

**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC) MEETING
TUESDAY August 20, 2013
CONFERENCE ROOM 303-THIRD FLOOR-CITY HALL**

Present: Dan Nyquist, Debra Branley, John Evans, Reyna Crow, Harrison Dudley, Randy Brody, Barbara Carr

Absent: Ashley Laurion, Kristi Gordon, Justin Perpich

Staff: Keith Hamre, Karen Olesen, Char McLennan, Suzanne Kelley, Mike Palermo

Introductions were made and the meeting was called to order at 6:05

1. Roll Call: A quorum was present.

Dan Nyquist arrived at 6:10 and took over as chairperson of the committee.

2. Approval of Meeting Summary from July 16, 2013:

Motion by Carr seconded by Brody to approve the minutes as written. Motion passed, unanimously

3. Pre-Application Review:

CD staff explained the purpose of the meeting was to review pre-applications submitted for the FY 2014 CDBG, ESG, and HOME grant programs. Staff explained that there were \$3.4 million in pre-application requests and we are to expect \$2.7 million in funding. Given the amount of funds and the anticipated amount of full application requests the committee was directed to be judicious in deciding whether or not pre-applications should go on to the full application. Each organization will be called to the podium where they can introduce themselves, briefly explain their proposal, and answer questions from the committee.

Public Services Pre-Application Review:

Staff introduced the first category of public services and explained that nearly all of those served by the public service agencies are of Low-Moderate Income. The first pre-application was asked to step forward:

Churches United in Ministry and Safe Haven Shelter for Battered Women

Lee Stuart from Churches United in Ministry, and Susan Utech from Safe Haven, described their proposal to do Shelter Rapid Rehousing. They both do similar work and wanted to streamline their intake process by having one standard form, and create more coordination in the referral process. Crow asked if the organizations had an American with Disabilities Act (ADA) coordinator. Utech responded in the affirmative.

Center City Housing and Life House

Nancy Cashman, for Center City Housing explained the proposal. Center City Housing and Life House have altered their program to be more holistic. In the past they ran separate programs for transitional housing and permanent housing they are proposing a more seamless program which combines the two. Center City Housing will be partnering with Life House and share one case manager instead of employing separate case managers. Nyquist asked if they still are affiliated with Memorial Park. Cashman replied that they are but it would not be covered under this proposal. Crow asked if they had someone who was proficient in ADA and Cashman explained that their property management companies are compliant and know ADA requirements. Carr asked if they traced applicants who were referred to another organization to see that they received help. Cashman explained that they do not because it is difficult to track someone who is homeless and can be difficult to share that information with other organizations. Dan asked if the Homeless Management Information System (HMIS) could help. Staff explained the strengths and limitations of the system. It was explained that currently there is no way to trace an individual from one organization to another because the system does not currently allow for sharing of information. Cashman explained that they are collaborating with Life House to create that connection to fill in the hole that HMIS current has.

Salvation Army

Dan Moore for Salvation Army explained their proposal. They want to provide transitional housing for homeless families. They want to be the entry point for families. They would create a position specifically to help with placement into transitional housing. Crow asked if that's why their proposal increased from last years. Moore said that the additional funds would be used to create a new position. The new position would allow for the Salvation Army to have someone who will be more knowledgeable on openings at other agencies. He explained that they use United Way's 211 system on a weekly basis to see what openings are available for those that they cannot serve. Carr asked about single persons. Moore explained that their expertise is in families and that they will use the 211 system to see other openings. Crow asked if they had an ADA coordinator. Moore explained that staff is trained in ADA issues and he himself has worked in the Disabilities field for several years.

YMCA

Lacy Habdas for the YMCA explained their proposal. The YMCA would act as fiscal agent to a collaboration between YMCA, Boys & Girls Clubs of the Northland, Copeland Valley Youth Centers, Myers-Wilkins Community School Collaborative. They currently provide over 70,000 meals and snacks to children annually. Beyond food, they provide a safe environment for children to do homework, participate in activities, and interact with role models. Nyquist asked if the snacks were healthy. Habdas explained that they have been promoting healthier snacks and family style meals for the children. They now

predominately serve water and milk as beverage options instead of juice or sugary drinks. They also have a gardening program for children to see how food is grown and connect with healthy food. They promote the colorful plate concept and teach children about sustainable and local foods. Carr asked for a rough figure of how many individual kids they serve. Habdas did not know the exact figure. Most of the kids are enrolled in the program so they are consistently receiving snacks and meals.

