

**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC)
TUESDAY, OCTOBER 29, 2013 – 6:00 P.M.
RM 303 – DULUTH CITY HALL**

Present: Randy Brody, Reyna Crow, Harrison Dudley, John Evans, Kristi Gordon, Justin Perpich

Absent: Debra Branley, Barbara Carr, Ashley Laurion, Dan Nyquist

Staff: Keith Hamre, Ben VanTassel, Karen Olesen, Char McLennan, Mike Palermo

Roll Call: 6 present and 4 absent

Acting as Chair, Perpich called the meeting to order at 6:10 PM.

1. Approve Meeting Summaries from meetings held on September 24 and October 8, 2013.

Motion by Brody, seconded by Crow to approve the meeting summaries from September 24th and October 8th. Motion passed 6-0.

2. Review of Community Development Manager's Funding Recommendations

Community *Development* (CD) Manager Keith Hamre reviewed the 2013 funding recommendations. Hamre recommended for CDBG funding: Affordable Housing - \$917,757, Economic Development – \$304,000, Public Facilities - \$250,000, Public Services - \$338,685 and Planning / Administration - \$452,621 for a total of \$2,263,063. Home funding recommendations; CHDO Operating - \$20,000, TBRA - \$123,000, Home Owner Development - \$312,243, and Administration - \$50,583 for a total of \$505,826. Funding recommendations for ESG: Operations - \$93,550, Rapid Rehousing and Prevention-\$46,737, and Administration - \$11,699 for a total of \$155,986.

Hamre explained that although he is only recommending funding one project under the public facility category, he is also recommending a pre-commitment of \$200,000 of 2015 CDBG funds for the Center for Changing Lives Project. The project could benefit from this recommitment to show other funding sources local support.

Crow asked how the benchmark tool based on outcomes would function. Hamre explained that like similar past outcomes for the HPRP stimulus program, as participants achieved benchmarks, a program could then request that amount through the quarterly invoicing process. All the homeless providers that are funded would have access to the Housing and Stabilization fund.

Hamre also noted that due to a HOME regulation change, some activities can now be funded under general HOME costs, which used to be required to be under HOME administration.

Regarding ESG, Hamre noted that the recommendation of funding agencies for shelter operations amounted to \$93,550 to stay at the 60% threshold set by the Committee earlier in the program year. He has recommended using \$46,747 for prevention and rapid rehousing.

Crow asked why project 14-ES-03 had the highest score but received the lowest amount of funding in the ESG category. Hamre noted that after discussions with applicant staff, that due to other funding sources they didn't need the full amount they requested.

3. Prepare Preliminary FY 2014 Community Development Program Budget for 30-day Public Comment Period and December 3rd Public Hearing at 6:00 PM.

Hamre asked the committee to review his recommendations and discuss changes.

Affordable Housing:

Motion by Gordon, seconded by Crow to discuss Affordable Housing category. Motion passed 6-0.

Motion by Perpich, seconded by Evans to approve the Affordable Housing category as recommended. Motion passed 6-0.

Economic Development:

Motion by Perpich, seconded by Crow to discuss the Economic Development category. Motion passed 6-0.

Motion by Evans, seconded by Crow to approve the Economic Development category as recommended. Motion passed 6-0.

Public Facilities:

Motion by Perpich, seconded by Crow to discuss the Public Facilities category. Motion passed 6-0.

Evans asked why funding was not recommended for the Center for Changing Lives when it was the highest scoring. Hamre noted that while the project did score well, it was not ready and committing 2014 funds at this time, may be too early. Hamre suggested pre-committing \$200,000 of 2015 funds, which would give Lutheran Social Services (LSS) time to gather other funding sources. Perpich added that perhaps waiting until after LSS secures dollars from a

bonding bill before they receive CDBG funds. Crow asked if it would be possible to put a stipulation on a pre-commitment in case CDBG funds are reduced.

Motion by Brody, seconded by Crow to include a pre-commitment of \$200,000 for the Center for Changing Lives project, and that the pre-commitment language would include contingencies on CDBG funds and securing other project funds.

Motion by Gordon, seconded by Dudley to approve the Public Facilities category as recommended. Motion passed 6-0.

Public Services

Motion by Perpich, seconded by Crow to discuss the Public Services category. Motion passed 6-0.

