

SUCCESS ATTRACTS INVESTMENT IN DULUTH NEIGHBORHOODS

Buying a home seemed out of reach for April Ellingsen until she read about Family Assets for Independence in Minnesota. The matched savings account program, run by Community Action Duluth, helped her save for a downpayment. It also connected her to homebuyer classes offered by Neighborhood Housing Services of Duluth and led her to Northern Communities Land Trust, which sold her an affordable home in Duluth's Central Hillside Neighborhood. She and her puppy, Rory, now have a place of their own.

April's dream became reality because members of *Creating Neighborhoods That Work—At Home in Duluth*, a collaboration of 24 community-based organizations, connected the dots to help her succeed. This partnership, coordinated by Duluth LISC, has been collaborating on neighborhood issues for nearly a decade.

Successful collaboration is one reason National LISC selected Duluth as a demonstration site for its Sustainable Communities Initiative—and why funders are eager to support it. Duluth LISC has raised more than \$1.5 million to engage new and existing partners in ways that expand investment in housing and real estate, increase family wealth and income, stimulate economic activity, improve access to quality education, and foster healthy, safe environments.

"This initiative not only focuses on the physical nature of our neighborhoods, but on the health and prosperity of those who live in them, as well," said Duluth Mayor Don Ness. Ness joined Duluth LISC and its partners in *Creating Neighborhoods That Work—At Home in Duluth* to announce a \$500,000, three-year grant from the John S. and James L. Knight Foundation.



(Left) Firsttime home buyer April Ellingsen found many people and neighborhood organizations eager to help her succeed. (Right) Knight Foundation Program Director Polly Talen, Duluth LISC Executive Director Pam Kramer, and Duluth Mayor Don Ness announce \$500,000 in new funding for sustainable community development.

"The Knight Foundation grant will enable us to build local capacity and invest in storefront enhancement programs, historic preservation, workforce development, and income and asset building in five Duluth neighborhoods," said Duluth LISC Executive Director Pam Kramer. The key neighborhoods are Central Hillside, East Hillside, Lincoln Park, Morgan Park, and West Duluth. Each has completed or is developing a detailed quality-of-life plan with specific strategies to make sure both people and places prosper.

"We believe in the vision and want to reward the courage of Duluth LISC and its partners to take on this hard work and stay with it through the long haul," said Knight Foundation Program Director Polly Talen. "Duluth LISC has a reputation for getting things done, and we have confidence our investments will be well spent."



STOREFRONT ENHANCEMENT FUNDS AVAILABLE

Child of Ours, a children's clothing store in West Duluth, welcomes customers with a cheerful red awning, decorative lighting, and attractive display windows. The exterior of this formerly rundown building was transformed with help from the *At Home in Duluth* Storefront Enhancement Program.

Duluth LISC contracts with Neighborhood Housing Services of Duluth (NHS Duluth) to administer this revolving loan program, which is run in partnership with NHS Duluth, Spirit Valley Citizens' Neighborhood Development Association, Lincoln Park Business Group, and the Hillside Business Association. Contact one of the above organizations to learn more about eligibility and available funds.

THANK YOU DONORS

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* Provided a minimum of \$5,000 per year

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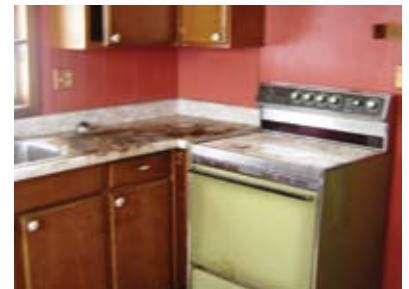
FORECLOSURES OPEN DOORS FOR HOMEBUYERS

The mortgage foreclosure crisis is creating opportunities for Northern Communities Land Trust (NCLT) to improve access to safe, affordable housing in Duluth's older neighborhoods. The organization has begun buying, fixing, and reselling blighted properties, many of which were foreclosed upon by banks.

"The market is allowing us to purchase abandoned properties at a lower price," said Jeff Corey, executive director, NCLT. "That means more money can be put into actual improvements, while keeping the houses affordable for our buyers. We're hoping this activity will prevent vacant, foreclosed upon properties from being a burden in older neighborhoods."

Duluth LIHC has provided NCLT with low-interest loans for a number of home acquisition and rehabilitation projects. If you are interested in purchasing a home or have a tip on an affordable property, please contact NCLT at 727-5372.

A formerly blighted home, purchased and rehabilitated by NCLT. The foreclosure crisis is making property in core neighborhoods more affordable, so NCLT can spend more money on remodeling without raising the purchase price too high for buyers.



BUSH FOUNDATION FUNDS WILL BE PUT TO WORK

New funding from the Bush Foundation will provide leadership, investment, and technical assistance to local community organizations. The \$225,000, three-year grant will enable Duluth LIHC to continue its CapMap® organizational capacity-building program and also help the *Creating Neighborhoods That Work—At Home in Duluth* collaborative improve the quality of life for residents and businesses in core neighborhoods. It will fund strategic planning, targeted training, and capacity building technical assistance for neighborhood organizations, and create a pool of flexible funds for Sustainable Communities activities.

DULUTH'S GOOD NEWS GOES NATIONAL

The good work of Duluth LIHC and its partners in *Creating Neighborhoods That Work—At Home in Duluth* is gaining national attention, thanks to Duluth's selection as one of 10 demonstration sites for LIHC's Sustainable Communities Initiative.

