

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

Summary of Category Applications

The Community Development Program received eight applications for the Public Facilities category. The projects include dental equipment, blight removal, building renovation, grading/sidewalk repair, pedestrian/multimodal transportation improvements, park improvements, and construction of a new homeless facility. The CD Committee set a funding target of 15% for CDBG Public Facilities funding in FY 2024, which would be \$353,660 using the FY 2023 allocation as an estimate.

Approach to Application Review

CD Program staff reviewed applications for funding eligibility, consistency with the 2020-2024 Consolidated Plan and Imagine Duluth 2035 strategies/goals, and need.

Applications Received

Code	Proposal Name	Organization	Eligible Activity	Amount
2024-01-PF	Equipment Upgrades to Improve Dental Care	Lake Superior Community Health Center	Yes	\$44,800
2024-02-PF	Acquisition Demolition Program	City of Duluth - Planning & Dev. Div.	Yes	\$200,000
2024-03-PF	Life House Downtown Campus Reboot	Life House, Inc.	Yes	\$168,344
2024-04-PF	Spirit Valley Facility Repairs	YWCA	Yes	\$55,000
2024-05-PF	Safer 6 th Ave Enhancing Safety and Multimodal Connectivity	Zeitgeist	Items described	\$228,250
2024-06-PF	Multi-Modal Transportation Access	City of Duluth-Planning & Dev. Div	Yes	\$100,000
2024-07-PF	Hillside Sport Court Park	City of Duluth Parks and Recreation	Yes	\$215,000
2024-08-PF	Stepping on Up Homeless Triage Shelter	CHUM	Yes	\$150,000

Total: \$ 1,161,394

APPLICATION #2024-01-PF: Equipment Upgrades to Improve Dental Care - LSCHC

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

Lake Superior Community Health Center is requesting funds to replace the medical autoclave and three outdated dental chairs and components, to maintain and expand services to meet the high demand for dental care from LMI individuals and families.

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

- National objective: LMI-Limited Clientele Benefit – the program requires information on family size and income to provide sliding scale services and/or serves clients who meet income eligibility requirements for certain types of insurance, so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low and

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

moderate income limit. LSCHC is open to the public but 100% of their patients are LMI residents of Duluth.

- Eligible activity: Public Facilities and Improvements - the clinic meets HUD criteria for a public facility because it is owned and operated by a non-profit and is open to members of the public to access health care services.

Application goals/outcomes and relation to Consolidated Plan:

The project goal is to upgrade three dental chairs (and the equipment they come with) and replace their medical autoclave, or a steam-pressure sanitizer for medical equipment.

Consolidated Plan:

- Health Services

Anti-Poverty Strategy

- Policy 2: Remove Barriers to Obtaining Employment

Imagine Duluth 2035 - Governing principles

- #13 Develop a healthy community
- #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG Request: \$44,800. CDBG funds will contribute to purchase of equipment.
- Total project budget: \$59,600, Secured: \$14,800; less than \$1 has been secured for every \$1 requested.
- The new equipment is estimated to serve 2,700 patients per year, and the medical autoclave is predicted to serve 1600 medical visits per year.
- In 2019, 2021, and 2023 LSCHC received and successfully executed similar CDBG grants to replace outdated dental exam chairs and medical exam tables with more ADA accessible equipment.

APPLICATION #2024-02-PF: Acquisition Demolition Program-City of Duluth

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

The City of Duluth will acquire and eliminate blighted and unsafe structures in primarily low-income neighborhoods, prepare these sites for infill and affordable housing opportunities.

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

- National objective: Prevention/Elimination of Slums or Blight
- Eligible activity: Public Facilities and Improvements
- The project meets the national objective of Elimination of Slums or Blight as it will result in improving conditions in LMI neighborhoods. The work will be done on a "spot basis" in areas that are determined to be essential areas to focus on blight removal.

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanz
---	-----------------------------------	--

Application goals/outcomes related to Community Goals:

- The city expects to eliminate 12 blighted properties.