Dudley asked staff to explain why the Homeless & At Risk Veterans Stabilization and Outreach project was recommended for \$13,000, when it had a high application score. Hamre stated that he worked from last year's budget and this was near the amount that the project received last year. Hamre also noted that several of the organizations providing services to homeless would have access to the Housing and Stabilization Services fund which, if funded, would also be available for the applicants providing homeless services. Brody asked how the Housing and Stabilization Services funds would be accessed fairly. Hamre noted that it would be regulated similar to the stimulus dollars that the city received for homeless prevention and rapid-rehousing program a few years ago, which worked well. Brody asked if funded, would the Committee receive updates on how the Housing and Stabilization Services fund was being dispersed.

Motion by Dudley, seconded by Evans to increase 14-PS-07 (Homeless and At-Risk Veterans) by \$2,000 and decrease 14-PS-03 (Feeding Kids Through Youth Programs) by \$2000. The motion was discussed further.

Perpich added that he would rather see the \$2,000 taken out of the Housing and Stabilization Services fund than the youth program. Dudley noted that there are other funds that youth programs could access for this activity. Crow noted that along with providing food for the youth, the programs provide a lot of services to the youth.

Motion by Crow, seconded by Gordon to amend the previous motion, thereby increasing 14-PS-07 (Homeless and At-Risk Veterans) by \$2,000 and decreasing the Housing and Stabilization Services fund by \$2,000. Motion passed 6-0.

Motion by Brody, seconded by Crow to approve the Public Services category with the amendment. Motion passed 6-0.

HOME Investment Partnership:

Motion by Crow, seconded by Gordon to discuss the HOME Investment Partnership funding recommendation. Motion passed 6-0.

Hamre explained a change in funding rules under Community Housing Development Organization (CHDO).

Motion by Evans, seconded by Gordon to approve the HOME Investment Partnership funding recommendation. Motion passed 6-0.

Emergency Solutions Grant

Motion by Brody, seconded by Crow to discuss the Emergency Solutions Grant funding recommendation. Motion passed 6-0.

Dudley asked staff why project 14-ES-01 (Duluth Shelter Project) was recommended for funding at less than the full amount. Hamre noted that based on last year's funding amount, as well as, a mid-level score in that category, and the addition of the Prevention and Rapid Rehousing funds at \$46,747 which could be accessed by all ESG funded agencies on top of their recommended grant amount. McLennan explained that criteria for reimbursement of the \$46,747 would be developed but would resemble HPRP funding reimbursement model.

Motion by Brody, seconded by Crow to approve the Emergency Solutions Grant levels as recommended. Motion passed 6-0.

Administration

Motion by Crow, seconded by Evans to discuss the Administration funding recommendations. Motion passed 6-0.

Evans asked staff how the Community Development Division budget was fairing with funding level reductions over past few years. Hamre noted that we have reduced staff but overall the division is doing well.

Motion by Gordon, seconded by Evans to approve the Administration funding recommendations. Motion passed 6-0.

Hamre noted that there was currently \$43 that was un-programmed. He recommended adding it to a project to include in the 30-day comment period.

Motion by Evans, seconded by Crow to increase project 14-HS-02 to \$917,800. Motion passed 6-0.

Hamre then noted that a Public Hearing has been scheduled for December 3rd and the 30-Day Comment Period is scheduled to begin November 1, 2013 and complete December 2, 2013 for the draft FY 2014 Annual Action Plan.

Motion by Crow, seconded by Brody to put the FY 2014 Annual Action Plan out for comment and schedule the Public Hearing for December 3rd, 2013. Motion passed 6-0.

The next meeting of the Community Development Committee will be held Tuesday December 3, 2013 at 6:00 PM. The Committee will finalize the 2014 funding recommendations at that time.

Motion by Evans, seconded by Crow to adjourn the meeting. Motion passed 6-0.

Meeting adjourned at 7:45 p.m.

Submitted:
Ben VanTassel

Attending:

Cathy Bergh, Lutheran Social Services

Maude Dornfeld, Life House, Inc.

Jeff Woolverton, Life House, Inc.

Susan Utech, Safe Haven

Steve Saari, MACV

Don Hoag, Udac

Emily Edison, SOAR Career Solutions

Tari Rayala, City of Duluth

Pat Connolly, Lutheran Social Services of MN

Jessica Schiff, Woodland Hills-NYS

Michelle LeBeau, American Indian Community Housing Organization

Sarah Priest, Community Action Duluth

Lynne Snyder, Duluth HRA

Kate Wigren, Community Action Duluth

Jason Beckman, SOAR Career Solutions

Dave Benson, Damiano Center

Dan Moore, The Salvation Army

Mary Pelofske, Duluth HRA

Cynthia Finley, MACV

Lee Stuart, CHUM