Our community has changed dramatically since Duluth LISC opened its doors 20 years ago. I am proud of the progress made to increase housing opportunities, boost income and assets, stimulate economic development, grow jobs, and improve the quality of life for all residents. **LISC has invested nearly $90 million in Duluth since 1997—delivering $6 dollars in direct LISC investment for every local dollar raised.** Working hand in hand with our At Home in Duluth and other partners, we have embraced LISC’s Building Sustainable Communities model and directed those resources toward positive change!

We can’t rest on that success. Many Duluth residents continue to struggle with unemployment, poverty, homelessness, and poor health—particularly in the Hillside and Lincoln Park neighborhoods. Heading into our third decade, we see an opportunity to turn that around with a collective impact strategy focused on transforming these two communities into Quality of Life Neighborhoods where people choose to live, work, and raise families.

This shift is a cornerstone of our 2016-2018 Strategic Plan. It will be accomplished with partners in a retooled collaborative (no longer called At Home In Duluth), reflecting the reality that our scope of work goes far beyond housing. Duluth LISC will serve as the backbone organization, developing partnerships and teams at a local level, as needed, to be successful. Our collective impact strategy will include measureable goals and tools to evaluate progress. Duluth LISC also will continue working to accelerate housing development citywide and to foster economic opportunity by supporting efforts that help people gain skills and businesses create living-wage jobs.

I am excited to share our recent successes and 2016-2018 Strategic Plan priorities in this report. Thanks to being part of a dynamic national organization, Duluth LISC’s dedicated staff, Local Advisory Board, and partners are committed to this shared vision. It will take all of us working together every step of the way. Thank you for supporting Duluth LISC in its first 20 years and for helping us continue to bring critically needed technical and financial resources to our community.

I look forward to the years ahead, collaborating with longtime partners and new friends … helping neighbors build communities.

Sincerely,

Pam Kramer
Executive Director
Duluth LISC

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**Duluth LISC’s mission is to transform distressed neighborhoods into healthy and sustainable communities of choice—good places to live, work, do business, and raise children.**
HELPING NEIGHBORS BUILD …
QUALITY OF LIFE NEIGHBORHOODS

Quality of Life Neighborhoods are places where families of all income levels can find safe and affordable housing, children attend good schools, healthy food is readily available, and residents have access to health care, child care, financial counseling, and other services. They are locations that cultivate entrepreneurial spirit, attract business investment, and create living-wage jobs that raise people out of poverty. Best of all, they are warm, welcoming environments that instill a sense of pride, ownership, and belonging.

Duluth LISC engages residents, business owners, and other stakeholders in building sustainable communities—starting at the neighborhood level. As part of LISC, a strong national organization whose first name is Local, we bring resources to the community to carry out LISC’s comprehensive community development strategy and its five goals (see list). LISC works locally to help convene, fund, build capacity, and collaborate with partners to identify local priorities and leverage resources from LISC’s national network to address them in appropriate ways.

OUR GOALS

- Expanding investment in housing and other real estate
- Increasing family income and wealth
- Stimulating economic development
- Improving access to quality education
- Supporting healthy and safe environments and lifestyles

OUR NEIGHBORHOODS

LISC’s 2016-2018 Strategic Plan focuses a collective impact strategy on revitalizing the Hillside and Lincoln Park neighborhoods, two areas with persistent challenges and enormous potential. Duluth LISC continues to promote economic opportunities in other western neighborhoods and housing preservation and development citywide.

2016 AT HOME IN DULUTH
CORE GROUP

Center City Housing Corp.
CHUM
City of Duluth
Community Action Duluth
Duluth HRA
Duluth LISC
Ecolibrium3
Entrepreneur Fund
Generations Health Care Initiatives
Head of the Lakes United Way
Independent School District #709
Lincoln Park Business Group
Morgan Park Community Club
Myers-Wilkins Community School Collaborative
One Roof Community Housing
St. Louis County
Zeitgeist Center for the Arts & Community

THANK YOU

At Home in Duluth
Core Group members!
We look forward to working with you and other partners in a powerful new collaborative, advancing a collective impact strategy with clear goals and measurable outcomes!
INVESTMENT SUMMARY
January 1–December 31, 2016

REVITALIZING THE DULUTH ARMORY—$346,300
Efforts to transform the former Duluth Armory into a thriving arts and music center moved closer to reality in 2016. A major predevelopment loan through Duluth LISC is helping developer Boisclair Corp advance its vision of revitalizing the landmark into an arts, retail, and office complex with adjacent mixed-income housing.

UPDATING HOUSING STOCK—$145,500
A project investment loan from Duluth LISC helped One Roof Community Housing acquire property in the Hillside to preserve, rehabilitate, and/or develop up to 75 units of new mixed-income rental housing. LISC also provided One Roof with operating support to address housing rehab, develop workforce housing, and provide homeownership counseling and training.