2020-2024 Consolidated Plan Goal

- Neighborhood Revitalization

Anti-Poverty Strategy

- Policy 4: Increase Affordable Housing units

Imagine Duluth 2035

- Governing Principles
 - #1: Reuse previously developed lands
 - #5: Promote investment in neighborhoods
- Policies & Strategies
 - Housing Policy #4: Improve the quality of the City's housing stock and neighborhoods

Budget and Project Readiness:

- CDBG Request: \$200,000. CDBG funds will contribute to the acquisition, hazardous material abatement, demolition, and site preparation of the sites.
- The CDBG budget would result in a 1 demolition/\$20,000; the entire budget would result in a 1 demolition/\$27,500.
- Total project budget: \$275,000. Secured: \$75,000, less than 1 dollar has been secured for every \$1 requested
- Project will need to acquire building permits, follow proper procurement processes, pay prevailing wages, and complete the Environmental Review.
- The City of Duluth has successfully used CDBG funds to remove blighted properties in low income neighborhoods, meeting goals and expectations.

APPLICATION #2024-03-PF: Life House Downtown Campus Reboot – Life House, Inc.

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

The project is to complete renovation, deferred maintenance, and weatherization projects on the Annex and Imaginarium buildings located in Life House's downtown campus. Renovations will enable Life House to meet expanding needs for service. The renovations will also make spaces more welcoming and more well-suited to their programs for homeless and at-risk youth.

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

- National objective: LMI-Limited Clientele benefit - Be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low- and moderate-income persons (at-risk and homeless youth)

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

- Eligible activity: Public Facilities and Improvements – the community center meets HUD criteria for a public facility because it hosts Life House drop-in programming, which is open to the public, specifically at-risk and homeless youth.

Application goals/outcomes related to Community Goals:

- The project will enable Life House to expand its services and better design its campus to meet the needs of their programs.

2020-2024 Consolidated Plan Goal

- Neighborhood Revitalization
- Public Services

Anti-Poverty Strategy

- Policy 1: Training and Career Development
- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035

- Governing Principle #5 Promote reinvestment in neighborhoods
- Governing Principle #13 Develop a healthy community

Budget and Project Readiness:

- CDBG Request: \$168,344 to help with public facility renovations and deferred maintenance on the Annex and Imaginarium buildings.
- Total project budget \$687,420; Secured: \$0. There is less than \$1 of secured funding for every \$1 requested. The other funding sources are anticipated to fund most of the project, but are not secured and confirmed yet.
- Facilities are owned by Life House. Life House has been awarded CDBG funds for similar projects in the past and has successfully completed other public facilities projects in the past several years.

APPLICATION #2024-04-PF: Spirit Valley Facility Repairs-YWCA

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

YWCA will use funds to re-grade the eroded grounds around the Spirit Valley facility, which houses Young Mothers Program and Early Childhood Education Center, and lay new sidewalk where the current sidewalk is broken and hazardous.

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

- National objective: Benefit the programs housed in the facility that are for the health and stability of at least 51% of households that are LMI
- Eligible Activity: (c) **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in [§ 570.207\(a\)](#), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanz
---	-----------------------------------	--

and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in [§ 570.207\(a\)\(1\)](#).) In undertaking such activities, design features and improvements which promote energy efficiency may be included.

Application goals/outcomes and relation to Consolidated Plan:

- Re-grade the eroded grounds around the Spirit Valley Facility

2020-2024 Consolidated Plan

- Neighborhood Revitalization
- Homeless Services
- Childcare Access

Anti-Poverty Strategy

- Policy 2: Remove Barriers to Obtaining Employment
- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035

- Governing Principles
 - #13: Develop a healthy community
 - #14: Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG Request: \$55,000. CDBG funds will be used to pay Superior Landscaping or another licensed contractor to remove and grade the current playground area and existing concrete sidewalk, and then install a new concrete sidewalk.
- Total project budget \$447,069; \$337,069 has been secured which is more than \$2 for every \$1 of requested funds.

APPLICATION #2024-05-PF: Safer 6th Ave: Enhancing Safety and Multimodal Connectivity on 6th Ave E-Zeitgeist Center

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

The project is to improve the safety and usability of 6th Ave E., specifically this \$228,250 request will be used to pay for: \$80,000 for two pedestrian refuge islands, \$60,000 for infrastructure enhancements (murals, crosswalks, flashing light beacons, benches, public art, planters and other amenities to slow traffic)- this dollar request includes payment for the artists & community contracts; \$7,500 for mass transit support items including bus passes/collapsible grocery/supply carts; \$10,000 Healthy Hillside Committee hours; \$50,000 for Zeitgeist Staff time, and \$20,750 for Administration.

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

- National objective: LMA-Limited Area benefit – the transportation improvements will serve the surrounding neighborhood and is located in a qualified 51% or more LMI census tract.
- Eligible activity: Public Facilities and Improvements – “Public facilities and improvements: Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in § 570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art.”

