

DULUTH RECEIVES \$100,000 SEED GRANT AS A "SUSTAINABLE COMMUNITY"

The nation's eyes are on Duluth, looking for creative ways to revitalize neighborhoods and promote effective community development. A \$100,000 seed grant from Local Initiatives Support Corporation (LISC) in New York, NY, will help the community meet this challenge.

National LISC awarded the grant after selecting Duluth as one of 11 demonstration sites for its nationwide "Sustainable Communities" initiative. The seed funding is intended to stimulate local investment and help five Duluth neighborhoods refine and advance revitalization plans that address a broad range of quality-of-life issues. Successes will be shared with other LISC communities.

Headed by Duluth LISC, the local initiative is called *Creating Neighborhoods That Work—At Home in Duluth*. Its goal is to create strong, stable neighborhoods where residents of varying backgrounds and income levels can live, work, and participate in local leadership and community life. Targeted neighborhoods are Central Hillside, East Hillside, Lincoln Park, Morgan Park, and West Duluth.

More than 100 people have participated in neighborhood focus groups and one-on-one interviews to begin shaping strategies. The process has revealed numerous opportunities to coordinate services and engage stakeholders in ways that expand capital investment in housing and real estate, increase wealth and income, stimulate economic activity, improve access to education, and support healthy environments.

"Our community has many excellent organizations accomplishing great things, but people can become so embroiled in their own activities that they don't take the time to explore who is doing similar or complementary work," said Paula Reed, president of the United Way of Greater Duluth and a focus group participant. "This initiative will draw people out of the 'silos' of their own areas, break down barriers, and help connect the dots."

Duluth LISC is hoping to match National LISC's \$100,000 seed grant with local contributions.

"It is important for our local businesses, organizations, and individuals to see a role they can play in revitalizing neighborhoods and strengthening the community," said Sister Kathleen Hofer, SMDC Health System, a member of Duluth LISC's Local Advisory Board. "This initiative is well developed, organized, and very positive, and supporting it financially will make it all the more successful."



Duluth LISC consultant Patty Beech (center) facilitated a recent neighborhood focus group meeting at the Hillside Community Club. Participants included Warren High (right) and Mary Ness (left).

CELEBRATING DULUTH LISC: 10 Years And Counting

Duluth LISC is celebrating 10 years of partnerships and progress with a new comprehensive community development initiative, *Creating Neighborhoods That Work—At Home in Duluth*.

Mark your calendars, and please join us for these special events as we build upon a decade of success:

Saturday, Oct. 6

Creating Neighborhoods That Work—At Home in Duluth

Showcase and Assembly

First United Methodist (Coppertop) Church

9:30 a.m. to 12:00 p.m.

Tuesday, Oct. 16

Donor Reception with Michael Rubinger,

President/CEO, National LISC

Northland Country Club

5:30 p.m. to 7:00 p.m.

Wednesday, Oct. 17

Duluth LISC 10th Anniversary Celebration and Annual Awards

Luncheon, featuring LISC President/CEO Michael Rubinger

Greysolon Plaza

12:00 p.m. to 1:30 p.m.

Since its inception in 1997, Duluth LISC has leveraged more than \$61 million for Duluth neighborhoods through effective capital investment and the resources of National LISC.

THANK YOU DONORS

SUSTAINING DONORS

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Minnesota Power
National Bank of Commerce
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Republic Bank
Alan Netland & Melanie Shepard
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TCF Bank
The Communities Group
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& Urban Development
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WDIO/The Hubbard
Broadcast Foundation

NEW DONORS SECOND QUARTER 2007

Higher Education Consortium
for Urban Affairs
The Home Depot
National IISC Sustainable
Communities Challenge Grant
Northwest Area Foundation
George Sherman
Charles and Peggy Vliek
State Farm

