TOTAL LISC INVESTMENT IN DULUTH
$90,643,006
JOBS CREATED
1,591
HOUSING UNITS DEVELOPED OR PRESERVED
1,827
BLOCKS OF LIGHTING & STREETSCAPE IMPROVEMENTS
147.5
CHILDCARE SPACES
186
Mamma Mia! Another successful year has passed and 2018 is off to a strong start—punctuated by the NorShor Theatre’s grand reopening with the popular ABBA tribute. LISC was a predevelopment investor in the NorShor restoration project. These funds and our investment of federal New Markets Tax Credits helped the Duluth Playhouse, Sherman Associates, and the City of Duluth bring the project to fruition. Seeing Duluth’s now thriving Historic Arts & Theater District come to life validates our role as a convener, investor, and catalyst for transformational change.

Now Duluth LISC is bringing these strengths to a new initiative: Quality of Life Neighborhoods. Launched in 2017, this collective impact strategy builds upon 20 years of community-based neighborhood revitalization and focuses attention and resources on Duluth’s Hillside and Lincoln Park neighborhoods. The goal is to reduce poverty, expand opportunities, and address life expectancy gaps in these two core neighborhoods by bringing organizations and efforts together in meaningful ways with measurable results. Meanwhile, we continue to engage in broader community development such as the Imagine Duluth 2035 comprehensive planning process and citywide efforts to accelerate housing development and preservation, spur economic development, strengthen small businesses, and help residents build income and assets.

Please read this 2017-2018 Report. It highlights people, partners, policies, and projects we have worked with in the past year. It recognizes the critically important role of our donors, the value of strong community partnerships, and the generous leadership of our Local Advisory Board. Change requires a collective approach with people pulling together with a shared vision and commitment to adding value. I look forward to another year of convening and supporting partners, bringing new resources to Duluth, and helping neighbors build communities that are resilient, inclusive, and bursting with opportunities.

Sincerely,

Pam Kramer, Executive Director

LISC’s Mission:
With residents and partners, LISC forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families.

“LISC is the convener that seeks out and finds partners from private, non-profit, and government sectors that pool their resources to help our communities thrive. LISC has had a huge impact on our community and I am proud to be of service as a local advisory board member.”

Deb Otto, President, Alerus, & Chair Duluth LISC Local Advisory Board

Duluth’s newly refurbished Gateway Tower Apartments, a One Roof Community Housing, Center City Housing Corp., and Duluth HRA partnership, that LISC helped to support with technical assistance and predevelopment funding. Badly in need of upgrades and repairs, this 150-unit building’s 40-plus-year history as an affordable housing option was at risk. In 2017, Gateway was renovated inside and out, including modernized, energy efficient apartments, while residents continued to live in the building.

“Since the renovation, it has become more of a community here. It’s like a family now, and it’s getting stronger as the months go by.”

Pam Blommer, Gateway Tower Apartments resident
QUALITY OF LIFE NEIGHBORHOODS

Duluth LISC’s 2016-2018 Strategic Plan features the Quality of Life Neighborhood Collective (QLNC), a collective impact strategy working with the Hillside and Lincoln Park neighborhoods. It focuses on comprehensive community development and authentic resident and stakeholder engagement in these two neighborhoods, which have both persistent challenges and enormous potential.

We will create neighborhoods of choice and opportunity where all can prosper. Using a comprehensive cross-sector collective impact approach, we will work to reduce poverty, improve the quality of life, and address the 11-year life expectancy disparity that currently exists.

LISC serves as the backbone organization for these efforts. We identify key partners, coordinate working groups, secure funding and other tools needed to develop and support the QLNC vision, activity, work plan, and communication efforts.

Ecolibrium3 in Lincoln Park and Zeitgeist Center for the Arts and Community in the Hillside serve as the neighborhood intermediaries to ensure authentic community engagement by residents and businesses in the process. In addition, six Working Groups were formed to help craft sustainable solutions and actions to achieve neighborhood goals. Along with a cross-sector Impact Support Committee consisting of representatives from the neighborhoods, the Working Groups and LISC will convene to ensure we achieve our goals.