A National LIHC publication looking back at success stories of 2007 featured Community Action Duluth's asset and income building efforts and NHS Duluth's partnership with Duluth LIHC in the Hillside Homeownership Incentive Program. In March, a press release announcing the launch of LIHC's Green Development Center referred to two Duluth projects. They were the Eco-Home at Hawk Ridge, developed and built by Women in Construction Company, and the New San Marco Apartments, owned and operated by Center City Housing Corp. Both of these projects reflect Duluth LIHC's history of supporting green design, construction, and management principles in low- and moderate-income neighborhoods.

DULUTH LISC INVESTMENT SUMMARY-

January 1, 2008 - March 31, 2008

RECOVERABLE GRANTS

\$48,000

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

- Northern Communities Land Trust—\$48,000 for land acquisition to build four single-family homes

CAPACITY BUILDING AND INTERNSHIP GRANTS

\$46,570

- Damiano Center—\$5,000 Early Action Grant for landscaping and handicap ramp replacement as part of the Central Hillside's *Creating Neighborhoods That Work-At Home in Duluth* plan
- Neighborhood Housing Services of Duluth (NHS Duluth), Spirit Valley Citizens' Neighborhood Development Association, Churches United in Ministry (CHUM), Community Action Duluth, and the City of Duluth—\$2,827 for representatives to attend the *Getting it Done* conference in Chicago
- NHS Duluth—\$1,943 for printing of neighborhood revitalization plans
- Lutheran Social Services—\$36,800 (over three years) to assist with the Truancy Action Project in the Morgan Park Middle School, a component of a special grant from State Farm

OPERATING SUPPORT GRANTS

\$45,000

- CHUM—\$5,000 to assist in the implementation of *Creating Neighborhoods That Work-At Home in Duluth*
- Center City Housing Corp.—\$30,000 to assist with rehabilitation of the 39-unit Memorial Park Apartments; preliminary predevelopment of supportive housing for either homeless youth or ex-offender re-entry; completion of a strategic plan and continued involvement in *Creating Neighborhoods That Work-At Home in Duluth*.
- NHS Duluth—\$10,000 to assist in organization and implementation of *Creating Neighborhoods That Work-At Home in Duluth*.

SPONSORSHIPS/CONSULTANTS

\$2,200

- \$1,000 to ArtWorks for sponsorship of the ArtWorks Conference in April
- \$1,200 to Northwoods Nonprofit for sponsorship of trainings in 2008-2009

Total Direct Financial Assistance in 2008

\$ 141,770

Total Local Funds Invested to Date (1997 - March 2008)

\$7,808,932

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

\$64,008,480

**GETTING IT DONE:
NEW TOOLS FOR COMMUNITIES**



GROUP GAINS TOOLS FOR "GETTING IT DONE"

A delegation of community developers and elected officials traveled from Duluth to Chicago this spring to learn first-hand about LISC Chicago's New Communities Program, the model for National LISC's Sustainable Communities Initiative.

The group visited neighborhood sites and attended a conference called, "Getting It Done: New Tools for Communities." More than 900 people from 50 communities participated, exploring tools used and lessons learned in 16 Chicago neighborhoods that have created opportunities for residents to raise their incomes, build their assets, and gain access to quality jobs, housing, education, health care, recreation, and services.

Duluth City Council President Roger Reinert noted the strong commitment of Chicago City government, which staffs a position to work with neighborhood nonprofits and weave their community development efforts together.

"It was of immense value to talk with elected officials from other communities and learn how they have handled the logistics, finances, and political nuances of community development," Reinert said. "Duluth can benefit from understanding what is happening elsewhere and how those experiences can be applied here."



Nan Stubenvoll of Duluth LISC and Stan Kaitfors of Community Action Duluth were among delegates to the "Getting It Done" conference.



LOCAL INITIATIVES SUPPORT CORPORATION

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DULUTH LISC STAFF

Pam Kramer Executive Director
Nan Stubenvoll Program Officer
Rusty Brown Assistant Program Officer
Leslie Kersten Administrative Assistant

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

MARK YOUR CALENDARS

October 4
2nd Annual "Connecting the Dots"
Showcase and Assembly
9:00 a.m. to Noon
First United Methodist
(Coppertop) Church

November 6
LISC Annual Awards Luncheon
11:30 a.m.
Holiday Inn Duluth
Great Lakes Ballroom

**COMMUNITY PARTNER:
UNITED WAY OF GREATER DULUTH**



The United Way of Greater Duluth's name itself suggests collaboration. Long known for its annual fundraising campaign, which generates income for dozens of local nonprofits, the organization now is building upon its relationships and resources for additional impact. It recently became a core partner in Duluth LISC's *Creating Neighborhoods That Work—At Home in Duluth* collaborative.

"This is a great time for us to partner with LISC," said Paula Reed, executive director, United Way of Greater Duluth, noting that a recent community impact report, researched and developed by the United Way, identified many community needs. "It brought a clearer recognition that the issues are much larger than one entity can take on by itself, and partnerships need to be a bigger part of what we do."

Both the United Way of Greater Duluth and Duluth LISC take a broad approach to community development, working with nonprofits to strengthen long-term opportunities for residents, while ensuring that essential needs are met.

"It makes sense for us to become more engaged with each other to make the best use of limited resources and time," Reed said. "We are pleased to be part of Duluth LISC's efforts."

The feeling is mutual. Welcome, United Way of Greater Duluth.



Volunteers recruited and trained by Community Action Duluth made tax day less taxing for 1,200 area residents who visited one of two sites for free tax preparation and e-filing services. Participants also visited with credit counselors and were screened for eligibility for public benefits. Grant funding from State Farm Insurance, secured through Duluth LISC, helped expand the program in 2008.

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THANK YOU!