



## PLANNING & ECONOMIC DEVELOPMENT

Planning & Development Division  
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### Community Development Committee Meeting Summary

**Tuesday, April 23<sup>rd</sup>, 2019- 5:30 p.m.**  
Council Chambers, Duluth City Hall

1. Call to Order and Roll Call

Chair Hamilton Smith called the meeting to order at 5:35pm on Tuesday, April 23, 2019.

Roll Call

Attending- Randy Brody, Breanna Ellison, Noland Makowsky, Mark Osthus, Hamilton Smith and Patricia Sterner

Absent- Daris Nordby and Ashley Northey

Staff Present: Adam Fulton, Ben VanTassel, Suzanne Kelley

2. Approval of Meeting Summary

**MOTION/ Second:** Sterner/Brody to approve meeting summary from March 26, 2019.  
**Vote (6-0)**

3. Public Hearing: Citizen Participation Plan

Adam Fulton reviewed the draft Citizen Participation Plan proposed revisions and highlighted the most significant changes pertaining to the development of the Consolidated Plan process and the development of funding contingency plans.

There was no public comment on the Citizen Participation Plan changes.

4. Annual application process and timeline discussion

Ben VanTassel described a proposed application process that included CD Committee comments. The major change was moving the public hearing to earlier in the 30-day comment period to give the committee more time to consider public input. Committee Member Randy Brody stated that he thought this small revision would greatly assist in being able to hear comments and integrate them into the final funding decision.

**MOTION/ Second:** Osthus/Sterner to approve the FY 2020 Funding timeline and public process. **Vote (6-0)**

5. Consideration of FY 2020 Pre-commitment of Funds

Suzanne Kelley provided an overview of four projects that will be applying to Minnesota Housing for Low Income Housing Tax Credits (LIHTC) and would like consideration for pre-commitment of FY 2020 CDBG or HOME funding. The four projects included Decker Dwellings- One Roof Community Housing, Van's Apartments- Accessible Space, Inc., Birchwood Apartments- Center City Housing Corporation, and Brewery Creek- One Roof Community Housing. Kelley also stated that the city was aware of an additional project called the Burnham Apartments and clarified that this project is not seeking a pre-commitment of funds. Committee Member Patricia Sterner asked how pre-commitment of funds assists the projects. Kelley responded that the application process to Minnesota Housing for LIHTC is based on a point scale and a pre-commitment of funds from a local government helps to increase points for the applications- thereby increasing their fundability. Chair Hamilton Smith asked if there are enough funds in the Community Development Program to provide a pre-commitment of funds to all four projects. Kelley stated that city staff is recommending that Decker Dwellings and Birchwood Apartments receive pre-commitment of funds, which would total \$475,000 and the city would assist the other two projects to secure other funding, potentially through tax increment financing or tax abatement. Adam Fulton mentioned that if both project were to receive funding from Minnesota Housing, which would be helpful in tackling the affordable housing need in Duluth, that the city would have the funds to fulfill the pre-commitment amounts.

Jeff Corey, Executive Director at One Roof Community Housing, provided additional detail for the committee related to both projects from One Roof Community Housing and described how they have developed over time to be as competitive as possible in the LIHTC process. Rick Klun, Executive Director at Center City Housing Corporation, stated that Birchwood Apartments would provide permanent supportive housing for single adults with behavior health needs. He explained that this project would be located next to Birch Tree Center, and there is an opportunity to maximize efficiencies in the services that are provided to both projects.

**MOTION/ Second:** Osthus/Sterner to approve the pre-commitment of fiscal year 2020 Community Development Program Funds in the amount of \$200,000 to Decker Dwellings and \$275,000 to Birchwood Apartments. **Vote (6-0)**

7. Adjourn

**MOTION/ Second:** Brody/Sterner to adjourn the meeting at 7:00 p.m. **Vote (6-0)**