QUALITY OF LIFE NEIGHBORHOODS COLLECTIVE

American Indian Community Housing Organization  Duluth Community Schools Collaborative  ISD 709
ARC Northland  Duluth Housing and Redevelopment Authority  Lake Superior Association of Realtors
ARDC, Duluth-Superior Metropolitan Interstate Council  Duluth Port Authority  Life House
Arrowhead Manufacturers & Fabricators Association  Duluth Transit Authority  Lutheran Social Service
Center City Housing Corp  Ecolibrium3  One Roof Community Housing
CHUM  Entrepreneur Fund  Ordean Foundation
City of Duluth  Essentia Health  St. Louis County
Community Action Duluth  Generations Health Care Initiatives  SOAR Career Opportunities
Damiano Center  Greater Downtown Council  Zeitgeist Center for the Arts and Community

SPECIAL THANKS TO OUR FUNDERS for helping to support the start-up and implementation of the QLNC:

Helping neighbors build …

The Quality of Life Neighborhood Collective (QLNC) connects residents with a neighborhood intermediary to address measurable outcomes in six areas. The powerful new process will advance a shared, collective impact strategy to ensure both people and places prosper.
In 2017, Duluth LISC provided $938,426 in grants, loans, and sponsorships.

ACCELERATING INVESTMENT – $170,500
Duluth LISC is a crucial “first-in” investor, providing millions of dollars in New Markets Tax Credits and other financing in our 21-year history. LISC provided $170,500 in predevelopment loans this year. Predevelopment funding allows projects to get their start and to leverage additional critical investment. The strong backing from Duluth LISC this year allowed One Roof Community Housing to proceed with planning and predevelopment on two new housing projects, Decker Road and Brewery Creek, for an estimated 120 new housing units. Investments like these bring other local and national support to the table, launch new businesses, and grow employment opportunities.

EXPANDING HOUSING OPPORTUNITIES – $37,000
Duluth LISC’s housing leadership addresses the fundamental human need for a place to call home. From supportive housing developments to mixed income housing, rehab projects to new workforce housing, LISC’s initiatives touch the essential cornerstones for stronger, healthier neighborhoods. This year, LISC funds from Minnesota Housing supported trainings on energy efficient housing and asset management, increased capacity for new units, and preserved existing housing in a tight market.

BUILDING THE CAPACITY – $270,000
LISC nurtures the expansion of existing programs and the creation of new initiatives through HUD Section 4 capacity building funding. Five organizations received support to address organizational goals, including Community Action Duluth’s Financial Opportunity Center (FOC) where clients connect with services like SNAP, utility assistance, free tax preparation, and affordable health insurance. The cornerstone of the FOC model is providing wraparound services with a long-term commitment to help each client reach career and life goals.

COMMUNITY ENGAGEMENT – $26,000
Functioning as the neighborhood intermediary in Lincoln Park, Ecolibrium3 works with local businesses and residents to drive and capitalize on the upward momentum that is infusing the trend-setting Craft Business District. Operating support from LISC provides Ecolibrium3 with the tools to ensure community voices will reach decision-makers and residents have greater access to employment and community resources.

ENTREPRENEURSHIP – $52,000
New ideas and new jobs create healthy, resilient communities. Support for the Entrepreneur Fund allows new and expanding businesses to revitalize commercial districts with storefront loans and start-up guidance in the Downtown, Hillside, Lincoln Park, and West Duluth neighborhoods. By providing technical assistance and funding for small business to grow, LISC supports the early adopters that go on to make meaningful investments to rewrite the narrative of neighborhoods.

Seeds of Success is both a healthy food access and a transitional employment program created and administered by Community Action Duluth with financial support from LISC. In addition to a thriving farmers market in Lincoln Park, the program is now growing vegetables for a winter extension of that market, while planning a new outlet to serve residents of the Hillside neighborhood.

“The neighborhoods where we operate are food deserts in terms of access to healthy foods. Seeds of Success provides these communities with fresh produce at affordable prices. Funding from LISC has enabled us to start new projects and add to programs that we wouldn’t have been able to do otherwise.”

