



City of Duluth Communications Office

Mayor Emily Larson
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SUBJECT: Mayor Larson updates the community on Housing Trust Fund and related projects

BY: Phil Jents, Communications and Policy Officer

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[Duluth, MN] In the fall of 2019, Duluth Mayor Emily Larson convened the Mayor’s Housing Task Force (MHTF) in response to a shortage of affordable housing in the city of Duluth, Minnesota. Convened by co-facilitators Elissa Hansen, President and CEO of The Northspan Group and Tony Sertich, President of the Northland Foundation, the 12-member multi-disciplinary MHTF outlined specific strategies and recommendations to incentivize and increase the production and presentation of affordable housing in Duluth.

The MHTF focused on realizing achievable, cost-effective ideas to help make the housing more affordable for residents earning \$50,000 or less a year, a figure that represents approximately 50% of Duluth’s households.

The leading recommendation from the MHTF was establishing a Housing Trust Fund. This model has been used successfully in numerous cities across the country to collect, bundle and leverage funds from public, private, and non-profit sources to channel investment into affordable housing projects.

“The first task force launched during my tenure as Mayor – the Mayor’s Housing Task Force – led to a series of concrete, attainable goals to address our community’s affordable housing needs,” said Mayor Emily Larson. “The Housing Trust Fund is a critical tool that we can use to advance affordability, and I am extremely proud of the work that not only the task force did, but also of staff and community partners to make this vision a reality.

We now have projects moving forward that literally would not be possible without the Housing Trust Fund. My thanks to community partners, financial institutions, the Duluth City Council and LISC Duluth for forging a powerful alliance in support of safe, stable, affordable housing for residents across Duluth. Between the \$4 million from City reserves, the \$12 million raised by LISC Duluth and the \$19 million from American Rescue Plan funds, we are making unprecedented investments in housing. I am so proud of our community for making housing a priority, and then to sticking with the plan to fund it.”

“With a centralized pre-application form, the City and LISC Duluth are able to collaborate on housing projects in Duluth and determine the best loan options to help close financing gaps and bring much needed housing to Duluth,” said Senior Housing Developer Theresa Bajda.

“The Housing Trust Fund is an example of what can be done when public, private, and non-profits authentically collaborate to achieve a common goal,” said Executive Director of LISC Duluth Sumair Sheikh. “A special thanks to North Shore Bank and their investment into the fund. This partnership unlocked \$6 million of national LISC money to be invested directly into our community by way of the Housing Trust Fund. I encourage individuals, contractors, and developers to learn more and contact LISC Duluth or the City so this unique fund is fully accessed to meet our housing needs.”

“I am grateful that the HRA has the capacity to assist the City in overseeing the trust fund projects,” said Executive Director of the Duluth Housing and Redevelopment Authority Jill Keppers. “The staff in our Rehab and Real Estate Department is managing final application documents, approvals, and construction draw requests. These funds can be the difference between a project coming together and a project dying on the vine. Every tool is needed to create housing – this trust fund is a valuable tool in our housing construction toolbox.”

“I want to thank the review committee for their work and dedication toward the Housing Trust Fund,” said Chief Administrative Officer Noah Schuchman. “With them, and with special thanks to Senior Housing Developer Theresa Bajda, we are advancing several affordable housing projects throughout the community and I know we are all eager to carry that work forward for years to come.”

There are several housing projects in progress or in the pipeline that the Housing Trust Fund is supporting. The City of Duluth and Local Initiatives Support Corporation (LISC) Duluth, with assistance from local partners, is now accepting pre-applications for the Housing Trust Fund. Funds will provide assistance for qualified housing infill and restoration projects. To learn more about the Housing Trust Fund and programs available through the City and LISC Duluth, please follow the link below:

<https://duluthmn.gov/planning-development/housing/loan-and-incentive-programs/>

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