and large

apartment buildings near UMD and CSS continue to have higher rents and lower vacancy rates compared to the rest of the housing market.

The average lifespan of a house, according to HUD, is 40 to 50 years with significant annual maintenance. . In the American Community Survey of the 38,461 total housing units in Duluth, 43.5% of Duluth's units were built before 1940. Minnesota has 16% of its total housing stock that was built before 1940 compared to 15% nationally. According to a market study conducted by Maxfield Research Inc. in 2019 for the Duluth Economic Development Authority and Duluth Housing and Redevelopment Authority, the City of Duluth needs to add 3,632 units to accommodate population growth.

### **Describe the need for specific types of housing:**

Most of Duluth's housing stock requires significant upgrades. As Duluth grows economically, attracting jobs in health care, airplane manufacturing, and engineering, population is also projected to grow. A study conducted by Maxfield Research Inc. found that the current housing stock cannot accommodate the growth in population. Some issues that were highlighted by the study were that there has been limited development of new affordable rental housing targeted to low- and moderate-income households. Since 2010, we have identified a total of 1,096 units of market rate housing either delivered or under construction and 194 units of deep-subsidy or affordable housing delivered. According to the 2019 Update of Affordable and Workforce Housing Needs Report, an estimate of the following affordable housing demands from 2019 to 2024 are to be considered: Single-family- 87 units, Owned multifamily -36 units, Subsidized Rental (50% or less AMI)-2,202 units, Affordable Rental (50% to 80% AMI)-1,010 units, Active Adult (55+) Senior (50% to 60% AMI)-297 units, Another example of the limitations of an old housing stock was explained to the Community Development staff at an open house in the Lincoln Park Neighborhood. A young couple explained their experience looking to purchase a house in the neighborhood. Most of the houses were built before the 1950's and required many substantial upgrades. Upgrades include weatherization, lead paint mitigation, installation of modern appliances, and general maintenance requirements. While most of the homes were affordable even with the upgrades, they could not secure a loan from the bank. The value of the upgrades would not have been reflected in the houses market value thus creating a value gap at which a commercial bank would not support. With the need for 3,632 new housing units by 2024 the City of Duluth believes that a varied approach to new housing is necessary. There needs to be an increase in supply of all types of housing units including rental, owner occupied, affordable, and market rate.

### **Discussion**

The housing market analysis shows the following:

- Public and housing choice voucher programs cannot meet the demand for affordable housing.
- Duluth has a low 3.9% vacancy rate.
- Student housing creates additional demand for rental units.
- New construction will be needed to increase the supply of all types of housing, with an emphasis on subsidized and affordable rental units.

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

Despite maintaining a relatively steady population of about 87,000 residents over the past three decades, Duluth has experienced an increasing need for suitable housing over the past ten years, specifically affordable units. This challenge mirrors a nationwide trend, where cities face a shortage of housing across all income levels amidst escalating development costs. The lingering impacts of the COVID-19 pandemic continue to create financial instability and uncertainty within the housing sector, exacerbated by a tight labor market, elevated interest rates, and high construction material costs.

### Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	147,800	167,300	13%
Median Contract Rent	664	788	19%

Table 28 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	3,155	21.7%
\$500-999	7,340	50.5%
\$1,000-1,499	2,555	17.6%
\$1,500-1,999	995	6.9%
\$2,000 or more	485	3.3%
<b>Total</b>	<b>14,530</b>	<b>100.0%</b>

Table 29 - Rent Paid

Data Source: 2016-2020 ACS

### Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	1,845	No Data
50% HAMFI	5,195	1,825
80% HAMFI	9,970	6,385
100% HAMFI	No Data	9,480
<b>Total</b>	<b>17,010</b>	<b>17,690</b>

Table 30 – Housing Affordability

Data Source: 2016-2020 CHAS

## Housing Affordability in Duluth

### Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	780	838	1,087	1,435	1,789
High HOME Rent	626	670	871	1,121	1,308
Low HOME Rent	626	670	815	941	1,050

**Table 31 – Monthly Rent**

**Data Source:** HUD FMR and HOME Rents

### Is there sufficient housing for households at all income levels?

No there is not. The City of Duluth has a significant housing need, especially for LMI households.

### How is affordability of housing likely to change considering changes to home values and/or rents?

According to a 2019 study by Maxfield Research and Associates, Duluth requires approximately 3,600 affordable (at 80% of AMI or below) housing units by 2024 to meet its residents' needs, however, the City has only seen a net gain of 1,006 units total, including market-rate units, since 2020. The Maxfield study identified that the lack of affordable housing has increased Housing Choice Voucher waitlists, decreased utilizations, and increased homelessness (particularly those that are unsheltered). The Maxfield study found that first-time homebuyers who are in the market to purchase may be deterred by older homes with a substantial amount of deferred maintenance. Since 2020 the median single-family home sale price has increased 34% from \$205,000 to \$275,000. According to Duluth's 2023 Housing Indicator Report, with a 20% downpayment and a 30-year fixed loan, the estimated yearly household income to afford a home at this price is \$71,920. However, it is increasingly uncommon for households to be able to afford a full 20% downpayment. Many households below 80% AMI rely on additional loans to cover downpayment and closing costs, enabling them to purchase a home, but sometimes with a higher monthly housing payment. American Community Survey (ACS) data from 2022 shows that 58% of households have an annual income of less than \$75,000. Based on these numbers, less than half of Duluth households would be able to afford an average market-rate single-family home. ACS data from 2022 shows that 32% of all households in Duluth are cost-burdened, meaning they spend more than 30% of their household income on housing costs.

About 37% of households in Duluth rent their home, and 55% of renter households are cost burdened. This is an increase from 2020 when ACS data showed that 51% of renter households were cost-burdened. Since 2020, the average market-rate rent has increased 17% from \$1,125 to \$1,311. ACS data from 2022 shows that half of all workers in Duluth earn less than \$40,000 a year, with 21% earning less

than \$15,000 a year. About 28% of households in Duluth have an annual income of less than \$35,000, and 40% of households have an annual income of less than \$50,000. Based on these numbers, more than 40% of Duluth households are unable to afford an average market-rate rental unit. According to the ACS household income data and average rents from the City's 2023 Housing Indicator Report, approximately 20% of households would be cost-burdened renting an average-priced studio apartment in Duluth and 28% would be cost burdened renting an average-priced 1-bedroom apartment. A minimum wage worker in 2023 must work 54 hours a week to afford an average-priced studio apartment in Duluth and work 63 hours a week to afford an average-priced 1-bedroom apartment. The City's annual Housing Indicator Reports have consistently show rental vacancy rates below 5% over the last several years. The 2019 Maxfield study included a survey of rental properties that showed even lower vacancy rates of 0.9% for market rate rental units and 0.4% for rental units affordable to households at or below 80% AMI. This indicates a tight rental market limiting choice and decreasing landlord need to keep units affordable.

**How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

The 2019 Maxfield study found that affordable rental properties have lengthy waiting lists. Rent levels at income-restricted affordable rental properties are at and sometimes above rent levels at older market rate rental properties, however this typically means those market rate units have significant deferred maintenance and quality issues. Households with the lowest incomes (under \$20,000 a year) have an exceptionally difficult time obtaining rental housing in Duluth. The waitlist for subsidized public housing units has nearly doubled from 1,087 households in 2020 to 2,003 households in 2023. The housing choice voucher (HCV) waitlist has increased from 2,792 households in 2020 to 3,363 households in 2023. The lowest income households in Duluth are spending years on waiting lists to access housing that is affordable. Out of all of the Section 8 HCVs, nearly 75% of users who are able to find housing find it in the 55805, 55806, and the 55807 zip codes. All of these neighborhoods are located adjacent to downtown Duluth or on the west side of the city. They are some of the lowest income neighborhoods in Duluth, with most of these zip codes encompassing LMA Qualified Census Tracts. HCVs are meant to be used almost anywhere but include federally moderated rent caps that limit where a voucher holder is able to find attainably priced housing. 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.

HOME / Fair Market Rents are calculated based on the Duluth/Superior Metropolitan Statistical Area (MSA), which includes Duluth and St. Louis County, as well as the City of Superior and Douglas County in Wisconsin. The MSA encompasses large rural areas that have significantly lower rents than the urban areas. Therefore, HOME / Fair Market Rents are skewed below the actual market rents. The Duluth HRA conducted a local survey in a successful effort to increase Housing Voucher rent limits to more closely match actual market conditions in Duluth. Therefore, the HRA's "exception rents" are higher than the published FMRs. However, this means the HRA is consistently operating at 108-109% of the HCV budget and the voucher utilization rate is around 76% in 2024 because there isn't enough money available to adequately fund more vouchers. For HOME funded rental projects, owners can't accept the

full Housing Voucher payment, only that amount under the HOME rent limit. Tenants are unaffected, as their portion of the rent is based solely on a percentage of their income. This is a disincentive to housing developers to participate in the HOME Program due to the reduction in operating income. To date, only non-profit housing developers have utilized HOME funding for the creation of affordable rental units.

## Discussion

Households that are in the Extremely Low Income (30% or less of area median income) bracket, based on paying 30% of income towards housing, cannot afford anything other than an efficiency unit in Duluth. Households that are at or below 50% of area median income cannot afford a 2+ bedroom house to purchase but can afford a 2-bedroom unit to rent. Households that are near the 80% of area median income can afford to purchase or rent 2- and 3-bedroom homes in Duluth. While there is increased need for affordable housing for extremely low income residents, using federal assistance has helped St. Louis County provide at least some of those who need it.

## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Introduction

The average lifespan of a house, according to HUD, is 40 to 50 years, without significant annual maintenance. According to the most recent American Community Survey (2008-2012), about half of Duluth's units were built before 1940. This is significantly higher than Minnesota, where the percent of housing units built before 1940 in the state is 18.1%, and 13.9% for the nation. Properties built prior to 1979 are at risk of containing lead-based paint. In Duluth, 85% of the owner-occupied housing stock, and 81% of the rental stock, were built before 1980. The table below shows about a quarter of owner-occupied homes, and over half of rental units, have at least one housing condition.

### Definitions

Duluth's definitions follow:

Standard Housing Condition Housing which in initial construction quality and current condition is safe, fit for human occupancy, and is structurally sound according to Section 108 of *Duluth Housing Maintenance Code, Chapter 29A*.

Substandard Housing Condition but Suitable for Rehabilitation Any housing unit which does not meet the definition for standard housing condition, or contains lead paint, or could be on the City of Duluth Condemned for Human Habitation, but is not on the City of Duluth Condemned for Demolition list.

Substandard Housing Condition Any housing units that are listed on the City of Duluth Condemned for Demolition list.



### Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	4,070	19%	6,900	47%
With two selected Conditions	25	0%	455	3%
With three selected Conditions	0	0%	35	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	17,895	81%	7,145	49%
<b>Total</b>	<b>21,990</b>	<b>100%</b>	<b>14,535</b>	<b>99%</b>

Table 32 - Condition of Units

Data Source: 2016-2020 ACS

### Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	1,710	8%	1,570	11%
1980-1999	2,035	9%	1,955	13%
1950-1979	6,430	29%	4,755	33%
Before 1950	11,820	54%	6,260	43%
<b>Total</b>	<b>21,995</b>	<b>100%</b>	<b>14,540</b>	<b>100%</b>

Table 33 – Year Unit Built

Data Source: 2016-2020 CHAS

### Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	18,250	83%	11,015	76%
Housing Units build before 1980 with children present	609	3%	314	2%

Table 34 – Risk of Lead-Based Paint

Data Source: 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Age of Duluth's Housing Stock and Predicted Occurrence of Lead-Based Paint			
Year Built	Number of Units	Percentage of Units with Lead-Based Paint	Number of Lead-Based Paint Units
Post 1980	6,304	0%	0
1960 - 1979	6,634	62%	4,113
1940 - 1959	7,723	80%	6,178
1939 or Earlier	17,529	90%	15,776
<b>Total</b>	<b>38,190</b>		<b>26,068</b>

Sources: U.S. Census Bureau, 2008 – 2012 American Community Survey

#### Lead-Based Paint by Age of House

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	198	15	213
Abandoned Vacant Units	14	0	14
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 35 - Vacant Units

Data Source Comments:

#### Need for Owner and Rental Rehabilitation

The majority of Duluth's housing stock was built more than 50 years ago. 54% of owner occupied and 48% of rental units were built before 1950. Furthermore, units built before 1980 make up 85% of owner occupied and 80% of rental units. This means over 80% of housing units in Duluth are at least 35 years old. The majority of aging housing stock is located in the older, core neighborhoods of Duluth, where there is also a higher concentration of low to moderate income people. The average lifespan of a house, according to HUD guidelines, is 40-50 years without significant annual maintenance. When older housing stock lacks routine maintenance, it will become substandard. Census data indicates that the percentage of renters and homeowners experiencing housing problems correlates closely with household income. Housing repair and rehabilitation issues that are not addressed will lead to more condemned housing units that are unsafe for habitation. Given the age of housing stock in Duluth, rehabilitation will continue to be an important focus.

#### Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Lead-based paint was banned from residential use in 1978. In spite of this, lead poisoning remains a serious problem, especially in older housing units that tend to have paint with higher concentrations of lead, more coats of paint, and larger areas covered with lead-based paint.

Data from the U.S. Census Bureau's American Community Survey indicates that two-thirds of Duluth's homes are 60 years old or older, compared to one-third of homes statewide. Of Duluth's housing stock, 90% was built before lead-based paint was removed from the market. According to HUD's 1991 report to the U.S. Congress, an estimated 90% of homes built before 1940 contain lead-based paint, as do 80% of those built between 1940 and 1959, and 62% between 1960 and 1978. The following table provides an estimate of the number of homes in Duluth containing lead-based paint.

Of the 26,068 homes with lead-based paint, approximately 10,427 are occupied by low- to moderate-income households, including 3,645 households at or below poverty level. The default data that populated the "Risk of Lead-Based Paint Hazard" table is incorrect for the owner-occupied housing units built before 1980 with children present.

## Discussion

While the housing stock in Duluth is livable it is old and in need to renovation. While most homes have access to complete plumbing facilities and kitchen facilities there is still a risk of Lead Paint Based Hazards. In many neighborhoods, houses are in need of repair but ability to obtain loans for renovation from commercial banks is limited.

While the housing stock in Duluth is livable it is old and in need to renovation. While most homes have access to complete plumbing facilities and kitchen facilities there is still a risk of Lead Paint Based Hazards. In many neighborhoods, houses are in need of repair but ability to obtain loans for renovation from commercial banks is limited. HOME Program after rehab value limits are not adjusted to the size of single family homes. Therefore it is difficult to use HOME funds to rehab three or more bedroom homes to accommodate families.

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

The Duluth Housing and Redevelopment Authority (HRA) manages public housing and Section 8 Housing Choice vouchers. Not out of the ordinary, there is currently a waiting list for vouchers and public housing. The number of families or individuals on the list has increased since the last consolidated plan submitted. However, the supply of accessible units in public housing is adequate to match the demand with consideration to the waitlist size.

### Totals Number of Units

	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	24	1,152	1,467	77	1,390	0	0	0
# of accessible units									

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

**Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:** There are 1,008 number of public housing units in Duluth and all units are considered to be in generally good condition. In the most recent Public Housing Agency plan, 81 scattered site units have been identified as over 75 years old. It is under consideration by the HRA that if the costs to maintain these older units becomes too burdensome, it would be an appropriate option to demolish or dispose of the units. Currently there is a plan to dispose of only two on the units- a duplex building.

## Public Housing Condition

Public Housing Development	Average Inspection Score

Table 37 - Public Housing Condition

### Describe the restoration and revitalization needs of public housing units in the jurisdiction:

In the previous consolidated plan, the HRA intended to submit an application to the Rental Housing Assistance Demonstration (RAD) program that helps provide alternative funding for public housing improvements. Since then, the HRA has continued to explore this option of RAD-PBRA and/or RAD-PBV for its high-rise buildings along with Section 22 Streamlined Voluntary Conversion for remaining smaller scaled units. Additionally, the HRA has a five-year capital fund plan for capital improvements that is approved by HUD. The HRA has two POHP (general obligation bond) awards from MN Housing totaling approximately \$1.4 Million. These POHP funds will be used at Ramsey Manor for a waste line replacement project and a window replacement project.

### Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The HRA has no plans to demolish any public housing units beyond one scattered site with 2 units this year. The HRA stays on top of the physical needs of public housing properties. There are two full time community police officers for safety, and the HRA is in the process of hiring a service coordinator to work with residents on resources, referrals, and other needs.

### Discussion:

## **MA-30 Homeless Facilities and Services – 91.210(c)**

### **Introduction**

As the largest metropolitan city in St. Louis County, Duluth has a proportionally larger population of homeless individuals and families than the other parts of St. Louis County. As such, Duluth has developed a strong network of housing and programs that serve the homeless. The City contributes funding to the Coordinated Entry coordinator who manages the system. The entry into the homeless system will be facilitated by a pre-screening process through a 211 referral and access and assessment through area agencies—CHUM Emergency Shelter, the American Indian Community Housing Organization’s Dabino’lgan (DV) Shelter or their American Indian Housing Resource Center, the Safe Haven (DV) Shelter, The Salvation Army (supportive service program) or the Life House Center (Youth).

Prevention and diversion, and access to transitional housing, permanent supportive housing, Tenant-Based Rental Assistance Vouchers, and other HUD supported housing will be facilitated through the Coordinated Access and Assessment System and directed to the appropriate type of housing based on their assessment scores. Data in table MA-19 reflects the numbers of beds available for homeless populations in Duluth and the number of beds for targeted populations.

Individual and families who are homeless or at-risk of homelessness can access the programs and supportive services described above at the CHUM shelter, located in the Central Hillside CDBG Target neighborhood or the American Indian Community Housing Organization, also located in the Central Hillside neighborhood. People can access the same types of services at the Salvation Army, located in the Lincoln Park CDBG neighborhood located in the western part of the city. Homeless and at-risk youth can access similar programs and services tailored to the unique needs of youth at the Life House Center in the Central Hillside neighborhood.

Housing and supportive services tailored specifically for veterans and their families who are homeless or at risk of homelessness are available through the Minnesota Assistance Council for Veterans (MACV), a statewide veterans’ service agency with offices and housing facilities in Duluth.

## Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	69	0	81	312	0
Households with Only Adults	108	20	18	159	0
Chronically Homeless Households	0	0	0	33	0
Veterans	3	0	9	11	0
Unaccompanied Youth	7	0	22	0	0

**Table 38 - Facilities and Housing Targeted to Homeless Households**

Data Source Comments:

## Additional Text Related to Facilities

The facilities identified above provide a wide range of supportive services to homeless persons and those at-risk of becoming homeless. In addition to the emergency night-shelter, the CHUM congregate facility operates as a day-shelter where people can access additional support services such as hot meals, shower and laundry facilities, nursing services and health education, case management and housing search assistance, employment assistance and social security advocacy. In addition, CHUM provides street outreach and coordinates efforts with the Duluth Police Department,

St. Louis County Health and Human Services, called 'Assertive Community Treatment' (ACT), provides outreach to people with mental illness and substance abuse and those identified as long-term and chronically homeless using a 'harm reduction' engagement model.

Life House and Lutheran Social Services (LSS) provide street outreach to homeless and at-risk youth and coordinate a similar outreach program called T-ACT ('Teen- Assertive Community Treatment'). Life House operates a Drop-In Center that provides supportive services for homeless and at-risk youth, including meals, education and employment assistance, mental health assistance, housing search assistance and case management.

Duluth has 49 shelter beds targeted for women fleeing domestic violence, and their children. Of those, ten (10) are prioritized for Native American women and children. The ‘Duluth Model’: a Coordinated Community Response to Domestic Violence, was developed in Duluth. It is a partnership between Domestic Abuse Intervention Program (DAIAP), and criminal justice agencies in the City of Duluth and St. Louis County. The ‘Duluth Model’ won an international prize—the 2014 Future Policy Award for Ending Violence against Women and Girls (the Gold Award). It is the first humanitarian policy to be honored in the history of this award. The ‘Duluth Model’ won the award for because the program prioritizes the safety and autonomy of survivors while holding the perpetrators accountable through community-wide coordinated response, that includes the unique partnership between non-profit and government agencies. This approach as inspired violence protection law implementation and the creation of batterer intervention programs across the United States and throughout the world.



**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

The City of Duluth supports a wide array of mainstream services. The City of Duluth supports the Duluth at Work program through its CDBG funding. This is an employment program to help those facing barriers to employment. The Duluth at Work program mostly targets extremely low-income individuals who are often not deemed to be work ready by the workforce center. The Duluth at Work program brings together several organizations who share best practices in job training, employer relationship building, and screening. The participants in the Duluth at Work program often cannot find assistance through the more traditional workforce center. These two programs work together to help low-income individuals gain job readiness skills and job training. They help connect participants to employers.

The City of Duluth also supports several food access programs through its CDBG program. The Duluth Hunger project is a group consisting of the Salvation Army, Damiano Center, and Churches United in Ministry. These three organizations work to provide meals and operate food shelves. They coordinate with Second Harvest food pantry. Meals are served in a manner to prevent overlap and in geographically dispersed areas in order to provide greater access. There is also a medical food shelf for those individuals with dietary restrictions.

Access to health care is something that is evolving in Duluth. The CDBG program has funded for many years the Lake Superior Community Health Center. This facility has both doctors and dentists. The affordable health care act has helped many low-income residents obtain access to health care. Lake Superior Community Health Center and several other partners set up navigators to help low-income individuals and households gain access to no cost/ low-cost health insurance. Other health agencies that help connect individuals to health care include St. Louis County's Health and Human Services department, Lutheran Social Services, and Community Action Duluth. Furthermore, mental health services are provided by the Human Development Center and Saint Louis County Health and Human Services. Case Management and help with benefits applications, crisis assistance, day treatment, employability, and medication monitor are a few of the services that are available.