Aimee Foster, Program Manager, Seeds of Success
The annual Lincoln Park Open House draws residents and visitors for a day of fun activities, demonstrations, and discounts from businesses and artisans throughout this diverse neighborhood. The event showcases both long-established storefronts and new entrepreneurs and is driving a positive narrative of opportunity and merging business cultures in Lincoln Park.

“Just like inviting someone into a house to look at it and buy it, we want to invite people into this neighborhood to look at it and buy into it. And we’ve achieved real success, both in terms of outsider participation and on the economic development side.”

Shannon Laing, Director of Partnership Development, Ecolibrium3 (neighborhood support activities funded in part by LISC)
**Priority**

Focus comprehensive community development in the Hillside and Lincoln Park neighborhoods through leadership of the Quality of Life Neighborhoods Collective.

- Create a cross-sector Collective Impact strategy for the Hillside and Lincoln Park neighborhoods that includes authentic community engagement, strong partnerships with clear roles and measurable outcomes, key partners to take on implementation, and LISC as the backbone to help facilitate this strategy.
- Unite these neighborhoods and target efforts to implement a broader vision for sustainable community-driven revitalization, including housing, asset and income building, career pathways, entrepreneurship, commercial district improvements, access to quality health, education, transportation services, and quality of life enhancements.
- Partner with the public, private, non-profit and neighborhood sectors to add value, leverage resources, provide continuous communication, neighborhood engagement, broad support and transformative outcomes.
- Ensure the voices of those facing barriers are engaged in identifying and addressing solutions and that the structure ensures engaging new partners, updating plans, monitoring progress, and continuous outreach and cross-sector engagement.

**Priority**

Provide leadership, funding, and resources to ensure access to quality, affordable housing, and to accelerate citywide development of a mix of housing needed to address Greater Duluth’s full continuum of housing needs.

- Secure new funds, development partners, and legislation to address Duluth’s housing needs.
- Support a pilot program to upgrade single family homes that are tax-forfeited, foreclosed, condemned, or in need of reinvestment to make them available at affordable rates for homeownership.
- Work with the City, neighborhoods, and other non-profit, public, and private sector partners to invest in Duluth’s housing stock to meet identified needs.
- Create a mix of housing types and opportunities designed to address Duluth’s continuum of housing needs with a strong focus on mixed income housing in the Hillside and Lincoln Park neighborhoods and added affordable and mixed income housing citywide.
- Support implementation of St. Louis County’s Plan to End Homelessness to ensure that vulnerable populations can access and maintain quality housing and needed services.

**Priority**

Support and Strengthen Duluth LISC’s capacity.

- Continue to grow and support collaborations and to leverage added funds, programs, and resources.
- Maximize the expertise and grow the diversity on our Local Advisory Board to promote LISC, its work, and impact.
- Continue to support and grow LISC staff capacity needed to expand our impact as a convener, capacity builder, backbone organization, and national resource to address local community development, housing, and economic development needs.
- Continue LISC’s communications and fundraising efforts to attract new local, statewide, and national support and increase resources for Duluth’s comprehensive community development work.

Across the city, employers in healthcare, manufacturing, and other fields are facing real difficulties finding certified workers. Partnering with local businesses, Bridges to Career Opportunities programs housed at Community Action Duluth use LISC funding to provide unemployed or underemployed Duluthians with industry-aligned coaching, training, and educational support that will result in the skills and certifications necessary to secure good jobs.

“It’s really a win-win. We’re helping low-wage workers to gain more money, we’re helping Duluth employers meet a critical shortage. In the end, the people who are benefiting are all the people who live here and make it their home.”

Angie Miller, Executive Director, Community Action Duluth
A grand old space reborn: the long-dreamed-of community vision of anchoring Duluth’s burgeoning Arts District with the venerable NorShor Theatre is now a reality! LISC laid the foundation for financing this $32 million historic preservation and renewal project with a substantial predevelopment loan for leveraging subsequent funding and a highly competitive $7 million LISC New Markets Tax Credit allocation, which generated over $2 million in equity into the project. LISC is very proud to help The Duluth Playhouse have a new venue to continue their expansion of community theater and the arts. This investment will generate economic development opportunities for the arts, as well as business growth for the entire area.