DULUTH HERITAGE SPORTS CENTER

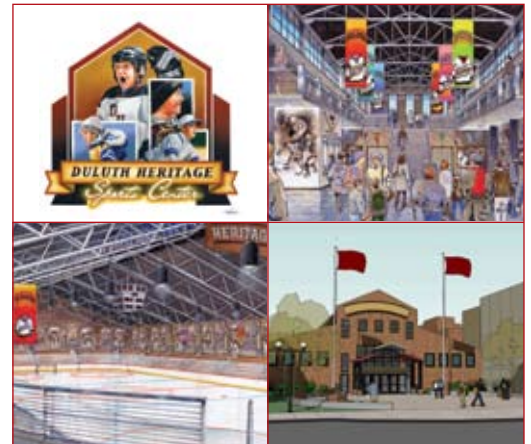
Construction is underway on a \$15.6 million multi-sport complex that will provide services and activities for area youth, revitalize a brownfield site, preserve historic buildings, and stimulate economic activity in Duluth's Lincoln Park and West Duluth neighborhoods.

Partners in the Duluth Heritage Sports Center held a groundbreaking ceremony August 8, 2007, at the Clyde Iron property. They hope to complete the first phase, including a hockey rink and new home for the Duluth Boys and Girls Club, by the end of this year. The second phase will add a multi-sport field house and should be finished in 2008.

Duluth IISC provided technical assistance and a \$1 million low interest construction loan through IISC's national loan pool to support the development.

"Duluth IISC has been very helpful in framing the dimension and scope of this project, securing a loan through its national organization, and in identifying other sources of financing," said Dick Loraas, chair of the nonprofit Duluth Heritage Sports Center.

Redevelopment of the former Clyde Iron industrial site and construction of the Heritage Sports Center emerged as top priorities in Lincoln Park's neighborhood revitalization plan, a precursor to Duluth IISC's *Creating Neighborhoods That Work—At Home in Duluth* initiative. Private developers are planning to build a hotel, marketplace, brewery, and other amenities in soon-to-be renovated adjacent buildings on the Clyde Iron property.



NATIONAL SPEAKER STRESSES PARTNERSHIPS FOR CRIME PREVENTION



(left to right) Duluth IISC's Pam Kramer and Duluth Police Officer Barry Midhun speak with Julia Ryan, head of National IISC's Community Safety Initiative.

Local residents, businesses, agencies, and law enforcement must work together to reduce crime and create stronger, safer neighborhoods. That was the message stressed by Julia Ryan, program director of National IISC's Community Safety Initiative, during a recent presentation in Duluth.

"Community development can be an effective tool for crime prevention," Ryan said, noting that National IISC awarded Duluth IISC partners a \$15,000 U.S. Department of Justice grant to raise public awareness of safety issues in the community and to work with law enforcement toward solutions.

"The idea that we can strategically leverage that investment to support the local police department is very powerful," Ryan said. "I'm impressed by the strong interest Duluth police officials have expressed for expanding community partnerships."

The presentation was the sixth in a series of citywide safety forums sponsored by Duluth IISC and Neighborhood Housing Services of Duluth.

GRANT SUPPORTS "GREEN" HOME CONSTRUCTION



Women in Construction Company recently completed construction of the Eco-Home at Hawk Ridge, a state-of-the-art, energy-efficient model home. Duluth LISC provided predevelopment funding.

organizations that embrace green practices while building affordable, healthy homes for working families. By forming a partnership with this organization, we are furthering our shared mission of being responsible caretakers of the environment and health of local communities."

More "green" housing may sprout up in Duluth, thanks to a \$40,000 grant from The Home Depot Foundation, secured by Duluth LISC for two local organizations. Common Ground, an affiliate of Northern Communities Land Trust, and Women in Construction Company will split the funding to expand energy- and resource-efficient practices in their home construction programs.

"The Home Depot is proud to be a funding partner of Duluth LISC," said Kelly Caffarelli, executive director of The Home Depot Foundation. "Our foundation supports



DIXON JOINS LISC LOCAL ADVISORY BOARD

Duluth LISC is pleased to welcome Keith Dixon, Ph.D., superintendent of Duluth Public Schools to its Local Advisory Board. Dr. Dixon came to Duluth in March 2005, following 10 years as superintendent of schools in Fairbault, Minn. Improving access to quality education is a key component of Duluth LISC's new *Creating Neighborhoods That Work—At Home in Duluth* initiative. Dr. Dixon's proven vision, leadership, and coalition-building skills will be tremendous assets in partnering to achieve that goal.