The Minnesota Assistance Council for Veterans provides services for veterans. It helps veterans to stabilize living through rent/mortgage assistance and temporary housing, sustainable, living wage employment through training and placement, referral and resolution to civil legal issues, life skills education, money management skills training and financial plan development.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

The agencies that provide housing and support services targeted to homeless individuals and families in Duluth include:

### **Emergency Shelter**

- CHUM Emergency Shelter--44 congregate bed-facility for single men and women and 4 off-site family units
- Safe Haven Shelter for Battered Women--39 beds for single women and women- headed households fleeing domestic violence
- American Indian Community Housing Organization--10 beds for single women/ women-headed families fleeing domestic violence (Native American preference)
- Union Gospel Mission—11 units for single adults who are chronically homeless
- Loaves & Fishes’ –8 units for singles and families

### **Transitional Housing**

- American Indian Community Housing Organization-5 units for women-headed families and single women (Native American preference)
- Center City Housing Corporation-21 units for families and single adults and 7 units targeted for youth (services for youth provided by Life House)
- Life House- 4 housing vouchers targeted for homeless youth
- Lutheran Social Services—6 units for homeless youth
- The Duluth Veterans’ Place—9 units for homeless veterans
- The Salvation Army –16 units for families

### **Permanent Supportive Housing**

- American Indian Community Housing Organization—29 units for families and 20 vouchers for long-term homeless families (Native American preference)
- Center City Housing Corporation—16 units for families and single women, 6 vouchers for long-term homeless families,
- MACV—12 units for homeless veterans and 5 VASH vouchers.
- YWCA—7 units for homeless youth families (single mothers with children)
- Lutheran Social Services—5 units of permanent supportive housing and 5 units of transitional housing
- The Housing and Redevelopment Authority (HRA) of Duluth provides 49 Shelter+ Care vouchers—CHUM and the Human Development Center provide the services.
- Steve O'Neil- A Permanent Supportive Housing development that contains 44 units for families

### **Permanent Housing**

- The HRA provides 111 Single-Room-Occupancy (SRO) vouchers for chronic and hardest to house single adults in facilities owned by Center City Housing and the Union Gospel Mission.

- CHUM—5 units of Supportive Housing operated by funds provided by the Duluth ‘Churches United in Ministry’.

One of the objectives in the SLC Continuum of Care Plan is to increase progress towards ending chronic homelessness.

## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

Special needs individuals have many options in Duluth for services. Many service providers have leveraged funding sources to create a robust network of resources, however, funding cuts and increasing costs of living have resulted in a continued need to increase organization's capacity to provide more of these services.

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

Through the Community Needs assessment, following priority needs have been identified by local organizations and community members: 1) Affordable housing, including in higher-income neighborhoods, 2) Continuing to provide the basics, such as food, clothing and shelter, 3) Assisting clients in navigating housing, employment, and available social services, 4) Down-payment assistance for homeownership and BIPOC homeownership, 4) Providing or helping to supplement childcare.

### Describe the characteristics of special needs populations in your community:

Almost half, 44% of all the housing units in Duluth were built 80 or more years ago and 70% were built before 1970. The upkeep of such old housing can often be too expensive for low-to-moderate income households and needed maintenance and repairs are often deferred due to cost. These households often experience energy cost burned because of the old, inefficient, heating/cooling and insulations systems. The large share of old housing stock also affects the accessibility of housing because most homes in Duluth were built before building codes existed that required ADA complaint accessible housing. According to the most recent ACS estimates, just over 11,000 people or 13% of the population in Duluth have a disability. Finding available, affordable, accessible housing units is an issue for many people with disabilities. Additionally, visitability, or being able to visit other homes and locations in the community, is an issue for many people with disabilities due to the age of buildings and the number of older buildings that lack ADA accessibility. Outreach conducted for the Consolidated Plan showed that some individuals identified having a limited choice of accessible housing as one of the biggest obstacles they faced in finding housing identified that they were treated differently than other people looking for housing due to a disability. The age and accessibility of Duluth's building stock also affects the aging population, many of whom begin to have mobility impairments as they age. According to the 2020 Census, nearly more than 15,000 people or 17% of Duluth's population are age 65 years or older. This is an increase of about 4,000 people 65 years or older from the 2010 Census.

Special needs also include persons with mental illness and persons with substance use disorders. Both of these groups make up a significant portion of the homeless population. People in transitional housing and accessing rental housing through Section 8 vouchers also disproportionately struggle with mental

health, however local organizations, in line with nationwide trends, are experiencing funding cuts and staffing shortages making it difficult to provide adequate case management to the households who are most vulnerable. Duluth remains in the midst of an opioid and meth epidemic. From January to November 2023, the Duluth Police Department (DPD) responded to 37 opioid-related fatal overdoses, surpassing the total amount of fatal opioid-related overdoses that occurred in 2022 (35). This number represents an 11-year-high, or a 3,600% increase in opioid-related fatal overdoses (2013 to current), and an 11-year-high, or an 873.81% increase in opioid-related overdoses (2013 to current) within the City of Duluth. The Duluth Police Department along with the Lake Superior Violent Offender Task Force (LSVOTF) continues to work tirelessly to hold dealers accountable who bring these opioids into our community and victimize those who suffer from Substance Use Disorders. The LSVOTF has seized a record number of opioid (fentanyl) pills, powder fentanyl, and meth already this year. From January to November 2023, the Duluth Police Department administered Narcan 110 times, 105 of which saved the individual from fatally overdosing. Two local organizations, Harm Reduction Sisters and Rural AIDS Action Network provide free Narcan and will train interested individuals its use. Minnesota's "Steve's Law" provides limited immunity for the individual overdosing, as well as the person calling 911. The DPD regularly reminds community members that they will not be prosecuted for calling 911 in an overdose event and encourages harm reduction methods such as not using alone, injecting slowly, testing each new batch with test strips, choosing smoking over injecting, using lower doses, and carrying Narcan.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

Street Outreach staff employed by the CHUM and the community mental health center coordinate with detox, residential mental health programs, hospitals, corrections, and other institutions at discharge to ensure transitions are coordinated. Stakeholders meet weekly to discuss complex cases and work out housing solutions. Several transitional and supportive housing programs from CHUM, Salvation Army, MAC-V, and Divine Konnections also offer support to people exiting institutions.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

For the 2025 program year, the City will providing a pre-commitment of funding for Decker II, a new rental development that will providing housing for 60 extremely low-income households. The developer, One Roof, will be coordinating supportive services with providers. In 2025, the City also allocates funding to several agencies for case workers to provide the supportive services including homelessness prevention and food access.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

For the 2025 program year, the City will providing a pre-commitment of funding for Decker II, a new rental development that will providing housing for 60 extremely low-income households. The developer, One Roof, will be coordinating supportive services with providers. In 2025, the City also allocates funding to several agencies for case workers to provide the supportive services including homelessness prevention and food access.

#### **MA-40 Barriers to Affordable Housing – 91.210(e)**

##### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

- Cost of construction, including materials and labor
- Shortage of qualified builders which causes difficulty in receiving competitive bids
- Lack of available land, most of the buildable land has been developed.
- Lack of annual budgeted funding to demolish or repair buildings condemned for demolition or human habitation, allowing blight to persist in LMI neighborhoods.
- Limited Minnesota Housing funding for rehab of aging single-family structures occupied by LMI households, which leads to higher maintenance costs.
- Lack of a policy to require improvements to foreclosed properties in LMI neighborhoods that are on the vacant property register.
- Minnesota State Historic Preservation Office policies that create additional rehab costs, such as wooden windows and doors repaired rather than replaced by new historically designed materials.
- Outdated historic property references that trigger SHPO review of affordable housing rehab projects on buildings not eligible for listing, which increases costs and delays.
- No education requirement for owners and/or managers to secure a rental license.

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

### Economic Development Market Analysis

#### Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	125	31	0	0	0
Arts, Entertainment, Accommodations	4,945	6,637	15	12	-3
Construction	1,351	2,066	4	4	0
Education and Health Care Services	10,289	18,705	32	34	2
Finance, Insurance, and Real Estate	1,909	2,541	6	5	-1
Information	507	819	2	2	0
Manufacturing	1,713	2,044	5	4	-2
Other Services	1,593	2,483	5	5	0
Professional, Scientific, Management Services	2,523	3,948	8	7	-1
Public Administration	0	0	0	0	0
Retail Trade	3,938	5,228	12	10	-3
Transportation and Warehousing	1,279	7,213	4	13	9
Wholesale Trade	852	1,202	3	2	0
Total	31,024	52,917	--	--	--

**Table 39 - Business Activity**

**Data Source:** 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	47,650
Civilian Employed Population 16 years and over	45,250
Unemployment Rate	5.01
Unemployment Rate for Ages 16-24	14.16
Unemployment Rate for Ages 25-65	3.27

**Table 40 - Labor Force**

Data Source: 2016-2020 ACS

Occupations by Sector	Number of People
Management, business and financial	11,345
Farming, fisheries and forestry occupations	1,615
Service	6,625
Sales and office	8,495
Construction, extraction, maintenance and repair	2,900
Production, transportation and material moving	1,890

**Table 41 – Occupations by Sector**

Data Source: 2016-2020 ACS

## Travel Time

Travel Time	Number	Percentage
< 30 Minutes	37,350	89%
30-59 Minutes	3,575	9%
60 or More Minutes	1,129	3%
<b>Total</b>	<b>42,054</b>	<b>100%</b>

**Table 42 - Travel Time**

Data Source: 2016-2020 ACS



## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate			
High school graduate (includes equivalency)			
Some college or Associate's degree			
Bachelor's degree or higher			

**Table 43 - Educational Attainment by Employment Status**

Data Source: 2016-2020 ACS

### Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	55	60	95	330	305
9th to 12th grade, no diploma	615	385	340	725	705
High school graduate, GED, or alternative	3,225	1,865	1,375	4,350	4,140
Some college, no degree	9,000	3,160	2,285	4,310	3,120
Associate's degree	1,255	1,440	1,210	1,890	625
Bachelor's degree	2,510	3,995	2,410	4,080	2,555
Graduate or professional degree	135	1,165	1,770	3,015	1,960

**Table 44 - Educational Attainment by Age**

Data Source: 2016-2020 ACS

### Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	22,048
High school graduate (includes equivalency)	29,152
Some college or Associate's degree	34,527
Bachelor's degree	46,447
Graduate or professional degree	69,257

**Table 45 – Median Earnings in the Past 12 Months**

Data Source: 2016-2020 ACS

**Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?**

The major industries in Duluth include Arts, Entertainment, and Accommodations, Education and Health Care Services, and Retail Trade, with a significant number of large construction projects driving demand for skilled labor.

The largest employment sector is Education and Health Care Services, with 10,289 workers and 18,705 jobs, accounting for 32% of the workforce and 34% of jobs. Arts, Entertainment, and Accommodations employs 4,945 workers with 6,637 jobs, reflecting strong demand, likely driven by tourism. Retail Trade had 3,938 workers and 5,228 jobs, while Professional, Scientific, and Management Services employs 2,523 workers and offers 3,948 jobs. These sectors are key drivers of employment and economic activity in Duluth.

**Describe the workforce and infrastructure needs of the business community:**

Duluth's business community faces several workforce and infrastructure challenges that need to be addressed to support growth. The City's major industries include Education and Health Care Services, Arts, Entertainment, and Accommodations, Retail Trade, and Professional, Scientific, and Management Services. Each sector requires a skilled workforce, but there is a disconnect between the skills workers currently possess and the skills businesses need.