BUILDING BRIDGES TO CAREER OPPORTUNITIES—$245,000
LISC selected Community Action Duluth to participate in Bridges to Career Opportunities, a multi-year national initiative funded primarily through the Social Innovation Fund. Community Action’s local program, called Connect Forward, builds upon a successful LISC Financial Opportunity Center. Additional operating support from Duluth LISC is helping Community Action grow a variety of programs that help people set goals, gain skills, and take control of their financial futures.

SAVING ENERGY AND MONEY—$53,003
No one should have to decide whether to “heat or eat.” Funding from Duluth LISC helped Ecolibrium3 develop Giving Comfort at Home to assist income-eligible, elderly, disabled, and veteran homeowners make energy improvements and to revitalize neighborhoods along the St. Louis River Corridor. Duluth LISC also provided funds to Ecolibrium3 for capacity building, volunteer management training, and to engage residents in their neighborhoods.

CRAFTING A STRONG BUSINESS DISTRICT—$38,000
The Lincoln Park Craft Business District is gaining momentum. Operating support from Duluth LISC enabled Ecolibrium3 to lead revitalization efforts and coordinate a Lincoln Park Open House to showcase businesses in the up-and-coming district. Duluth LISC also provided a seed grant to strengthen the Lincoln Park Business Group so it can better plan for the district’s exciting future.

“Duluth LISC’s ability to help identify and invest in projects that are in their infancy has a catalytic impact on projects moving from an idea to a reality.”
Jeff Corey, Executive Director
One Roof Community Housing

GATEWAY TOWER
Partners gathered in December 2016 to announce the $18.5 million preservation and rehabilitation of 150 units of affordable rental housing in downtown Duluth. Center City Housing and One Roof Community Housing purchased Gateway Tower with investment from the Duluth Housing and Redevelopment Authority and many state, local, and federal sources—saving the 14-story facility from foreclosure and keeping residents in their homes. Duluth LISC provided predevelopment financing along with operating support for One Roof to grow its housing development capacity.

“Duluth LISC directly provided $1,040,757 to local developers through grants, loans, and sponsorships during 2016.

“How has Community Action (and Connect Forward) helped me? It changed my life!! I want you to quote that, because it’s true!”
Marissa J., Participant
Connect Forward
[LISC Bridges to Career Opportunities]
ADVANCE WEST GROWS JOBS AND STRENGTHENS NEIGHBORHOODS

Artist Karin Kraemer is relocating her Duluth Pottery business to Lincoln Park with help from Advance West, a pilot program funded by the City of Duluth’s 1200 Fund and a LISC storefront improvement loan. Advancing Lincoln Park (a group led by Ecolibrium3, the Entrepreneur Fund, and Duluth LISC) identified the need for Advance West gap financing to help entrepreneurs acquire and rehabilitate older buildings. Duluth LISC and the Entrepreneur Fund also are working with the West Duluth Business Club to encourage Advance West and storefront improvement projects.

“This old building was in big disrepair. We could not have done our project without the 1200 Fund (Advance West).”

Karin Kraemer, Owner
Duluth Pottery

REWARDING ENTREPRENEURIAL SPIRIT—$116,100
Curb appeal matters. In 2016, Duluth LISC funds helped the Entrepreneur Fund assist businesses in Hillside, Lincoln Park, West Duluth, and Morgan Park access storefront improvement loans, design assistance, and small capital loans. Duluth LISC also provided operating support for the Entrepreneur Fund to facilitate Advancing Lincoln Park and work with businesses in other neighborhoods.

BUILDING WORK EXPERIENCE—$30,762
SOAR Career Solutions is helping individuals with limited or poor work histories turn their lives around with funding from Duluth LISC. The money provides supportive services so unemployed or underemployed people can move into entry level positions and builds upon the success of Duluth At Work.

SEEDING NEW IDEAS—$7,319
Seed grants from Duluth LISC helped numerous ideas take root in 2016. They included a medicinal garden, plans for a neighborhood cabaret, and a strengthened business group in Lincoln Park, new audio/visual equipment at the Morgan Park Community Club, and more.

STRENGTHENING LIVES AND PRESERVING CULTURE—$50,024
The holistic approach of the American Indian Community Housing Organization (AICHO) advances housing and employment, while celebrating the rich cultural traditions of multiple tribes. In 2016, LISC funding helped AICHO develop a strategic plan, increase its ability to grow and rehabilitate the housing stock in core neighborhoods, plus expand an art gallery in Lincoln Park where American Indian artists can show and sell their work.

SPONSORSHIP AND CONSULTANT SUPPORT—$8,750
Duluth LISC sponsorships in 2016 supported numerous community activities, including Community Connect (a one day, one stop shop for those experiencing homelessness), Hillfest, and two events addressing racism and equity issues, along with scholarships and consultants to advance neighborhood revitalization.