DULUTH LISC INVESTMENT SUMMARY-SECOND QUARTER 2007

LOANS

\$1,200,000

- Duluth Heritage Sports Center—\$1,000,000 toward the construction costs of a multi-purpose sports facility in Lincoln Park
- Northern Communities Land Trust—\$200,000 for acquisition and predevelopment costs associated with its Purchase/Rehab/Resale program; funds will be used for nine properties

RECOVERABLE GRANTS

\$0

(Project-specific 0% funds that recycle for future use)

CAPACITY BUILDING AND INTERNSHIP GRANTS

\$12,280

- American Indian Community Housing Organization (AICHO)—\$6,680 for strategic planning to clarify AICHO's mission, strengthen community relationships, raise capital, raise awareness, and better integrate its program development
- Churches United in Ministry (CHUM)—\$3,000 for intern to assist with identifying buildings with high police calls, code issues for addressing public safety, and vacancy issues within the *Creating Neighborhoods That Work—At Home in Duluth* neighborhoods
- Women in Construction Training Program—\$2,600 so the current intern can take on additional duties related to the Eco-Home and other projects

OPERATING SUPPORT GRANTS

\$45,000

- CHUM—\$10,000 to assist in the organization and implementation of *Creating Neighborhoods That Work—At Home in Duluth*.
- Neighborhood Housing Services of Duluth—\$15,000 to assist in the organization and implementation of *Creating Neighborhoods That Work—At Home in Duluth*.
- Spirit Valley Citizens Neighborhood Development Association—\$20,000 to enable staff to assist in organizing *Creating Neighborhoods That Work—At Home in Duluth*.

SPONSORSHIPS/CONSULTANTS

\$15,000

- Consultant—\$15,000 to assist with marketing/communications for *Creating Neighborhoods That Work—At Home in Duluth* and Duluth LISC.

Total Direct Financial Assistance in 2007

\$1,527,280

Total Local Funds Invested to Date

\$7,228,661

Total National LISC/NEF Invested or Committed to Date

\$45,400,929

Total New Markets Tax Credits Invested to Date

\$16,500,000

Total LISC Investment

\$61,900,929



LOCAL INITIATIVES SUPPORT CORPORATION

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DULUTH LISC STAFF

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MISSION STATEMENT

Duluth Local Initiatives Support Corporation (Duluth LISC) is dedicated to helping non-profit Community Development Corporations (CDCs) transform distressed neighborhoods into healthy communities of choice and opportunity—good places to work, do business, and raise children. LISC mobilizes corporate, government, and philanthropic support to provide CDCs with:

- loans, grants, and equity investments;
- local, statewide, and national policy support; and
- technical and management assistance.

VISIT OUR NEW WEB SITE
WWW.LISC.ORG/DULUTH

COMMUNITY PARTNER:

STATE FARM AWARDS \$250,000 GRANT TO DULUTH LISC



A \$250,000 grant from State Farm Insurance will enable Duluth LISC to address a broad range of

community development needs. The three-year grant will be used to help core neighborhoods complete and implement revitalization plans, support commercial development in key business districts, advance family asset and income building programs, assist up to 15 businesses with design assistance for storefront enhancements, mitigate truancy problems in area schools, and improve access to education.

Nationwide, State Farm has emerged as one of LISC's strongest and most generous partners, providing \$16 million in grants and \$27 million in loans over the past six years. That national partnership helped bring these new resources to Duluth.

"State Farm is committed to meeting the needs of our communities," said Mike Fernandez, vice president of corporate communications and external relations for State Farm. "By working with responsible neighborhood organizations, such as LISC, who share our objective of healthy neighborhoods, we hope to stay focused on a comprehensive approach and driving results. After all, good places to live are also good places to work and do business."



Duluth's "Sustainable Communities" initiative, called *Creating Neighborhoods That Work—At Home in Duluth*, recently was featured in National LISC's 2006 Annual Report. The story included photos of local families who have benefited from employer-assisted homeownership programs in Duluth.

DULUTH LISC LOCAL ADVISORY BOARD

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THANK YOU!