

**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC)
MEETING AND PUBLIC HEARING
TUESDAY, JUNE 26, 2012 – 6:00 P.M.
CITY COUNCIL CHAMBERS – DULUTH CITY HALL**

Present: Jim Gaylord, Bill Kimbler, Michael Ramsey, Patricia Tyler, Daniel Nyquist, Barbara Carr, Justin Perpich, Daryl Yankee.

Absent: Debra Branley, John Evans, Kristi Gordon

Staff: Keith Hamre, Char McLennan, Karen Olesen, Charles Froseth, Suzanne Kelley, Ben VanTassel.

Others Present: See attached list.

Roll Call: Chair Kimbler called the meeting to order at 6:00 PM, and conducted roll call. 8 Members present; quorum.

Public Hearing – Monitoring of the FY 2011 Community Development Program

Hamre gave an overview of the 2011 Consolidated Annual Performance and Evaluation Report (CAPER) process, timeline, and submittal to the U.S. Department of Housing and Urban Development (HUD). Froseth summarized the Executive Summary of the CAPER including race and income information. Olesen described the monitoring process that the Community Development Division uses including the risk assessment process. Olesen noted that there were no major findings this year.

Chair Kimbler opened the Public Hearing; there being no speakers, closed the hearing.

Hamre noted that the CAPER would be submitted to HUD after the close of the Public Comment Period.

Public Hearing – Substantial Amendments to FY 2012 Annual Action Plan

Hamre described the process required in order to make a substantial amendment to the Action Plan, including the Public Hearing. This amendment will then be submitted to HUD after approval. Olesen described the details of the substantial amendment, which contained two amendments. The first amendment is eliminating the Northern Communities Land Trust Rehabilitation & Resale project from the 2012 Action Plan which was for \$316,839 of HOME Investment Partnership funds. A new project One Roof Community Housing Rehabilitation & Resale project will be added for \$200,000 of CDBG funding. The second amendment is to decrease the funds awarded to Duluth Housing & Redevelopment Authority (HRA) for the Duluth Property Rehabilitation Program

by \$200,000 (CDBG) and a new project will be funded in the amount of \$316,839 from the HOME Program to the HRA. Olesen explained that because of some new regulations under HOME, One Roof Community Housing could have experienced issues with reselling homes. This change will help meet objectives this year, and Olesen is hopeful that these regulations, will not be carried forward in upcoming years. Olesen noted that this would benefit both One Roof Community Housing and Duluth Housing & Redevelopment Authority.

Chair Kimbler opened the Public Hearing.

Cliff Knettel (One Roof Community Housing) expressed the support from his organization in the change, and that this would help them meet their ultimate goal of increasing home ownership.

Lynne Snyder (Duluth Housing & Redevelopment Authority) expressed the support from her organization and said that this change would benefit their program as well.

Chair Kimbler closed the Public Hearing.

Motion by Daryl Yankee, seconded by Barbara Carr, to approve the Substantial Amendment Amendments to the 2012 Annual Action Plan and submit to the U.S. Department of Housing and Urban Development, after the comment period has ended. Motion passed; unanimously.

1. Approval of Meeting Summaries

Motion by Daryl Yankee, seconded by Patricia Tyler to approve the Meeting Summary for the March 27, 2012 Community Development Committee Meeting. Motion passed; unanimously.

Motion by Daryl Yankee, seconded by Justin Perpich to approve the Meeting Summary for the April 24, 2012 Community Development Committee Meeting. Motion passed; unanimously.

2. Review of Community Forums and On-line Forum comments

VanTassel gave an overview of the Forums. An online forum was held for 2-weeks and two neighborhood forums were held; May 22nd at Harrison Community Center and May 24th at Grant Community Center. Forum attenders were asked to identify funding percentages for the CDBG Categories (Affordable Housing, Economic Development, Public Facilities, and Public Services) and also to break down the Public Services category by percentages as well. Kelley described the results of the two exercises, explaining that the average responses received for the CDBG Categories were: Housing: 37, Economic Development: 18, Public Facilities: 13, Public Services: 15, Planning Administration: 16. Kelley also mentioned that the attenders were also asked to break down the Public Services into sub-categories. Overall the exercise helped walk the public

through the decision making process. The Affordable Housing Coalition also worked through this process in May, and their results were summarized.

Yankee noted that there was a good turnout, yet more people attending these forums would be helpful. Nyquist noted that the funding percentages exercise was tough, yet eye-opening for the attendees.

3. Review of Priority Needs in Consolidated Plan Table

McLennan reviewed Table 2A and Table 2B and identified to the Committee that a High Priority the city needs to fund in the 5 Year Consolidated Plan and that a Medium Priority the city may fund if funding is available. A Low Priority should not be funded. McLennan than asked if the Committee would like to change any of the Priority Levels.

Carr, referring to Table 2A, noted it would be helpful to see how many folks are in need and what income category they fall into. Yankee stated helping households in the 51-80% income bracket should be a low priority because they should be able to afford housing, according to the Housing Indicator Report Housing Affordability Analysis. Ramsey stated that numbers on how many folks are in need of housing help and what income categories they are in, would be helpful.