There is a significant demand for workers in the Education and Health Care Services sector, which would benefit from expanded training programs and partnerships with educational institutions to build a steady pipeline of qualified professionals. The Arts, Entertainment, and Accommodations sector requires a flexible workforce to meet seasonal demands, especially in customer service and hospitality. In Retail Trade, the workforce needs include customer service and retail management training, while the Professional, Scientific, and Management Services sector requires specialized training in areas like business management, technology, and engineering.

Workforce development initiatives are focused on young workers, skilled labor, and low-income populations. The high unemployment rate among young adults highlights a need for training, internships, and job placement programs. Programs that improve digital literacy, vocational training, and provide support like childcare assistance will help low-income workers access better job opportunities.

In looking at infrastructure, broadband expansion is crucial for improving remote work, education, and business operations, especially in low-income and underserved areas of the City. Public transportation needs to be expanded to help workers in underserved communities. Affordable housing near employment centers is necessary to reduce travel time for these workers.

Addressing Duluth's workforce and infrastructure needs, such as expanding training programs, improving broadband, enhancing public transportation, and providing affordable housing, will create a stronger economy that supports both business growth and workforce development.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

In the next five years, Duluth is expected to see significant economic growth driven by major construction projects, including the redevelopment of two regional hospital systems, new medical facilities, and the reconstruction of a major highway interchange. Additionally, there are new big-box retail and multifamily developments planned, as well as expansion in the aviation manufacturing sector. These developments are expected to attract workers from outside the area, creating increased demand for housing.

Investments in healthcare, tourism, and transportation infrastructure will likely help to drive job creation and business growth. The expansion of healthcare facilities will generate job opportunities across various skill levels, while tourism and hospitality growth will require additional workers skilled in customer service and event management. Additionally, improvements to transportation and digital infrastructure, such as expanded highways, additional modes of public transit, and high-speed internet, will support job growth across communities and better support businesses.

Duluth will need to address workforce, and infrastructure needs to support these developments. This includes providing specialized training in sectors like healthcare, transportation, and technology. Programs aimed at improving digital literacy and providing job placement opportunities for young adults will help meet these growing demands. Infrastructure investments, such as expanding broadband access and improving public transportation, will be crucial to supporting both workers and businesses. Increasing access and expanding training resources to individuals who are disadvantaged in the work force due to prior criminal history would be beneficial in encouraging rehabilitation. Finally, addressing the need for affordable housing near job centers will also help ensure that workers can access new opportunities.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

Duluth faces a misalignment between the skills of its current workforce and the growing demand for specific jobs. While the city has implemented a Community Benefits Program to address these gaps, it is working with various local institutions—such as schools, universities, and hospitals—to expand educational and job training programs. These efforts are aimed at improving the skills of the workforce to meet current and future employment needs.

In key sectors like healthcare and education, the workforce is well-aligned with demand, particularly for roles such as nurses, technicians, and educators. However, with the expansion of healthcare facilities, there will be an increased need for specialized medical staff, requiring additional training programs. Sectors like arts, entertainment, and retail face gaps in higher-skilled roles, such as event management and e-commerce, highlighting the need for more targeted workforce development programs. The retail sector, for example, is seeing shifts toward digital skills, requiring workers to adapt through training in technology and customer service.

Other sectors, such as professional services and manufacturing, have workers with strong foundational skills, but there is a need for specialized training in areas like advanced technology, logistics, and skilled trades. Addressing these skill gaps through expanded education and training initiatives will be essential to ensuring that Duluth's workforce is prepared for both current and future job opportunities, fostering economic growth and job stability in the city.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

The City of Duluth is working to enhance workforce training across key sectors such as construction, healthcare, manufacturing, and aviation. Through initiatives like the Duluth at Work collaborative, funded by CDBG dollars, the city is helping participants secure employment with the goal that participants become self-sufficient and create independence. This approach will continue to evolve to better meet the needs of the community.

Various local organizations, including community colleges and nonprofits also support these training efforts. Lake Superior College plays a vital role by providing training in healthcare, construction, and business services, aligning with the city's workforce needs. Additionally, CareerForce Duluth offers job search assistance, career counseling, and training workshops in areas like digital literacy, which are essential for industries like retail and hospitality.

Other initiatives focus on supporting underrepresented communities, such as offering job training and financial literacy classes. These programs aim to remove barriers to employment, like childcare and transportation, aligning with the city's goal of reducing poverty and improving quality of life. Through these combined efforts, Duluth is ensuring that its workforce is equipped with the skills needed for the current and future job market, supporting economic growth and reducing unemployment, particularly among low-income residents.

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

No

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

#### **Discussion**

The City of Duluth and partner organizations recognize that there is a skills misalignment in the community and are actively working to provide the training for the needed skills, aka "upskilling" people. The City and partner organization and businesses also recognize there is a diversity gap and are actively working to provide the training and opportunities to address this gap. The City and partner organization also recognize that people with barriers need additional assistance to become employed and are working with social service agencies to tailor programs to provide the assistance to the people while helping to reduce the workforce shortage.

#### **MA-50 Needs and Market Analysis Discussion**

**Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

The City of Duluth does not have a problem with multiple housing problems being concentrated in an area. There are areas where housing cost burden is a problem but the other housing problems such as substandard housing and overcrowding are not significant for LMI households

**Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

The overall population of people of color in Duluth, according to the 2020 Census and 2017-2012 ACS estimates is 13025 people or 15% of the population. There are a few neighborhoods that are home to a disproportionately higher share of people of color: the Central Hillside (30% POC), East Hillside (18% POC), and Lincoln Park (24% POC). These neighborhoods are home to just 19% of the total population of Duluth, but are home to 39% of Duluth's total population of people of color.

**What are the characteristics of the market in these areas/neighborhoods?**

According to the 2020 Census data and 2017-2021 ACS 5-year estimates:

Citywide: 86,697 residents; residents living at or below poverty level 18%; households with less than \$35,000 annual household income 31%; residents with a disability 13%; cost burdened households 32%; households without access to a vehicle 10%; housing units built 1939 or earlier 44%.

Central Hillside: 7,030 residents; residents living at or below poverty level 37%; households with less than \$35,000 annual household income 60%; residents with a disability 37%; cost burdened households 47%; households without access to a vehicle 34%; housing units built 1939 or earlier 53%.

East Hillside: 8,329 residents; residents living at or below poverty level 27%; households with less than \$35,000 annual household income 41%; residents with a disability 13%; cost burdened households 41%; households without access to a vehicle 12%; housing units built 1939 or earlier 54%.

Lincoln Park: 6,052 residents; residents living at or below poverty level 23%; households with less than \$35,000 annual household income 46%; residents with a disability 19%; cost burdened households 41%; households without access to a vehicle 15%; housing units built 1939 or earlier 65%.

#### **Are there any community assets in these areas/neighborhoods?**

Lincoln Park-close to the interstate, new businesses are opening, Wade Stadium, new middle school, located on the St. Louis River Corridor. In addition there is Community Action Financial Opportunity Center.

Hillside-located in the core of the Duluth, includes downtown (with theaters, hospitals, and the skywalk system) and has multiple parks. Has many active community groups and new developments. In addition there are social services and resources.

#### **Are there other strategic opportunities in any of these areas?**

Lincoln Park- in 2014 the City of Duluth updated the Small Area Land Use Plan and the City will be developing an economic/tourist oriented plan for the St. Louis River Corridor.

Hillside- residential developments (Build-Up Duluth); commercial structures (including a 14 story office building and a transit center); hospital campus redevelopments and new housing .

#### **MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)**

#### **Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.**

In Duluth, access to broadband is crucial for low- and moderate-income households, as it plays a vital role in education, employment, social connectivity, and healthcare. However, many structures in these neighborhoods were built before 1940 and lack the necessary wiring for modern internet connections, limiting technological access. Organizations like LISC, Ecolibrium 3, and Zeitgeist have partnered to

create a Technology Access Collaborative to address this digital divide. According to the 2014-2018 ACS, approximately 3,110 households in low- to moderate-income neighborhoods lack internet access.

Limited reliable broadband puts these households at a disadvantage, particularly for students and job seekers. Without internet, adults may find it difficult to apply for jobs or access workforce development resources. Many essential public services, such housing applications and social programs are now only available online, making it more difficult for those without internet to access needed support.

**Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.**

There are approximately half a dozen broadband internet service providers, however their monthly cost is similar, and this can affect a low- or moderate-income household of having internet access. The costs for data plans and internet access can be detrimental and sometimes prohibitive for low- or moderate-income households. Having a broadband internet provider that would provide the service for low to minimal costs would greatly benefit households.

There is a lack of competition among broadband internet service providers which is driving up costs, making it difficult for low- and moderate-income households to afford internet access. With only a few providers in the area, prices remain high with inconsistent service quality, particularly in underserved neighborhoods. Social workers note that the high cost of data plans and internet service is a significant barrier for many low- or moderate-income household, making affordable broadband options essential for improving access and equity.

Increasing competition among broadband providers could address several challenges currently facing Duluth. Lower prices could make internet access more affordable for low- or moderate-income household, helping to close the digital divide in underserved communities. Increased competition would encourage internet service providers to improve service quality, providing faster and more reliable connections, which are critical for remote work, education, and telehealth.

**MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)**

**Describe the jurisdiction's increased natural hazard risks associated with climate change.**

In the past 10 years, the City of Duluth has had an increase in erratic severe weather which has been costly. Specifically, the City suffered a flood in 2012 which resulted in at least 47 million dollars in damages; a severe windstorm in 2017 which resulted in at least 3.4 million dollars in costs and many households were without power for weeks, and in 2018 the City suffered another major storm that resulted in at least 18.4 million dollars in damage. It is assumed that the increased frequency and

severity of these storms is due to climate change. The 2040 Imagine Duluth Comprehensive Plan that was adopted on June 25, 2018, contained a chapter, "Energy and Conservation" to help address climate change.

**Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

According to the U.S. Department of Housing and Urban Development (HUD), the average lifespan of a single-family home is 40-50 years without significant annual maintenance. The American Community Survey indicated that of the 38,485 housing units in Duluth, 44% were built before 1940, compared to 16.1% of Minnesota's total housing stock and 12.8% nationally. The majority of these housing units are located in LMI Census tracts and occupied by LMI households. These housing units have minimal insulation and increased structural integrity concerns, especially because these units are over 80 years old and have had little on-going maintenance. The vulnerability of this situation is a significant concern to the community, therefore housing rehab and weatherization programs are an important goals for the community.



## Strategic Plan

### SP-05 Overview

#### Strategic Plan Overview

The Strategic Plan was developed using data collected for the Needs Analysis and Market Analysis. Along with public input the priorities were created to address issues pertaining to Housing, Homelessness, Public Facilities, and Economic Development.