Minnesota Assistance Council for Veterans (MACV) and Churches United in Ministry (CHUM)

Kathleen Vitalis and Steve Saari from MACV, along with Lee Stuart from CHUM explained their proposal. While MACV is a state wide organization they are looking to focus specifically on the City of Duluth and to do that will be using CHUM as a collaborator. Of the homeless adult male population 20-25% are veterans. Nyquist asked how the collaboration is better than what they currently are doing. It was explained that While MACV has excellent programs working with veterans they currently have a much harder time with streets outreach. CHUM does an excellent job with street outreach and the collaboration will ensure a direct hand off to MACV. Carr asked if an updated HMIS system could be a way to ensure referrals are followed through. Saari explained that currently most of their referrals are from St. Louis County Veterans Outreach Center. This is a way to go beyond their current referral system and connect with those doing work on the streets. Carr asked if there were openings at MACV. It was explained that there were openings due to lack of outreach, not need. They explained that they have leverage state funding to provide for programs and hope to use CDBG funds to pay for the outreach collaboration with CHUM. Crow asked what the percentage of persons of color they served. Saari said it was about 10% American Indian and 10% African American.

American Indian Community Housing Organization (AICHO)

Patty Larson and Janice Greene for AICHO explained their proposal. They are requesting money for a case manager, advocacy, and transportation for their residents. While Native Americans make up only 3% of Duluth's population, they make up 30% of the homeless population. AICHO works with residents to create a tailor made plan. Nyquist asked why there was a big increase in their request from last year. The response was that the city had not been very good about providing money for Native American programs in the past. They would be providing a case manager to work with residents. Crow asked about working side by side the Red Lake Urban Office. They explained that they do work side by side with the Red Lake Urban Office. Nyquist asked for further clarification as to where the funds would be going. It was explained that it would help provide for programming and a case manager. One of the things a case manager does is follow up with residents 6 months after leaving the program to see if any further services may be necessary, ensuring a smooth transition. Crow asked if an ARMHS worker is provided through an outside agency. There are several providers including CARE and Bemidji White Earth that provide ARMHS workers.

Motion by Carr, seconded by Branley, to have all 6 Public Service pre-applicants submit a final application. Motion passed unanimously.

Staff suggested switching the order to review ESG pre-applications next. This would allow several of the public service agencies to present their ESG proposals and can leave the meeting earlier.

ESG Pre-application Review:

Staff did a brief explanation of what qualifies as an Emergency Solutions Grant. Carr asked for clarification on why MACV increased its request substantially. Keith Hamre explained that there was a new minimum grant amount this year. MACV requested the minimum grant amount.

Churches United in Ministry and Safe Haven Shelter for Battered Women

Lee Stuart and Susan Utech gave a second brief overview of their proposal explaining that the Public services is for services while ESG is for operation of the facilities. Stuart asked for clarification on whether they should submit one or two applications. Hamre said they should fill out two applications.

Center City Housing (CCH) and Life House

Cashman again spoke for both organizations. She expanded on the public service proposal by explaining that their focus would be on homeless youth. CCH looks to house youth for 2 years and they have seen the success of this program. Carr asked if the placement of the youth is based on the school the youth currently attend. Cashman said that most of the youth are drop outs or are working to a GED. If they are in school they work with the school district in providing transportation to their current school to keep continuity and prevent intergenerational homeless. Carr asked if drugs and synthetics effected their population. Cashman said yes. The effects of synthetics have been tough. Carr asked if it has changed their programming and Cashman explained that it has.

MACV

Kathleen Vitalis and Steve Saari again spoke for MACV. Vitalis explained that the increase in funding was not to meet the minimum grant amount. It would in fact allow them to expand from 5 beds to 10 beds. While the application does not call for a direct collaboration they want to emphasize that all organizations can and should refer veterans to them so they can provide access to veteran assistance programs. Carr asked if they didn't get referrals would they not get funding from other sources. Vitalis said they would still receive funding for other activities and this funding would allow them to expand their transitional housing program.

Motion by Carr, Second by Brody, to have all 3 ESG pre-applications submit a final application. Motion passed unanimously.