Carr stated that households with 51-80% incomes are most likely to remain in their homes.

Motion by Yankee, seconded by Gaylord to change the priority level of Owner-occupied households for Small Related and Large Related from a High Priority to a Medium Priority. Motion Failed (3-5); In favor: Yankee, Kimbler, Gaylord. Against: Nyquist, Ramsey, Carr, Perpich, Tyler.

Motion by Kimbler, seconded by Carr to approve Table 2A without any changes. Motion Passed (7-1); In favor: Kimbler, Gaylord, Nyquist, Ramsey, Carr, Perpich, Tyler. Against: Yankee.

Regarding Table 2B, Gaylord asked if the youth programs have any activities that the City Parks and Recreation would not fund, that this committee should think about funding. Staff stated that CDBG now only funds the youth programs food services, which is under Essential Services, not Youth Services. Carr stated that the youth cannot be ignored as they are the future of the community.

Ramsey stated any Public Infrastructure categories should remain a High Priority especially until damage from the recent flood is assessed and a plan is in place to repair.

Motion by Kimbler, seconded by Ramsey to keep all the priority levels on Table 2B the same. Motion withdrawn.

Motion by Kimbler, seconded by Nyquist to reduce Crime Awareness to a Medium Priority and keep the remaining priority levels in Table 2B the same. Motion Passed; unanimously.

4. Discussion of Funding Priorities and Set Target percentages for FY 2013.

Hamre gave an overview of what is happening at the federal level regarding Fiscal Year 2013 Funding. Olesen and Froseth reviewed the types of projects that fall under the categories of Housing, Economic Development, Public Facilities, Public Services, Planning/Administration for the CDBG program, the categories for the HOME Program (CHDO, Homeowner Development, Rental Redevelopment, Tenant Based Rental Assistance, Program Administration), and the Affordable Housing Strategies.

Motion by Gaylord, seconded by Yankee to change Resolution 12-c-01 to set the Public Services categories at the following; Food and clothing- 29%, Health and dental care- 22%, Emergency shelter services- 7%, Transitional housing for homeless- 13%, Services for homeless youth- 22%, Supportive housing for homeless- 15%, and Other- 1%. Motion passed; unanimously.

Motion by Gaylord, seconded by Ramsey to accept Resolution 12-c-01 as amended. Motion passed; unanimously.

5. Discussion of Committee Evaluation tool

Hamre reviewed the evaluation tool that was discussed at the last meeting, and discussed the addition of Outcome Measurements to the form as well as a Bonus Points Section. Carr stated the Outcome Measurements section may be more effective if rather than fairly loose/unmeasurable categories, there were percentages tied to the categories.

Motion by Carr, seconded by Yankee to add percentages to the Outcome Measurements section of the Application Evaluation Tool. Motion passed; unanimously.

Motion by Kimbler, seconded by Gaylord to accept the Application Evaluation Tool as amended. Motion passed; unanimously.

5. Update on FY 2011 & 2012 ESG Request for Proposal Process

McLennan gave an update on the RFP and said that if the process goes as planned, the contracts could begin October 1, 2012. The applications will be available on July 13, 2012.

Hamre gave an update on flood recovery efforts and mentioned there will likely be more discussions for this Committee at upcoming meetings.

Motion by Gaylord, seconded by Ramsey, to adjourn the meeting. Motion passed; unanimously.

Meeting adjourned at 8:00 p.m.

Submitted:
Ben VanTassel, Planner

**PUBLIC HEARING ON 2012 ACTION PLAN &
PUBLIC HEARING ON SUBSTANTIAL AMENDMENT TO FY 2012 ACTION PLAN
COMMUNITY DEVELOPMENT PROGRAM
TUESDAY, JUNE 26, 2012 – 6:00 P.M.
COUNCIL CHAMBERS – THIRD FLOOR – CITY HALL**

ATTENDANCE

| NAME | ORGANIZATION |
|---------------------|---------------------------------------|
| Heather Smith | Salvation Army |
| Susan Utech | Safe Haven |
| Martin Lepak | AEOA |
| Lynn Snyder | HRA |
| Rick Klun | Center City Housing Corp. |
| Kelly Looby | NYS |
| Cynthia Finley | MACV |
| Dave Benson | Damiano Center |
| Emily Larson | Duluth @ Work |
| Pam Benson | HRA |
| Jim Solberg | CHUM |
| Tammi Johnson | Mentor Duluth / YWCA |
| Erich Lutz | Life House |
| Tim Peterson | Life House |
| Mary Mathews | Entrepreneur |
| Cliff Knettel | One Roof |
| Amy Westbrook | Soar Career Solutions |
| Mavis Brehm | Lake Superior Community Health Center |
| Brad Clifford | North Star CDC |
| Pam Kramer | LISC |
| Rebecca Ellenson | SOAR |
| Rosemary E. Hampton | LISC'S "Building House" |
| Lee Stuart | LISC |
| Jeff Woolverton | Life House, INC. |
| Kate Wigren | Community Action Duluth |
| Jennie Backus | Life House |