



**Planning & Development Division**  
*Planning & Economic Development Department*

Room 160  
411 West First Street  
Duluth, Minnesota 55802



218-730-5580



planning@duluthmn.gov

Community Development Committee Meeting Summary

Tuesday, March 21, 2023, 5:30 p.m.

1. Call to Order and Roll Call

Chair Steve Wick called the meeting to order at 5:32 pm

Attending: Pat Sterner, Steve Wick, Theresa O'Halloran-Johnson, David Lewis, Jennifer Harris, Mary Garness, Patrice Critchley-Menor, Jasmine Clark, AC Kirk

Absent: all present

Staff Present: Ryan Pervenanze, Suzanne Kelley, Phillis Webb

2. Approval of Meeting Summaries

a. Motion to Approve February 21 minutes **MOTION/Second: Critchley-Menor/ Lewis Vote (8-0)**  
**APPROVED**

3. Low Income Housing Tax Credit (LIHTC) Pre-commitment Projects

Staff member Suzanne Kelley reviewed the low-income housing tax credit process and presented the two applications that were being considered for precommitment funding. Both applications were submitted by Center City Community Housing.

**Welch Place:** The first application was a new construction project called Welch Plan, which was a supportive housing project on the corner of Wadena St and 53<sup>rd</sup> Ave West, adjacent to their first phase of this project named Wadena West. This project, named Welch Place Apartments, will include a total of 30 units with 12 efficiency and 18 one-bedroom apartments for homeless and at risk of homeless single adults with significant barriers to long term housing success. Center City anticipates that a significant percentage of future tenants will be BIPOC, 100% will be very low or low income, and many are facing issues that have made long term housing success very difficult. This site is ideal for this project because it has easy access to bus lines, grocery stores, employment opportunities and community amenities. This project will have affordable rents for all tenants through use of Housing Supports subsidies, allowing all residents to only pay 30% of their income towards rent. This rental assistance subsidy has already been secured for this project. To support all the tenants, Center City will provide comprehensive on-site supportive services. Center City works from a Housing First lens and implements Harm Reduction strategies. This includes: Trauma Informed case management, transportation, food support, community building activities, culturally specific programming, 24-hour front desk staff, mental/physical health supports and advocacy and referral to community resources. The precommitment request was for \$300,000 out of either FY 2024 CDBG or HOME funding.

**-MOTION** by Commissioner Sterner for Welch **MOTION/Second: Lewis Vote (8-0) APPROVED**

**New San Marco Apartments Rehab:** The second request was for a redevelopment of the existing 70-unit New San Marco Apartments located in Downtown Duluth at 230 W 3<sup>rd</sup> Street. The housing complex provides 30 single room occupancy units for chemically dependent individuals and 40 efficiency units for people that have experienced chronic homelessness. The property was developed to bring housing and supportive services under one roof to help overcome the causes of persistent homelessness. Services are provided by the Center for Alcohol and Drug Treatment and the Human Development Center, and includes advocacy, mental health treatment, and chemical dependency recovery for low income and/or homeless individuals. All units serve homeless single adults, with 30 units for individuals facing homelessness who have a history of long-term substance abuse. Originally constructed in 2007, the building has reached its 15-year tax credit timeline and needs significant renovation. Tenants at New San Marco have seen tremendous success in attaining long term housing stability. Plans to renovate the building will ensure units remain for this population of tenants for the next 20 years. The precommitment request was for \$200,000 out of either FY 2024 CDBG or HOME funding.

- **Motion** by Commissioner Critchley-Menor for San Marco **MOTION/Second: Lewis Vote (8-0). APPROVED**

4. Review the 2023 CDBG, HOME, and ESG HUD allocation amounts

Staff member Suzanne Kelley informed the CD Committee that HUD had provided the final funding allocations to the City, these amounts differ from the estimated amounts that were approved by CD Committee and City Council in January. The City will be receiving \$2,385,901 in CDBG (an increase of \$35,901), \$615,442 in HOME (an increase of \$35,442) and \$206,489 (a decrease of \$511). The CDBG and ESG amounts were within the 2% estimation, therefore the contingency plan was implemented. The HOME amount is a 6% increase; therefore, a public hearing will need to be made on this funding recommendation. As required in the Citizen Participation Plan, this allocation will be processed as a Substantial Amendment which requires a public hearing. The public hearing will need to be held on April 18, 2023.

5. Public Hearing on HOME American Recovery Plan (ARP)-

Staff member Kelley presented the HOME ARP revisions, the notice of public hearing and comment period on the city of Duluth's HOME-ARP allocation plan.

Chair Wick opened the public hearing. Chari Wick asked for public comment.

No public comment was provided. Motion to close public hearing **MOTION/Second: Lewis/ Sterner Vote (8-0) APPROVED**

Motion by Chair Wick to approve plan **MOTION/Second: O'Halloran-Johnson / Critchley-Menor Vote (8-0) APPROVED**

6. 2023 Application Review Process Update

Staff member Kelley stated that there will be a discussion at the next meeting to streamline the application.

7. Community Needs Assessment Discussion

Staff member Kelley explained every year the City provides different methods of getting community

input. They vary from surveys to input sessions to public hearings. This is the last year of the 5-year consolidated plan, so the committee can try something different, new ideas to see how effective they are.

Committee member Kirk stated that there should be an event where youth could attend so they can feel heard for their futures. Committee member O'Halloran-Johnson stated there could be facilitated sessions. Chair Wick stated that the Committee could get feedback of the from different public events. The Committee stated that they could go to the music events held in the summer or the farmer markets. This will be discussed at the next meeting.

8. Adjourn (Next meeting, April 18, 2023)

**MOTION/Second:** Kirk / O'Halloran-Johnson **Vote (8-0) APPROVED**