

Notice of City of Duluth 2026 Action Plan and Funding Recommendations for Housing and Community Development

*** Federal Funding Recommendations Included ***

The City of Duluth is an entitlement community and receives yearly funds from the U.S. Department of Housing and Urban Development (HUD) to improve the community for people with low and moderate incomes by providing services, housing and economic opportunity and addressing blight. The City is required to conduct a public process and submit an action plan to HUD outlining how the funds are to be used in a timely manner. In order to meet HUD's timelines, the City establishes initial funding awards based on funding estimates and then revises those amounts when the final allocations are announced. \$3,058,000 is estimated for 2026. On January 26, 2026, City Council approved the following anticipated funding recommendations.

Community Development Block Grant (CDBG) Program

(at least 70% of CDBG funds must benefit persons with low or moderate incomes)

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

Affordable Housing Site Preparation – City of Duluth	\$ 202,350
Smithville Affordable Home Ownership for 10 –	
WLS Habitat for Humanity	\$ 95,000
Community Land Trust Acquisition-Rehab Resale –	
One Roof Community Housing	\$ 209,000
Park Place of Duluth – Family Rise Together	\$ 85,500

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)

Growing Neighborhood Businesses – Entrepreneur Fund	\$ 24,000
CM Solutions: Culinary Entrepreneurship - Family Rise Together	\$ 30,000
Future Program- Life House, Inc	\$ 90,000
Work Readiness & Advancement Project – True North Goodwill	\$ 140,000
START Business Incubator – Family Freedom Center	\$ 90,000
Heather's Happy Days Daycare – Divine Konnections Inc.	\$ 35,000

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

Pine Grove Elevator Rehab Project- ASI Duluth	\$ 162,000
Building for Women Rehab Project-PAVSA	\$ 143,000
Roots of Revitalization-Duluth	\$ 44,650
Hillside Proud, 6 th Ave E Corridor Revitalization-Zeitgeist	\$ 30,000
Mission Engagement Center-Union Gospel Mission	\$ 95,000

Public Service (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.)

UGM Food Programming - Union Gospel Mission	\$ 15,000
Basic Needs Drop-in-Youth Center – Life House	\$ 33,000
Duluth Hunger Project – CHUM	\$ 90,000
Tenant Landlord Connection – One Roof Community Housing	\$ 20,000
Programming for Children at the Steve O’Neal Apartments – CHUM	\$ 25,000
Family Supportive Housing – Center City Housing Corp	\$ 40,000
Save Haven Shelter Program – Safe Haven Shelter for Battered Women	\$ 20,000
CHUM Homeless Services – CHUM	\$ 30,000
Family Transitional Housing - The Salvation Army	\$ 10,000
DKI Supportive Housing Program – Divine Konnections Inc.	\$ 25,000
Comprehensive Services for Homeless Duluth Veterans – MACV	\$ 20,000
Coordinated Entry - Housing & Redevelopment Authority of Duluth, MN	\$ 24,000

Planning

Program Administration – CD Division	\$ 470,000
Program Management – CD Division	\$ 53,500
HOME Investment Partnership Program Administration – CD Division	\$ 40,000
Tenant Based Rental Assistance Administration – Duluth HRA	\$ 10,000
Emergency Solutions Grant Program Administration – CD Division	\$ 15,525

HOME Investment Partnerships Program - Year 2026 Funding Recommendations

Tenant Based Rental Assistance – Duluth HRA	\$ 100,000
---	------------

Community Land Trust: New Construction –
One Roof Community Housing \$ 350,000

Emergency Solutions Grants Program - Year 2026 Funding Recommendations

Family Supportive Housing - Center City Housing Corp	\$ 24,053
Safe Haven Shelter Program – Safe Haven	\$ 30,000
Homeless Services-CHUM	\$ 20,000
Annie's House of Refuge and Restoration (AHRR) – Divine Konnections Inc.	\$ 20,000
Family Transitional Housing - The Salvation Army	\$ 15,000
Street Outreach-CHUM	\$ 15,000
Rapid Rehousing & Homelessness Prevention – Duluth HRA	\$ 63,222
HMIS Data Entry	\$ 4,200
Emergency Solutions Grant Program Administration	\$ 15,525

Contingency Plan: If there should be a higher level of funding allocated to the city for FY 2026 than estimated, such funding shall be distributed proportionally using the scores as a guide to previously recommended projects that were not recommended to receive full funding, up to 3% of the final allocation, and if less funding is allocated, all projects shall be reduced proportionally rounded to the nearest \$1000 dollar up to 3% of the final allocation. If the final allocated amount varies by more than 3% of the estimated amount then the Community Development Committee shall reconvene and revise the funding recommendation and submit it to the City Council.

Please send comments to: duluthcommdev@DuluthMN.gov or 411 W. First Street, Room 160, Duluth, MN 55802. All comments will be shared with the CD Committee. Please title your email “2026 Action Plan”.

The project summary for FY 2026, is available for comment at:
<https://duluthmn.gov/planning-development/community-development-funding/annual-funding-process/>