#### SP-25 Priority Needs - 91.215(a)(2)-

#### Priority Needs

Table 46 – Priority Needs Summary

1	<b>Priority Need Name</b>	Housing Stability
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Affordable Housing Homelessness Staff Administration

	<b>Description</b>	For people who are currently housed, this is to provide support services such as case management, connecting people with health care/mental care, treatment, employment opportunities and other resources for people who have been homeless or are at risk of becoming homeless due to special needs such as addiction, trauma, poor physical and/or mental health or other disability.
	<b>Basis for Relative Priority</b>	With Duluth's very low vacancy rate, people who have these needs have the most difficult time finding housing. By providing these supportive systems, people can receive the needed services to help prevent homelessness occurring.
<b>2</b>	<b>Priority Need Name</b>	Community Development Public Facilities
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Individuals Families with Children Elderly Persons with Physical Disabilities
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Infrastructure Improvements Neighborhood Revitalization Staff Administration Transportation Access
	<b>Description</b>	Assist neighborhoods facilities that provide vital services with accessibility improvements or community services. These facilities include Homeless Facilities, Health Facilities, Child Programming Facilities, Food Facilities and Transportation Facilities.
	<b>Basis for Relative Priority</b>	Improving public facilities was identified as an important need in the community during the Consolidated Plan Need Assessment.
<b>3</b>	<b>Priority Need Name</b>	Affordable Housing

<b>Priority Level</b>	High
<b>Population</b>	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
<b>Geographic Areas Affected</b>	
<b>Associated Goals</b>	Affordable Housing Homelessness Neighborhood Revitalization Public Services Staff Administration

	<b>Description</b>	Increase the number and condition of affordable housing units for LMI people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. Housing should serve people in need of support services, accessible units, individual units, and those that are seniors. Housing should utilize energy efficient practices. All housing efforts should support the policies and strategies of the Imagine Duluth 2035 Comprehensive Plan.
	<b>Basis for Relative Priority</b>	Duluth has had a consistent vacancy rate of 3% for the past several years; the vacancy rate of housing units that could serve LMI has been lower than 3%, showing a substantial need in the community. In addition, the need for housing in the homeless population has also been increasing. Although homeowners in general may be less cost burden than renters, a higher percentage of low to moderate income owners are paying over half their income towards housing, as well as experiencing housing problems. Housing problems include plumbing disrepair, unvented or unreliable heating source, and lack of basic kitchen facilities, leaks, pest infestations, missing or unsafe electrical systems or other health safety violations. Many elderly homeowners are having difficulty maintaining their housing but do not have a safe alternative.
4	<b>Priority Need Name</b>	Neighborhood Improvement and Safety
	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Non-housing Community Development
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Neighborhood Revitalization Staff Administration

	<b>Description</b>	Improve LMI neighborhoods by addressing vacant, condemned, and deteriorated properties. Provide neighborhood infrastructure/amenities that improve safety and livability. Improve buildings that provide essential services and basic needs to LMI people. Revitalization efforts should include strategies to prevent displacement of LMI people.
	<b>Basis for Relative Priority</b>	Neighborhood improvement and safety has been a key priority for neighborhood groups. In addition, there are number of structures (mostly residential) that were built prior to 1940 that have not been maintained and have been determined by housing rehab specialists to be more expensive to repair than to demolish. The majority of these blighted structures are in LMI neighborhoods, which in impacts the living conditions and home values. By removing these structures, these neighborhoods could improve in value and safety.
5	<b>Priority Need Name</b>	Economic Development
	<b>Priority Level</b>	High
	<b>Population</b>	Low Moderate Large Families Families with Children Elderly Public Housing Residents
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Create Living Wage Jobs Increase Incomes Staff Administration
	<b>Description</b>	Create jobs by providing assistance/incentives to businesses to grow and hire LMI people. Provide job training and/or education to people to enable them to earn a living wage.
	<b>Basis for Relative Priority</b>	Creating Living Wage jobs was identified as a high priority need in the Community Needs Assessment.
6	<b>Priority Need Name</b>	Public Services
	<b>Priority Level</b>	High

	<b>Population</b>	Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Childcare Access Food Access Health Services Public Services Staff Administration
	<b>Description</b>	Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs. This priority need includes assisting people with childcare, health services and improving food access.
	<b>Basis for Relative Priority</b>	The programs to be supported fulfill basic needs (food and shelter) for people who are low-income and/or homeless; provide health care to LMI people; help abused and neglected youth and others who are homeless or at risk of becoming homeless, and provide tenant/landlord mediation services to prevent evictions; improve access to food, and provide child care services.
<b>7</b>	<b>Priority Need Name</b>	Homelessness

	<b>Priority Level</b>	High
	<b>Population</b>	Extremely Low Low Large Families Families with Children Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	<b>Geographic Areas Affected</b>	
	<b>Associated Goals</b>	Homelessness Public Services Staff Administration
	<b>Description</b>	Provide shelter, services, and rental assistance to people who are homeless or at risk of becoming homeless. This includes supporting coordinated entry; housing stabilization initiatives; operating emergency shelters that help families and individuals who are experiencing homelessness rapidly become housed; providing shelter and stabilization services for people experiencing domestic abuse and/or sex trafficking; and creating additional permanent supportive housing units for chronically homeless.
	<b>Basis for Relative Priority</b>	Based on recent homeless studies, there is an estimated population of 800 people who are experiencing homelessness in Duluth. Studies have shown that many of these individuals and families could maintain housing if they are provided an appropriate level of supportive services in subsidized housing units. As the "housing first" model becomes the focus of the Continuum of Care efforts to address long-term homelessness. There is an increased need for permanent, supportive housing units. There is also a need to reduce the number of days people experience in a shelter.
8	<b>Priority Need Name</b>	Public Housing
	<b>Priority Level</b>	High

<b>Population</b>	Extremely Low Low Large Families Families with Children Elderly Public Housing Residents Persons with Physical Disabilities
<b>Geographic Areas Affected</b>	
<b>Associated Goals</b>	Affordable Housing Staff Administration
<b>Description</b>	The number of housing units available to people with vouchers is very limited in Duluth. The City is working with the Housing and Redevelopment Authority to increase the number of units available for people who have vouchers. The City is also working to increase the number of accessible units available to LMI households.
<b>Basis for Relative Priority</b>	The vacancy rate for public housing units has been less than 3% for the past several years, this need has been identified by the community as a priority.

### Narrative (Optional)

Analysis of Impediments to Fair Housing Choice – City of Duluth 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. This plan is attached to the Consolidated Plan and is available on the City’s website. Consolidated Plan Goal and Action Plan Goals support the Fair Housing Choice Plan.

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

Consolidated Plan Goal Support: Affordable Housing, Public Services, Neighborhood Revitalization

2025 Action Plan Project Support: Duluth Property Rehab, Tenant Landlord Connection



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

Consolidated Plan Goal Support: Affordable Housing, Public Services , Create Living Wage Jobs

2025 Action Plan Project Support: Tenant Landlord Connection, High-Demand, Living-wage Job Training, Duluth Property Rehab

Impediment 3: Involuntary displacement and limited housing choice caused by gentrification.

Consolidated Plan Goal Support: Affordable Housing, Public Services, Neighborhood Revitalization

2025 Action Plan Project Support: Duluth Property Rehab, CLT Acq-Rehab-Resale, CLT New Construction, Tenant Landlord Connection, Growing Neighborhood Businesses

Impediment 4: Policies and physical limitations in the built environment

Consolidated Plan Goal Support: Affordable Housing

2025 Action Plan Project Support: Duluth Property Rehab, Duluth Lending Rehab, CLT Acq-Rehab-Resale, CLT New Construction

## SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	The HRA provides rental assistance to approximately 22 households who would otherwise be homeless. These people are assisted until they can transition onto Section 8 Housing Choice Voucher. This program is part of the continuum of services to prevent homelessness by bridging the gap. These vouchers secure safe, decent and affordable housing for individuals who normally would not have the financial means do so it themselves. Market conditions that lead to the use of HOME funds for tenant-based rental assistance are rents that are unaffordable for extremely-low income households, and a vacancy rate of 3.4% in rental properties.
TBRA for Non-Homeless Special Needs	Not applicable.
New Unit Production	<p>Most of Duluth’s housing stock requires significant upgrades. As Duluth grows economically, attracting jobs in airplane manufacturing and engineering, population is projected to grow. A study conducted by Maxfield Research Inc. found that the current housing stock cannot accommodate the growth in population. Issues that were highlighted by the study were the lack of larger and upscale rental units, the underutilization of financing tools to expand housing supply, and the age and maintenance requirements of the existing housing stock. Most of the houses were built before the 1950’s and required many substantial upgrades. Upgrades include weatherization, lead paint mitigation, installation of modern appliances, and general maintenance requirements. While most of the homes were affordable even with the upgrades, they could not secure a loan from the bank. The value of the upgrades would not have been reflected in the houses market value thus creating a value gap at which a commercial bank would not support.</p> <p>With the need for new housing units the City of Duluth believes that an all of the above approach to new housing is necessary. There needs to be an increase in supply of all types of housing units including rental, owner occupied, affordable, and market rate.</p>

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Rehabilitation	The City of Duluth has an aging housing stock. 54% and of owner occupied and 48% of rental units were built before 1950. Furthermore, units built before 1980 make up 85% of owner occupied and 80% of rental units. This means over 80% of housing units in Duluth are at least 35 years old. Most housing units in Duluth require or will require significant upgrades in the near future. With tight rental and homeowner markets there has been little incentive for property owners to upgrade their units. Code enforcement by the City of Duluth's Life Safety Division has been lacking. This was an impediment identified in the City's Analysis of Impediments to Fair Housing Choice.
Acquisition, including preservation	

**Table 47 – Influence of Market Conditions**

## SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

### Introduction

The City of Duluth expects to receive nearly \$3,000,000 in funds from the Department of Housing and Urban Development (including CDBG, HOME, and ESG). The city has prioritized projects and activities in this plan and will work to disperse the funds to meet the goals and objectives identified.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,426,160	0	0	2,426,160	9,500,816	All prior resources have been committed. \$113,674 in program income and additional program income that accrues will be utilized on housing rehabilitation projects.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	549,634	0	0	549,634	2,164,424	HOME Funds do not receive program income and are not part of a RLF. All prior resources have been committed in IDIS.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	208,704	0	0	208,704	802,576	ESG Funds do not receive PI. All prior resources have been committed in IDIS.

Table 48 - Anticipated Resources

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

CDBG, HOME, and ESG funds will help to leverage over \$20,000,000 annually (\$100,000,000 over the 5-year plan) of other federal, state, and local funds. Matching requirements have been regularly met and the city doesn't anticipate having difficulty in satisfying these requirements. The City of Duluth reports on the match and leverage expenses in the CAPER reports. During the application process, the agencies provide the City with match information. ESG projects exceed the 1:1 match requirement, due the funding being used by established agencies that have other funding sources. HOME projects are match with either Tax Credit funding and/or Minnesota Housing Fund and/or Greater Minnesota Fund and by local organizations. Typically HOME funds represent 10 to 30% of a project development cost. All new development and acquisition/rehab projects that use HOME funding are required to have an individualize development agreement that shows the scope of work and funding sources. The City will track match HOME and ESG throughout the year and continue to ensure 25% and 100% requirements are met.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Although not already identified, publicly owned land is always considered as a way to reduce costs for new housing developments. The city of Duluth regularly considers using tax forfeited properties that Saint Louis County manages. These lands range from homes that are in need of rehab, to severely damaged/condemned buildings, to open lots. Often the city attempts to work with the county to remove the blighted structures and redevelop the land.