- HUD defines a public facility as: A public facility is defined as: all facilities and improvements that are publicly owned, or that are owned by a nonprofit and open to the general public.
- The pedestrian refuge islands and infrastructure enhancements meet this definition as they are construction of a publicly owned facility and includes architectural design features.
- The mass transit support items would not be considered a public facility because they would not be publicly owned.
- The HHC hours would not be considered public facility because they would not be publicly owned.
- Although staff time dedicated to the construction of a public facility is appropriate, there is a concern about the amount allocated to staff time in the request.

Application goals/outcomes related to Community Goals:

2020-2024 Consolidated Plan Goal

- Infrastructure Improvements
- Transportation Access
- Neighborhood Revitalization

Anti-Poverty Strategy

- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035

- Governing Principle #5 Promote reinvestment in neighborhoods
- Governing Principle #7 Create and maintain connectivity
- Governing Principle #13 Develop a healthy community
- Governing Principle #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG Request: \$228,250 to help with public facility installation and improvements
- Total project budget \$333,250; at this time \$80,000 has been secured which is less than \$1 for \$1 of requested funds.
- This application was reviewed by the Senior Transportation Planner, the comments are as following:

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

- The 6th Avenue resurfacing project is currently in the design phase and moving forward.
- This application fits into the design phase schedule and would have a direct impact on the resurfacing.
- Part of the 6th Avenue project is extending between 2nd and 1st street, which will result in large retaining walls, the murals will provide a community benefit.
- Zeitgeist has a proven record of fulfilling grant obligations, including ones relating to transportation.
- If the proposed pedestrian island and infrastructure items are not included with the resurfacing, it is doubtful that they will ever occur.

APPLICATION #2024-06-PF: Multi-Modal Transportation Access – City of Duluth

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

The project is to increase multi-modal transportation access to the downtown area employment opportunities and bus stops/transit center. The project will include pedestrian improvements on upper Mesaba Ave. It will serve an LMI neighborhood where 20% of households do not own a car.

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

- National objective: LMA-Limited Area benefit – the transportation improvements will serve the surrounding neighborhood and is located in a qualified 51% or more LMI census tract.
- Eligible activity: Public Facilities and Improvements – “Public facilities and improvements: Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in § 570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art.”
 - HUD defines a public facility as: A public facility include all facilities and improvements that are publicly owned, or that are owned by a nonprofit and open to the general public.
 - This project includes new public facilities installation and improvements - the installation of handrails, street trees, and solar-powered pedestrian crossing beacons - to a publicly owned facility and includes architectural design features.

Application goals/outcomes related to Community Goals:

2020-2024 Consolidated Plan Goal

- Infrastructure Improvements

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanz
---	-----------------------------------	--

- Transportation Access
- Neighborhood Revitalization

Anti-Poverty Strategy

- Policy 2: Remove Barrier to Obtaining Employment
- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035

- Governing Principle #5 Promote reinvestment in neighborhoods
- Governing Principle #7 Create and maintain connectivity
- Governing Principle #13 Develop a healthy community
- Governing Principle #14 Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG Request: \$100,000 to help with public facility installation and improvements
- Total project budget \$125,000; Secured: \$0. There is less than \$1 of secured funding for every \$1 requested. The project is mostly reliant on requested grant funds and other funding sources are not secured and confirmed yet.
- This application was reviewed by the Senior Transportation Planner:
 - The City anticipates the handrails and street trees can be installed in 2024. The crosswalk signals will take more coordination with MnDOT and would likely not be ready to install until 2025.

APPLICATION #2024-07-PF: Hillside Sport Court Revitalization – Parks and Recreation

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

The City of Duluth Parks and Recreation department has identified the Hillside Sport Court Park as a priority for City investment. The Central Hillside area has the most parks in poor condition according to the park system’s comprehensive plan. The park is located in a service area of 74.33% LMI households, and is on the edge of Census Tract 16 (a Qualified Census Tract) that has a notable 80% of households earning less than \$10,000 per year. If fully funded, the plan is to re-pave the Sport Court (for basketball, pickleball, and wheeled activities), remove the blighted building on site, replace the deteriorated playground, install a community garden, water fountain, and picnic pavilion, plant diverse trees, and install a paved ADA path from the upper area down to the lower area of the park.