BY THE NUMBERS

Total Direct Financial Assistance
$1,040,757
Total Local Funds Invested to Date
$15,019,088
LISC Investments to Date
LI
LISC Affiliate—National Equity Fund
$38,554,820
New Markets Tax Credits
$32,635,873
Other LISC Investments
$18,557,087
Total LISC Investments to Date
$89,747,780

For every $1 raised locally, LISC returns nearly $6.
Priory

Focus comprehensive community development work in Hillside and Lincoln Park

- Unite these neighborhoods in sustainable community-driven revitalization that includes housing, career pathways, entrepreneurship, commercial district improvements, and enhanced quality of life
- Identify key partners to implement plans and ensure broad engagement
- Advance Lincoln Park Craft Business District and Hillside Health District strategies
- Engage city leaders and private-sector developers
- Involve those facing barriers in identifying challenges and addressing solutions

Priority

Provide leadership, funding, and resources to accelerate citywide development of quality, affordable housing

- Secure new funds, development partners, and legislation to address Duluth’s housing needs
- Support a pilot program to upgrade tax-forfeited and/or condemned single-family homes and make them more affordable
- Work with the city, local partners, and private developers to attract investment in existing housing
- Create a mix of housing types, focusing on mixed-income housing in Lincoln Park and the Hillside and workforce housing citywide
- Continue to support St. Louis County’s Plan to End Homelessness and development of supportive housing

Fair Food Access

Grocery Express is on a roll, making healthy food more accessible to Lincoln Park neighborhood residents. Buses with grocery bins deliver riders to Super One and Whole Foods Co-op in West Duluth. The service recently expanded from one to five days per week. It grew from the Lincoln Park Fair Food Access (FFA) campaign, facilitated by Zeitgeist with funding from Blue Cross Blue Shield. FFA partners include Duluth LISC, CHUM, Community Action Duluth, the Duluth Community Garden Program, and neighborhood residents.

“The collaboration that occurs between agencies and neighborhood residents has made it possible to identify and pinpoint real issues so we can create and enact effective solutions.”

Brooke Wetmore, Community Development Manager Zeitgeist
Center for Changing Lives
Lutheran Social Service broke ground on the Center for Changing Lives in May 2016. The 27,000-square-foot building in Duluth’s Hillside neighborhood will provide a central location for at-risk young people to find safety, support, and guidance. It will feature transitional and permanent supportive housing, a teen clinic, counseling services, healthcare, life-skills development, and more. Duluth LISC was the first lender to assist with crucial predevelopment funding. Its advocacy has helped pull resources together and bring the project to fruition.

“We are grateful for LISC’s remarkable advocacy and partnership … Consolidation of services at the Center for Changing Lives will accelerate already successful youth programming and strengthen community partnerships.”

Jennifer Julsrud, Director
Center for Changing Lives

St. Louis River Corridor
Duluth LISC “seed grant” funds from The McKnight Foundation will help implement a mini master plan for Riverside Park in western Duluth, developed through a partnership with the City. It incorporates ideas from Design Duluth, which engaged University of Minnesota students in designing a future for the St. Louis River Corridor. Duluth LISC, the St. Louis River Alliance, and Design Duluth Studio secured a Bush Foundation grant for the process.

“LISC has been a great partner, not just with seed money but with moral support and connections to ideas. The plans developed by Design Duluth fully incorporated community desires for green space, history, and gathering space.”

Carole Newkumet, President
Riverside Community Club
2016 DULUTH LISC STAFF
Pam Kramer, Executive Director
Rusty Brown, Assistant Program Officer
Lars Kuehnow, Neighborhood Development Officer
Lauren Mitchell, Part-time Administrative Assistant

2016 DULUTH LISC LOCAL ADVISORY BOARD
Deb Otto, Chair
Alerus
Frank Jewell, Vice Chair
St. Louis County
Bill Bennett
LHB, Inc.
Michael Boeselager
St. Luke’s
Kimberly Carlisle
Ascena Retail Group
Ron Fransen
St. Luke’s
Matthew Hunter
Head of the Lakes United Way
Angie Miller
Community Action Duluth

Essentia Health
Minnesota Housing
St. Louis River Alliance/Bush Foundation

$100,000 +
The McKnight Foundation
LISC Social Innovation Fund
Northland Foundation
Northwest Area Foundation
U. S. Dept. of Housing and Urban Development

$25,000 - $99,000
Essentia Health
Minnesota Housing
St. Louis River Alliance/Bush Foundation

$10,000 - $24,999
Blue Cross Blue Shield/
Fair Food Access/Zeppa Foundation
Housing and Redevelopment Authority of Duluth
Lloyd K. Johnson Foundation
maurices

$5,000 - $9,999
Alerus
Hanft Fride, A Professional Association
North Shore Bank of Commerce
Wells Fargo Foundation
A. H. Zeppa Foundation

$1,000 - $4,999
Benedictine Sisters of St. Scholastica
DSGW
Fryberger, Buchanan, Smith & Frederick
Johnson Wilson Constructors
Minnesota Power Employees Credit Union
National Bank of Commerce
St. Luke’s
U. S. Bancorp Foundation

Thank you to Michael K. Anderson for many of the photos used in our reports.

DULUTH LISC 2016 DONORS

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Kraus-Anderson Construction
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Kenneth Tolle
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Gary and Sandra Winklesky

Duluth Mayor Emily Larson served on a panel about LISC’s partnerships with local and state government at the LISC National Leadership Conference in Houston, Texas, in November 2016.