**Discussion**

The City continues to work with area funders, federal, state, and local funders to be able to leverage the federal funds that are received. While local private Foundations experienced a period of reduced funding availability, projections show those amounts to increase. Individual organizations and collaborations have improved at seeking out new and alternative funding sources, in order to maintain service levels within the city. The city also continues to encourage cost-saving-collaborations within the housing, public service, and economic development areas.

## SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
DULUTH	Government	Planning neighborhood improvements public facilities	Other
HOUSING AND REDEVELOPMENT AUTHORITY OF DULUTH	PHA	Homelessness Ownership Public Housing Rental	Other

Table 49 - Institutional Delivery Structure

### Assess of Strengths and Gaps in the Institutional Delivery System

To implement the Consolidated Plan, the City's Planning and Development Division has strong community partnerships with various local non-profits, private industry partners, and other public institutions working within the jurisdiction. City of Duluth staff attend meetings such as the Affordable Housing Coalition and Continuum of Care, among others, to foster strong continued partnerships to carry out Consolidated Plan goals.

Local non-profit organizations provide specialized services and programming to local communities. Non-profit organizations collaborate with the city of Duluth by being sub-recipients to community development funds. A strength in this relationship is the many long-term partnerships that have been formed with local organizations and the firsthand knowledge that they pass on to us in our planning efforts. Potential gaps include streamlining coordination with newly awarded/interested non-profits to receive funding.

The city of Duluth is open to collaborate with private sector industries in addition to non-profits to better advantage funds and address community and economic development needs.

Finally, the city of Duluth collaborates with public entities such as St. Louis County and the Duluth Housing and Redevelopment Authority (HRA). The HRA board is appointed by the Mayor and confirmed by City Council. A number of housing and support services are provided by the HRA that assist with community development program needs including administration, case management, and maintaining public housing assets. St. Louis County administers and manages homeless and other general public services for Duluth residents and is the local CoC. St. Louis County has recently adopted a 5 year plan to address homelessness which will be carried out in partnership with the city of Duluth.

**Availability of services targeted to homeless persons and persons with HIV and mainstream services**

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X	X	
<b>Street Outreach Services</b>			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	
<b>Supportive Services</b>			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X		
Employment and Employment Training	X	X	
Healthcare	X	X	
HIV/AIDS			
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X		
<b>Other</b>			
Food Services	X	X	

Table 50 - Homeless Prevention Services Summary

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

The city of Duluth supports a wide array of services for special needs populations and persons experiencing homelessness through its community development funding which is allocated to nonprofits and other agencies to most efficiently carry out program goals. For example, the City



supports the Duluth at Work program, which targets extremely low-income individuals who often face barriers to employment. Through our funding, we also support the Duluth Hunger Project, which is a program in coordination of three local groups (CHUM, Damiano Center, and Salvation Army) to provide hot meals and food packages to low income or homeless households. As a final example, the city of Duluth also helps fund Accessible Space, Inc., which provides affordable housing for very low-income individuals with disabilities. As with many services and delivery, gaps can spring from lack of sufficient dollar amounts to provide for long-term program funding

Beyond community development funding but also part of the service delivery system, the City of Duluth works with other government agencies such as St. Louis County, Minnesota Finance housing Agency, and the Greater Minnesota Housing Fund to address community needs. Funding allocation is also a concern in addressing future gaps of service and delivery as well as coordination between statewide, County, and local efforts.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

A key strategy to address the priority needs in the community and having more intergovernmental and agency partnership. Partnerships have been successful in obtaining funding to build more supportive units in Duluth, which addresses many of the priorities. A key component of these partnerships has been the collaboration between the City, St. Louis County Government, the COC, and non-profit organizations.

## SP-45 Goals Summary – 91.215(a)(4)

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2025	2029	Affordable Housing Public Housing		Affordable Housing Neighborhood Improvement and Safety Housing stability Public Housing	CDBG: \$6,000,000 HOME: \$2,000,000	Rental units constructed: 250 Household Housing Unit  Rental units rehabilitated: 250 Household Housing Unit  Homeowner Housing Added: 50 Household Housing Unit  Homeowner Housing Rehabilitated: 300 Household Housing Unit
2	Neighborhood Revitalization	2025	2029	Non-Housing Community Development		Affordable Housing Neighborhood Improvement and Safety	CDBG: \$300,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4000 Persons Assisted  Buildings Demolished: 5 Buildings
3	Increase Incomes	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$1,300,000	Public service activities other than Low/Moderate Income Housing Benefit: 200 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Public Services	2025	2029	Homeless Non-Housing Community Development		Affordable Housing Homelessness Public Services	CDBG: \$325,000	Public service activities other than Low/Moderate Income Housing Benefit: 17000 Persons Assisted
5	Create Living Wage Jobs	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$500,000	Businesses assisted: 60 Businesses Assisted
6	Homelessness	2025	2029	Homeless		Affordable Housing Community Development Public Facilities Homelessness	CDBG: \$400,000 HOME: \$100,000 ESG: \$1,500,000	Public service activities for Low/Moderate Income Housing Benefit: 15000 Households Assisted  Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted  Homeless Person Overnight Shelter: 8000 Persons Assisted
7	Health Services	2025	2029	Non-Housing Community Development		Community Development Public Facilities Public Services	CDBG: \$100,000	Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
8	Food Access	2025	2029	Non-Housing Community Development		Community Development Public Facilities Public Services	CDBG: \$200,000	Public service activities other than Low/Moderate Income Housing Benefit: 4000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	Childcare Access	2025	2029	Non-Housing Community Development		Community Development Public Facilities Public Services	CDBG: \$100,000	Public service activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted
10	Staff Administration	2025	2029	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Affordable Housing Community Development Public Facilities Economic Development Homelessness Neighborhood Improvement and Safety Housing stability Public Housing Public Services	CDBG: \$2,500,000 HOME: \$240,000 ESG: \$78,000	Other: 1 Other
11	Community Development Facilities	2025	2029	Homeless Non-Homeless Special Needs Non-Housing Community Development		Community Development Public Facilities Homelessness Neighborhood Improvement and Safety	CDBG: \$300,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted

Table 51 – Goals Summary

## Goal Descriptions

1	<b>Goal Name</b>	Affordable Housing
	<b>Goal Description</b>	Increase the number and condition of affordable housing units for LMI people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. Housing should serve people in need of support services, accessible units, individual units, and those that are seniors. Housing should utilize energy efficient practices. All housing efforts should support the policies and strategies of the Imagine Duluth 2035 Comprehensive Plan.
2	<b>Goal Name</b>	Neighborhood Revitalization
	<b>Goal Description</b>	Improve LMI neighborhoods by addressing vacant, condemned, blighted, and/or deteriorated properties. Provide green infrastructure and/or neighborhood infrastructure/amenities that improve safety, accessibility, livability and equity. Improve buildings that provide essential services and basic needs to LMI people. Create and/or improve community gathering areas that focus on social interaction. Revitalization efforts should include strategies to prevent displacement of LMI people.
3	<b>Goal Name</b>	Increase Incomes
	<b>Goal Description</b>	Provide job training and skill development to assist people who are LMI in accessing living wage jobs. Job training should include collaboration with the CareerForce Center and ensure a focus on needed job sectors. Assist LMI people to grow/start their business and grow their income. All efforts should support the City's Workforce Development Strategic Plan.
4	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs.
5	<b>Goal Name</b>	Create Living Wage Jobs
	<b>Goal Description</b>	Create jobs by providing assistance/incentives to businesses to grow and hire LMI people.

6	<b>Goal Name</b>	Homelessness
	<b>Goal Description</b>	Provide shelter, services, and rental assistance to people who are homeless or at risk of becoming homeless utilizing CDBG and HOME funds. The City's HESG funds will provide assistance to approximately 2000 people per year, those numbers will be counted in HMIS, and in a separate report in the CAPER.
7	<b>Goal Name</b>	Health Services
	<b>Goal Description</b>	Provide health, dental, and mental health services to people who are LMI.
8	<b>Goal Name</b>	Food Access
	<b>Goal Description</b>	Provide easy access to healthy and affordable food to people who are LMI.
9	<b>Goal Name</b>	Childcare Access
	<b>Goal Description</b>	Ensure childcare and children programming is available in LMI neighborhoods and for LMI people that is safe, affordable, and convenient. Focus on programs that promote healthy living with education and recreation emphasis
10	<b>Goal Name</b>	Staff Administration
	<b>Goal Description</b>	Administration funding for the CDBG, HOME, and ESG programs
11	<b>Goal Name</b>	Community Development Facilities
	<b>Goal Description</b>	Community Development Facilities are buildings or structures that meet a priority need, are open to the public and benefit low moderate-income people, example of these facilities include Homeless Facilities, Transportation Facilities, or Recreation Facilities.

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

As defined by the HOME regulations it is estimated that to 50 to 100 extremely low-income families will be assisted, 50 to 150 low-income families, and 75 to 100 moderate families will be assisted, depending on the grant amounts.

## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

Since completing the section 504 Needs Assessment, the HRA has put policies in place to address accessibility needs and compliance under 24 CFR 8.25. The HRA currently has a sufficient number of accessible units

### **Activities to Increase Resident Involvements**

The HRA has continued to send out newsletters and help facilitate tenant meetings. The HRA also continues to have a resident who sits as commissioner on the HRA board. There is a resident advisory board for all public housing and resident clubs at each of the six high rises in Duluth.

### **Is the public housing agency designated as troubled under 24 CFR part 902?**

No

### **Plan to remove the ‘troubled’ designation**

NA

## **SP-55 Barriers to affordable housing – 91.215(h)**

### **Barriers to Affordable Housing**

- Cost of construction, including materials and labor
- Shortage of qualified builders which causes difficulty in receiving competitive bids
- Lack of available land, most of the buildable land has been developed.
- Lack of annual budgeted funding to demolish or repair buildings condemned for demolition or human habitation, allowing blight to persist in LMI neighborhoods.
- Limited Minnesota Housing funding for rehab of aging single-family structures occupied by LMI households, which leads to higher maintenance costs.
- Lack of a policy to require improvements to foreclosed properties in LMI neighborhoods that are on the vacant property register.
- Minnesota State Historic Preservation Office policies that create additional rehab costs, such as wooden windows and doors repaired rather than replaced by new historically designed materials.
- Outdated historic property references that trigger SHPO review of affordable housing rehab projects on buildings not eligible for listing, which increases costs and delays.
- No education requirement for owners and/or managers to secure a rental license.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

- Support selected demolition of blighted properties in LMI neighborhoods. If funded by Community Development, requirement will be to leave a “clean” site for redevelopment.
  - Community Development supported rehab projects will address all needed repairs and updates, including housing code, energy efficiency, and healthy home deficiencies.
  - Implement acquisition/rehab/resale activities to address vacant foreclosed properties in LMI neighborhoods.
  - Review annual Housing Report sales data to determine if a local study of median sales price would increase after-rehab value limit.



- Require rehab programs receiving Community Development funding to increase energy efficiency in existing homes by 20% and require funded new construction to meet Energy Star standards.