“LISC’s partnership with Sherman Associates in providing both predevelopment assistance and over $2.1 million in New Markets Tax Credits was fundamental. By providing resources to examine the feasibility of the project, this early financing by LISC helped ensure not only that it could work, but also to identify where funds could be obtained to successfully restore the theatre.”

Christine Gradl Seitz, Executive and Artistic Director, The Duluth Playhouse
2018 DULUTH LISC STAFF
Pam Kramer, Executive Director
Lars Kuehnnow, Program Officer
Emily Nygren, Assistant Program Officer
Linda Mathiassen, Communications and Marketing Consultant

2017-2018 DULUTH LISC LOCAL ADVISORY BOARD

Deb Otto, Chair - 2017
Alerus

Frank Jewell, Vice Chair - 2017
St. Louis County

Geoffrey Popham, Vice Chair - 2018
US Bank

Bill Bennett - 2017
LHB, Inc.

Michael Boeselager
St. Luke’s

Kimberly Carlisle
Ascena Retail Group

Stephanie Cummings - 2018
Wells Fargo

Jessica Deegan
Minnesota Housing

John Erickson
DSGW Architects, Inc.

Robert Espenson
Friend & Friends Bank

Jean Farmakes - 2018
LHB, Inc.

James M Garvey
Essentia Health

Bill Gronseth
ISD 709-Duluth Public Schools

Cammy Hansen
National Bank of Commerce

David Jensch - 2017
Pioneer National Bank

Jessica Deegan
Minnesota Housing

Joe Johnson III
North Shore Bank

Shane Johnson
Johnson Wilson Constructors

Angie Miller
Community Action Duluth

David Montgomery
City of Duluth

Neal Ronquist
Duluth News Tribune

Thank you to Jeff Frey Photography, Michael K. Anderson, and Ivy Vainio for photos used in this report.

THANK YOU TO DULUTH LISC 2017 DONORS

$100,000 +
LISC Social Innovation Fund
U.S. Dept. of Housing and Urban Development

$25,000 - $99,000
Essentia Health
Minnesota Housing Capacity Building 2017

$10,000 - $24,999
Duluth Superior Area Community Foundation
Lloyd K. Johnson Foundation
maurices
Northland Foundation

$5,000 - $9,999
Alerus
National Bank of Commerce
North Shore Bank
Wells Fargo

$1,000 - $4,999
Benedicite Sisters
Duluth Housing and Redevelopment Authority
DSGW Architects, Inc.
Fryberger, Buchanan, Smith & Frederick, P.A.
Harri Fride, A Professional Law Firm
LHB, Inc.
Republic Bank
St. Louis County
St. Luke’s
U.S. Bank
Western Bank

Other Corporate Giving
Ascena Retail Group
Denton Law Office, LLC
Duluth Superior Area Community Foundation
/ Apter Family Fund
Foster, Jacobs & Johnson, Inc.
Lincoln Park Business Group
Melhus Management Company
Pioneer National Bank
Wagner Zaun Architecture

Individual Donors
Rick Ball
William & Lydia Bennett
John Erickson & Gail Blum
Michael Boeselager
Patrick & Jennifer Boyle
Kathryn Nelson & Timothy Carpenter
Kimberly Carlisle
Barbara & M. George Downs
Jessica Deegan
Jessica Deville
Gary & Barbara Eckenberg
Robert & Linda Espenson
James Garvey
Dave & Lisa Goldberg
William Gronseth
Cammy Hansen
Diane Holliday-Welsh
Matthew Hunter
Frank Jewell & Kathleen Busche

Joe Johnson III
Shane & Sara Johnson
Pam Kramer & Grey Doffin
Lars Kuehnnow
Angie Miller
Daniel & Sarah Maddy
David Montgomery
Alan Netland & Melanie Shepard
Emily Nygren
Bob & Marsha Odman
Deb Otto
Jenny Peterson
Geoffrey & Sandy Popham
Mary Rapps
Neal Ronquist
Barbara Russ
Jessica A. & William Staubert
Mimi Stender
Carolyn Sundquist
Kenneth Talle
Mary VanEvera
Debbie Freedman & Dr. Peter Wodrich