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

- National objective: **Area Benefit Activities** - (i) An activity, the benefits of which are available to all the residents in a particular area, where at least 51 percent of the residents are low- and moderate-income persons. Such an area need not be coterminous with census tracts or other officially recognized boundaries but must be the entire area served by the activity. An activity that serves an area that is not primarily residential in character shall not qualify under this criterion.
 - The area that benefits from the Sport Court qualifies for funding; it includes three Census Tracts that average 74.33% LMI.

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

- Eligible Activity: (c) **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in [§ 570.207\(a\)](#), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in [§ 570.207\(a\)\(1\)](#).) In undertaking such activities, design features and improvements which promote energy efficiency may be included.
 - The CDBG funds requested for this project are earmarked to specifically be used for the accessible paved path within the park, and to replace the playground. Both of these activities fit the definition of “rehabilitation or installation of public facilities...”

Application goals/outcomes related to Community Goals:

2020-2024 Consolidated Plan Goals:

- Infrastructure Improvements
- Neighborhood Revitalization
- Food Access

Anti-Poverty Strategies:

- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035 Governing Principles:

- #1: Reuse previously developed land
- #5 Promote reinvestment in neighborhoods
- #6: Reinforce the place-specific
- #10: Enhance the environment, economic, and social well-being of the community
- #13: Develop a healthy community
- #14: Integrate fairness into the fabric of the community

Budget and Project Readiness:

- CDBG Request: \$215,000 for accessible paved path and replace the playground.
- Total project budget \$2,079,000; at this time \$364,500 has been secured which is more than \$1 for every \$1 of requested funds.
- The applicant is 100% confident the funding from the City Revenue Replacement Funds and the City Park Fund will come through (a total of \$487,500 anticipated funds), but only 50% confident in the Outdoor Recreation Legacy Partnership Program funding. The award notice for grant funding is expected during the summer of 2024.
- The City’s Parks and Recreation department has many years of experience handling and executing complex grants, in the millions of dollars. The proposed Sport Court Park Plan has been vetted by the community that surrounds the park, and was officially adopted by Duluth City Council on August 21, 2023.

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanz
---	-----------------------------------	--

APPLICATION #2024-08-PF: Stepping on Up Homeless Triage Shelter-CHUM

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

CHUM, in partnership with other agencies, will provide a Triage Homeless Shelter to provide 100 beds, access to sanitation and hygiene facilities and connection to medical, social and housing navigation services. CHUM aims to build three insulated structures to provide the secure housing accommodations. The request for \$150,000 would be used for construction.

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

- National objective: Benefit LMI individuals. HUD defines homeless people as being presumed LMI individuals and families. (CDBG)
- Eligible activity: Public Facilities and Improvements – Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in [§ 570.207\(a\)](#), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in [§ 570.207\(a\)\(1\)](#).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in [§ 570.207\(b\)\(3\)](#). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims.
 - HUD defines a public facility as: all facilities and improvements that are publicly owned, or that are owned by a nonprofit and open to the general public. Facilities designed for providing shelter for people experiencing homelessness are considered a public facility.
 - The construction of a homeless structure meets the public facility definition.

Application goals/outcomes related to Community Goals:

2020-2024 Consolidated Plan Goal

- Homeless Services
- Public Services

Anti-Poverty Strategy

- Policy 5: Increase Access to Affordable and Healthy Food Options

Imagine Duluth 2035

- Governing Principle #10 Take actions that enhance the environment, economic, and social well-being of the community
- Governing Principle #13 Develop a healthy community
- Governing Principle #14 Integrate fairness into the fabric of the community

CD Program FY 2024 Application Review November 6, 2023	CDBG Public Facilities	Staff Contact: Ryan Pervenanze
---	-----------------------------------	---

Budget and Project Readiness:

- CDBG Request: \$150,000 to help with public facility construction
- Total project budget \$2,506,150; at this time \$500,000 has been secured which is less than \$1 for \$1 of requested funds. The applicant is confident the remaining funding will be granted from MN Department of Human Resources. Staff has been told that the \$500,000 from the City will be allocated to Staff time, not construction.
- The CDBG funding is being requested for construction but also to show community support for the Minnesota State Shelter Capital Funding grant application.
- The proposed grant would be able to assist 1 homeless person with \$300 from this grant and the total budget would be able to assist a 1 homeless person with \$5,166.
- The increase in the number of people who are homeless is a significant community issue. The Stepping On Up program is part of a multi-agency collaboration including CHUM, AICHO, Lutheran Social Services, Safe Haven, Human Development Center, The Salvation Army, Life House, Loaves and Fishes, and One Roof Community Housing; as well as the City of Duluth.