- Provide funding for tenant-based rental assistance to help the “hard-to-house” and homeless population to secure adequate housing.

- Modify policies to eliminate the “re-instatement” of special assessments on tax forfeit lots that have the potential for redevelopment, when appropriate.

- Work with St. Louis County and the Minnesota Department of Revenue to revise policies to encourage redevelopment of tax forfeit land.

#### **SP-60 Homelessness Strategy – 91.215(d)**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City of Duluth has a strong homeless response system and is working closely with St. Louis County and homelessness service provider agencies to strengthen system access and service delivery through implementation of the goals and outcomes outlined in the HEARTH Act and under the Emergency Solutions Grant and Continuum of Care regulations. Components of the Homeless Response System in Duluth include:

##### **Outreach**

Described in section MA-19, outreach activities in Duluth are coordinated through a strong network of homeless shelter and service provider agencies (CHUM, Life House Union Gospel Mission, LSS and HDC) in partnership with the Duluth Police and St. Louis County Health and Human Services. Street outreach activities are conducted daily and most evenings and extend beyond the city limits of Duluth. CHUM and MACV also conduct outreach in the hospitals and jails/prisons.

In addition to the day-to-day outreach, Duluth also conducts an annual Project Homeless Connect Event for homeless persons and MACV organizes an annual Stand Down event for homeless veterans. Continuum of Care homeless housing and service provider partner agencies also conduct an annual Homeless Summit annually.

#### **Addressing the emergency and transitional housing needs of homeless persons**

##### **Emergency Shelter**

The shelter system in Duluth is comprised of three emergency shelters. The CHUM Shelter serves singles through their congregate facility and families at their off-site facilities. Many of the persons that

access services at CHUM are identified as 'high barriered' and the 'hardest to house'. In addition to the 44 congregate beds, CHUM provide overflow mats if the beds are full. In some circumstances, CHUM works with their Churches United in Ministry partners to provide families with shelter at a nearby church when their family units are full.

Safe Haven Shelter and the American Indian Community Housing Organization both provide shelter and services to single women and women with children who are fleeing domestic violence. Safety is their first priority for the women (and children) who enter their shelters. Participants have access to a wide range of supportive services, including food, clothing, transportation and legal assistance, access to mental health assistance, case management and children's advocacy. In addition, AICHO provides culturally specific programming for Native American women (and their children).

#### **Union Gospel Mission (UGM)**

Union Gospel Mission provides a community kitchen and triage services for people experiencing homelessness. Currently they have 10 SRO units targeted for chronic homeless single men. UGM will be doubling their units in the next couple of years. UGM also plans to build a new facility for provide shelter for people experiencing homelessness.

#### **Transitional Housing**

Five agencies in Duluth provide transitional housing and supportive services to homeless persons. They are the American Indian Community Housing Organization who provides transitional housing and culturally focused support services for primarily (but not limited to) Native American Women and Women-headed families, Center City Housing who provides transitional housing and supportive services to single women and families, the Salvation Army who provides transitional housing and supportive services to one and two-parent families and Life House and Lutheran Social Services, both provide transitional housing and supportive services to homeless youth (ages 16-23). Minnesota Assistance Council for Veterans provides transitional housing and services to homeless veterans. Approximately, 2000 homeless persons are assisted through the Duluth shelter system annually.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.**

Center City Housing Organization operates the San Marco and Memorial Park apartment facilities that house single men and women, Alicia's Place for single women, and Sheila's Place that serves families. Center City and CHUM operate the Steve O'Neil apartment building which provides 44 units to

families that have experienced homelessness. The American Indian Community Housing Organization operates the Gimaajii apartments for families, primarily for (but not limited to) Native Americans. Minnesota Assistance Council for Veterans operates the Duluth Vets Place for single veterans.

The Housing Authority of Duluth provides Shelter + Care vouchers. Almost half – 42% (46/108) of the PSH units in Duluth are targeted for chronically homeless persons (does not include units under development).

#### **Rapid Re-housing**

CHUM Shelter, Safe Haven Shelter, AICHO, Salvation Army and Life House all participate in Rapid Re-housing programming. Funding for rapid re-housing activities is provided through the Emergency Solutions Grant (ESG) Program, the Continuum of Care Program and through the state's Family Homeless Prevention and Assistance Program (FHPAP). Prioritization protocols were established for targeting families and households that are the most appropriate for this type of assistance. These are the agencies that will be the entry points for Coordinated Access and Assessment in Duluth and once that system is fully functioning, rapid re-housing activities will be coordinated through the CAA system. Rapid Re-housing assistance includes short and medium-term rental assistance, rental arrears, deposit, utility payments and utility arrears, and application fees, moving assistance, case management and connection to mainstream resources.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

Salvation Army, Life House, AICHO and Justice North (was Legal Aid Services of Northeast Minnesota) and One Roof Community Housing provide homeless prevention assistance in the City of Duluth. Funding for prevention assistance is provided through the ESG and Minnesota's Family Homelessness Prevention and Assistance Program, known as FHPAP. Justice North activities are limited to include mediation and legal issues support, whereas the other partners provide rental assistance, rental arrears, utility payments and utility arrears, moving assistance, case management and connection to mainstream resources.

SOAR Career Solutions, through their Community Offender Re-Entry Program, offers specialized assistance to people exiting prison. Program staff assist ex-offenders in their transition from incarceration to the community through support, employment services, mentoring, housing search and assistance and extended case management.

#### **SP-65 Lead based paint Hazards – 91.215(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

All units that received CDBG and/or HOME funding are required to be in compliance with Lead regulations.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

The risks related to lead poisoning and hazards are being reduced.

### **How are the actions listed above integrated into housing policies and procedures?**

City of Duluth policy requires all rental and homeowner rehabilitation programs and projects receiving federally funded assistance to coordinate with the Duluth HRA for lead assessment, testing and clearance services. Given the age of Duluth's housing stock that predicts 68% contains lead-based paint, the concentration of low- and moderate-income households in less expensive older units, and the past experience of agencies implementing rehab programs, it is highly probable that all, or nearly all, rehabbed units will contain potential lead hazards. The Duluth HRA maintains a Lead Safe Housing registry of past units that have been made lead safe. To increase access to this registry by the general public, the HRA has made their database available on the HRA website.

SP-70 Anti-Poverty Strategy – 91.215(j)

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

#### **Jurisdiction goals, programs, and policies for reducing the number of Poverty-Level Families**

The City of Duluth aims to reduce the number of families and individuals currently living in poverty by looking beyond the effects (not being able to afford basic necessities like food, housing, healthcare, etc.) to address the root causes of poverty. The Planning and Development Division plans to move forward with the strategies listed below with consideration to the previous anti-poverty strategies and by synthesizing community with overarching consolidated plan goals.

**Policy #1: Training and Career Development.** Provide occupational training programs coupled with career development and job placement in partnership with the City's Workforce Development Division to enable people to obtain employment.

**Policy #2: Remove Barriers to Obtaining Employment.** Assist families with removing barriers to obtaining employment through long term or sustainable solutions that reduce the cost of essentials or burdens to household incomes, such as provide more childcare and school age child programming.

Policy #3: Reduce Housing and Utility Costs. Focus on efforts to reduce the costs on household's budgets through energy efficiency programs that lower utilities and/or through rehab programs that extend the livability of housing units.

Policy #4: Increase Affordable Housing Units. Increase the amount of affordable housing units within the City that have long-term affordability restrictions (greater than 30 years) to maintain housing for low-to-moderate-income residents within our community.

Policy #5: Increase Access to Affordable and Healthy Food and Living Options. Increase access to affordable and healthy food options as well as educational and social gathering programs that contribute to healthy living in order to address the long-term health and economic impacts on households experiencing poverty.

Policy #6: Increase Homeownership. Increase opportunities for LMI households to be able to purchase housing that will allow them to become financially sustainable.

Policy #7: Create Sustainable Independence. When possible, work with LMI people to help them develop skills such as through the Section 3 Program or other job training programs AND provide quality housing opportunities. This could be a multi-agency partnership.

Poverty is often more than a simple calculation of a person's household income. Some of the most common root causes of poverty that the City will address using these policies are as follows:

- Little or no education
- Insufficient employment skills, including soft skills
- Housing priced beyond a family's means
- Housing unattainable due to criminal history
- Lack of adequate nutrition and health care
- Mental health or substance abuse issues that impact employment opportunities

These policies and goals will be addressed through programming that is carried out by public, private, and non-profit city partners.

#### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

Policy #4 of the Anti-poverty strategies align directly with the City's affordable housing plan. Increasing the amount and improving conditions of affordable housing units throughout the city is incredibly important for a healthy community.

## **SP-80 Monitoring – 91.230**

**Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

The Planning and Development Division and City Auditor's Office conduct an annual risk assessment. This risk assessment of the subrecipients is based upon material weaknesses cited in the audit and performance in submitting appropriate documentation of expenditures, demographic information and other contract requirements and is completed on an annual basis. A high-risk subrecipient has material weaknesses and/or significant deficiencies in their audit relating to the above-mentioned federal programs, lacks sufficient accounting policies and procedures to safeguard federal assets, and/or submits inaccurate payment request documentation and/or late demographic reports. On-site monitoring shall consist of financial monitoring and programmatic compliance. Further information can be found in the Community Program Monitoring manual.

The Community Development Committee shall hold a CAPER (Consolidated Annual Performance Evaluation Report) Public Hearing for the purpose of reviewing activity accomplishments for the previous year within 90 days after the completion of the City's Community Development Program year. The records presented at this hearing are available during normal business hours for public inspection in the Community Development Office.

The City of Duluth will strive to ensure all relevant projects positively address progress on Fair Housing efforts. During project proposal evaluation, funding decision making, and program performance monitoring integration of the strategies outlined in the City of Duluth's most current Analysis of Impediments to Fair Housing Plan will be evaluated. Projects that can impact and further implement removing or eliminating impediments to fair housing will be prioritized and connections to further the city's fair housing goals will be encouraged. The city will report progress on fair housing strategies annually with the completion of the CAPER and monitoring report.

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City of Duluth expects to receive nearly \$3,000,000 in funds from the Department of Housing and Urban Development (including CDBG, HOME, and ESG). The city has prioritized projects and activities in this plan and will work to disperse the funds to meet the goals and objectives identified.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,426,160	0	0	2,426,160	9,500,816	All prior resources have been committed. \$113,674 in program income and additional program income that accrues will be utilized on housing rehabilitation projects.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	549,634	0	0	549,634	2,164,424	HOME Funds do not receive program income and are not part of a RLF. All prior resources have been committed in IDIS.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	208,704	0	0	208,704	802,576	ESG Funds do not receive PI. All prior resources have been committed in IDIS.

Table 52 - Expected Resources – Priority Table



**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

CDBG, HOME, and ESG funds will help to leverage over \$20,000,000 annually (\$100,000,000 over the 5-year plan) of other federal, state, and local funds. Matching requirements have been regularly met and the city doesn't anticipate having difficulty in satisfying these requirements. The City of Duluth reports on the match and leverage expenses in the CAPER reports. During the application process, the agencies provide the City with match information. ESG projects exceed the 1:1 match requirement, due the funding being used by established agencies that have other funding sources. HOME projects are match with either Tax Credit funding and/or Minnesota Housing Fund and/or Greater Minnesota Fund and by local organizations. Typically HOME funds represent 10 to 30% of a project development cost. All new development and acquisition/rehab projects that use HOME funding are required to have an individualize development agreement that shows the scope of work and funding sources. The City will track match HOME and ESG throughout the year and continue to ensure 25% and 100% requirements are met.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Although not already identified, publicly owned land is always considered as a way to reduce costs for new housing developments. The city of Duluth regularly considers using tax forfeited properties that Saint Louis County manages. These lands range from homes that are in need of rehab, to severely damaged/condemned buildings, to open lots. Often the city attempts to work with the county to remove the blighted structures and redevelop the land.

**Discussion**

The City continues to work with area funders, federal, state, and local funders to be able to leverage the federal funds that are received. While local private Foundations experienced a period of reduced funding availability, projections show those amounts to increase. Individual organizations and collaborations have improved at seeking out new and alternative funding sources, in order to maintain service levels within the city. The city also continues to encourage cost-saving-collaborations within the housing, public service, and economic development areas.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Affordable Housing	2025	2029	Affordable Housing Public Housing		Community Development Public Facilities Housing stability	CDBG: \$825,000 HOME: \$400,000	Rental units constructed: 18 Household Housing Unit Rental units rehabilitated: Household Housing Unit: Homeowner Housing Added: 32 Household Housing Unit Homeowner Housing Rehabilitated: 58 Household Housing Unit
4	Neighborhood Revitalization	2025	2029	Non-Housing Community Development		Neighborhood Improvement and Safety	CDBG: \$336,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10200 Persons Assisted
5	Increase Incomes	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$220,000	Public service activities other than Low/Moderate Income Housing Benefit: 190 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Public Services	2025	2029	Homeless Non-Housing Community Development		Public Services	CDBG: \$65,000	Public service activities other than Low/Moderate Income Housing Benefit: 1865 Persons Assisted
7	Create Living Wage Jobs	2025	2029	Non-Housing Community Development		Economic Development	CDBG: \$78,000	Businesses assisted: 16 Businesses Assisted
9	Homelessness	2025	2029	Homeless		Homelessness	CDBG: \$114,400 HOME: \$94,766 ESG: \$193,052	Public service activities for Low/Moderate Income Housing Benefit: 3011 Households Assisted Tenant-based rental assistance / Rapid Rehousing: 26 Households Assisted Homeless Person Overnight Shelter: 1600 Persons Assisted Homelessness Prevention: 26 Persons Assisted
10	Health Services	2025	2029	Non-Housing Community Development		Public Services		
11	Food Access	2025	2029	Non-Housing Community Development		Public Services	CDBG: \$156,000	Public service activities other than Low/Moderate Income Housing Benefit: 17050 Persons Assisted
12	Childcare Programming Access	2025	2029	Non-Housing Community Development		Public Services	CDBG: \$20,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Staff Administration	2025	2029	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Affordable Housing Community Development Public Facilities Economic Development Homelessness Neighborhood Improvement and Safety Housing stability Public Housing Public Services	CDBG: \$484,962 HOME: \$54,868 ESG: \$15,652	Other: 1 Other

Table 53 – Goals Summary

## Goal Descriptions

3	Goal Name	Affordable Housing
	Goal Description	Increase the number and condition of affordable housing units for LMI people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. Housing should serve people in need of support services, accessible units, individual units, and those that are seniors. Housing should utilize energy efficient practices. All housing efforts should support the policies and strategies of the Imagine Duluth 2035 Comprehensive Plan.

4	<b>Goal Name</b>	Neighborhood Revitalization
	<b>Goal Description</b>	Improve LMI neighborhoods by addressing vacant, condemned, blighted, and/or deteriorated properties. Provide green infrastructure and/or neighborhood infrastructure/amenities that improve safety, accessibility, livability and equity. Improve buildings that provide essential services and basic needs to LMI people. Create and/or improve community gathering areas that focus on social interaction. Revitalization efforts should include strategies to prevent displacement of LMI people.
5	<b>Goal Name</b>	Increase Incomes
	<b>Goal Description</b>	Provide job training and skill development to assist people who are LMI in accessing living wage jobs. Job training should include collaboration with the CareerForce Center and ensure a focus on needed job sectors. Assist LMI people to grow/start their business and grow their income. All efforts should support the city's Workforce Development Strategic Plan.
6	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs.
7	<b>Goal Name</b>	Create Living Wage Jobs
	<b>Goal Description</b>	Create jobs by providing assistance/incentives to businesses to grow and hire LMI people.
9	<b>Goal Name</b>	Homelessness
	<b>Goal Description</b>	Provide shelter, services, and rental assistance to people who are homeless or at risk of becoming homeless.
10	<b>Goal Name</b>	Health Services
	<b>Goal Description</b>	Provide health, dental, and mental health services to people who are LMI.

11	<b>Goal Name</b>	Food Access
	<b>Goal Description</b>	Provide easy access to healthy and affordable food to people who are LMI.
12	<b>Goal Name</b>	Childcare and Children's Programming
	<b>Goal Description</b>	Ensure childcare and children programming is available in LMI neighborhoods and for LMI people that is safe, affordable, and convenient. Focus on programs that promote healthy living with education and recreation emphasis
13	<b>Goal Name</b>	Staff Administration
	<b>Goal Description</b>	City staff administration of the programs.

## Projects –

### AP-35 Projects – 91.220(d)

#### Introduction

The city relies mostly upon non-profit and neighborhood organizations to carry out the goals of the Consolidated Plan and Annual Action Plans each year. Through an open application process the City of Duluth reviews and evaluates applications as to how they fit in with the plans. Projects are then funded and the city oversees progress to make sure the goals and objectives of the city are being met.

#### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Each year the Community Development Committee develops funding targets based on needs assessments, data analysis, and input from public hearings. These funding targets then guide the review of applications and funding recommendations. For 2025, the funding targets were set as the following:

#### Community Development Block Grant

- Affordable Housing, Target: 35%, Recommended: 35%
- Economic Development, Target: 20%, Recommended: 16%
- Public Facilities, Target: 16%, Recommended: 14%
- Public Services, Target: 15%, Recommended: 15%
- Planning/Administration: 20%, Recommended: 20%



## 2025 ACTION PLAN SUMMARY-DRAFT

### **Housing** (all applications are for housing improvements that will benefit people with low or moderate incomes)

Duluth Property Rehabilitation Program – HRA	\$ 325,000
• Rehab 50 units	
CLT Acquisition Rehab Resale-One Roof Cmty Housing	\$ 350,000
• Acquire/Rehab 8 units	
DKI Duplexes: Comfort & Joy- Divine Konnections Inc.	\$ 120,000
• Build 15 units	
Westside Market – Family Rise Together	\$ 30,000
• Build 18 units	

### **Economic Development** (all applications will create full-time jobs or assist businesses to create jobs to be filled by persons having low or moderate incomes at the time of employment)

High-Demand, Living-wage Job Training (HLJT)-SOAR	\$ 130,000
• Assist 90 people	
CM Solutions Accelerator- Family Rise Together	\$ 30,000
• Assist 12 people	
Future Program- Life House, Inc	\$ 90,000
• Assist 100 people	
Growing Neighborhood Businesses- Entrepreneur Fund	\$ 48,000
• Assist 6 businesses	
Skilled Trades, Art, Robotics & Technology (START)- FFC	\$ 45,480
• Assist 200 people	
Jump into Child Care- Northland Foundation	\$ 20,000
• Assist 150 people	
Green Construction Training- Green New Deal Housing	\$ 10,000
• Assist 30 people	

### **Public Facility Improvements** (all applications will provide improvements to neighborhoods having a majority of persons with low and moderate incomes)

Equipment Upgrades to Improve Dental Care–LSHC	\$ 19,520
Nourish the Northland Capital Campaign- Second Harvest Northland	\$ 85,000
Yellow Leaf Crisis Center Roof Proposal- Center City Housing	\$ 90,000
6 <sup>th</sup> Ave E Corridor Revitalization- Zeitgeist	\$ 20,000
Child Care Rehab- Lincoln Park Children and Families Collaborative	\$ 26,000

Chalet Renovation and Expansion Project- Chester Bowl	\$ 90,000
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<b>Public Service</b>	(all applications will provide programs or services to persons with low or moderate incomes) Federal regulations stipulate a maximum of 15% of grant funds to public service applications.)
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Basic Needs Drop-in Youth Center- Life House	\$ 25,000
• Assist 625 people	
Spirit Valley Young Mother's Program-YWCA	\$ 7,000
• Assist 25 people	
Steve O'Neal Early Childhood Education-CHUM	\$ 15,000
• Assist 80 people	
Duluth Hunger Project-CHUM	\$ 81,000
• Assist 33,300 people	
UGM Food Programming- Union Gospel Mission	\$ 10,000
• Assist 2500 people	
Tenant Landlord Connection – One Roof	\$ 30,000
• Assist 575 people	
Expanding Equitable & Dignified Food Access– Second Harvest	\$ 20,000
• Assist 100,500 people	
Free Tax Site – Community Action Duluth	\$ 15,000
• Assist 1200 people	
Food Access Through Markets-Community Action Duluth	\$ 15,000
• Assist 3200 people	
Comprehensive Services for Veterans-MACV	\$ 20,000
• Assist 100 people	
Safe Haven Shelter Program– Safe Haven	\$ 25,000
• Assist 575 people	
Homeless Services-CHUM	\$ 35,000
• Assist 1100 people	
Family Transitional Housing- Salvation Army	\$ 5,000
• Assist 100 people	
Family Supportive Housing-Center City Housing	\$ 25,000
• Assist 124 people	
Coordinated Entry-HRA	\$ 24,000
• HUD requirement	

<b>Planning</b>	
Program Administration – CD Division	\$ 470,000

HOME Program Administration – CD Division	\$ 40,000
ESGP Program Administration – CD Division	\$ 15,525
HOME TBRA Administration – Duluth HRA	\$ 10,000

**HOME Investment Partnerships Program - Year 2025 Funding Recommendations**

Homeless Rental Assistance Program (TBRA) – Duluth HRA	\$ 100,000
• Assist 14 households	
CLT New Construction-One Roof Cmty Housing	\$ 350,000
• Build 17 units	

**Emergency Solutions Grants Program - Year 2025 Funding Recommendations**

Safe Haven Shelter Program– Safe Haven	\$ 25,000
• Assist 575 people	
Homeless Services-CHUM	\$ 20,000
• Assist 1,100 people	
Family Transitional Housing- Salvation Army	\$ 5,000
• Assist 100 people	
Family Supportive Housing-Center City Housing	\$ 25,000
• Assist 91 people	
Street Outreach-CHUM	\$ 15,000
• Assist 20 people	
Annie’s House of Refuge & Restoration-Divine Konnections	\$ 15,000
• Assist 18 people	
Street Outreach for Under-Resourced-Life House	\$ 19,200
• Assist 20 people	
HMIS Data Entry	\$ 4,200
• HUD requirement	
ESG Prevention and Rapid rehousing	\$ 63,075
• HUD requirement	