Housing Pre-Application Review:

Housing Resource Connection

Cliff Knett from One Roof Housing, Jodi Slick from Ecolibrium3, and Lynne Snyder from Duluth Housing and Redevelopment Authority presented the proposal. They explained that they provide a one stop shop for housing related programs. The funds would provide the ability to have open houses, marketing materials, and continue to run the various programs that each organization operates. It was explained that Arrowhead Economic Opportunity Agency (AEOA) does much of the weatherization work. They currently have closed their Duluth office but continue to operate in Duluth. They recently have run out of funds from the Stimulus and an EPA grant. Carr asked why they were asking for such a high amount. Knett explained that funding shifts year to year and this year they no longer have stimulus funds and the EPA grant. He explained the money would be used to create mortgage programs which would allow them to generate revenue for future funding cycles which would allow them to request less in the years to come. Carr asked if their rehab programs could help create affordable housing. Knett explained that they do have several rehab programs that create affordable housing. Their rental rehab program requires the land lord to provide apartments at a certain rate for the period that they hold the rehab loan. They also provide loans that are based upon income. Carr asked who is eligible for the low rent as a result of the loan program. Is it possible for her to qualify for the low rental rate because she is a reputable person? Is there any connection to the transitional housing providers? Knett explained that they work various organizations on projects like the Hillside Apartments where they will be providing low income housing. They also work with getting people to that next level for homeownership. Nyquist asked for more information about AEOA moving and its impact on the weatherization of homes. Slick explained that while AEOA moved its office it will still be operating in Duluth. They once had 12 crews working in the city and now only have 1. Ecolibrium3 has stepped in and filled the gap where AEOA cannot do work. Given AEOA's funding sources, AEOA has some restrictions on houses to be weatherized so Ecolibrium3 steps in. Crow asked if there was a waiting list and how much do the project's cost. It was explained that there is a waiting list but they target the At Home in Duluth Neighborhoods which qualify as low and moderate income areas under HUD guidelines. Crow followed up by asking about the affordability for disabled individuals. It was explained that they used to have mortgage plans for low income residents but has discontinued enrolling new applicants. It was reiterated that the CDBG funding would allow them to restart such programs.

Motion by Nyquist, seconded by Brody, to have this housing pre-application submit a final application. Motion passed unanimously.

Public Facilities Pre-Application Review:

City of Duluth

Tari Rayala for the City of Duluth discussed the proposal for the Irving Park Community Center. She explained that the \$300,000 proposal for the center would allow for a

scaled down building to be erected. This would replace the existing building which sustained considerable damage during the 2012 flood. The \$300,000 building will feature public toilets, concessions, and a storage area. Soccer and football will be taking place at the facility. Nyquist asked where the building would be located. Rayala said it will be relocated out of the flood plain. Nyquist asked if others will be contributing/collaborating to the project. Rayala explained that Valley Youth will operate the building. If they go with a \$300,000 building it will only be a 3 season building, but if Valley Youth can raise money for a \$1.25 million building then Valley Youth will locate their offices in the building and provide programming year round. Dudley asked for clarification on the location of the park. Rayala said it is located at Central and 47th West, there is a creek which runs through the park. Dudley also asked for clarification about the size of the building effecting Valley Youth's involvement. Rayala explained that Valley Youth would assume operations if it was a 4 season building which would cost \$1.25 million. Valley Youth would have to do considerable fund raising to reach that amount. Nyquist commented that although it was a good project it doesn't seem to be ready yet to commence that maybe next year might be a better time to apply for funding.

Lutheran Social Services

Pat Connolly for Lutheran Social Services explained the proposal for the Center for Changing Lives. The building will be located at 12th Avenue East and Superior Street. It will cost a total of \$12 million. \$3 million from tax credits, and 6 million in private donations. The HRA has committed section 8 vouchers. They are asking for \$200,000 in CDBG and \$250,000 in HOME to leverage other funding sources. Connolly gave the analogy of jumping into a cool lake on a hot day. It takes the first person to jump in to show how good the water can feel to get the others to jump in. Lutheran Social Services is currently working with the State for further funding and would like to use the CDBG funds to show the seriousness of the proposal. The first floor of the building will be devoted to offices where services for homeless youth, LGBT youth, and youth aging out of foster care can go. The second two floors will have housing. The second floor will have group transitional housing for youth while the third floor will have 10 units of permanent housing. The amounts requested amount to 10% of the costs which Lutheran Social Services deemed reasonable to request. Nyquist explained that the final decision won't take place until December and asked if that would fit into the buildings timeline. Connolly said that for HOME that works great and for CDBG while the sooner the better, but it would be acceptable. Carr asked if they collaborate with Life House and Connolly replied that he does not know. He does more of the bricks and mortar side of the project.

American Indian Community Housing Organization

Patti Larsen and Janice Greene from AICHO described the proposal for Trepanier Hall. The building sat empty for a number of years until it was developed for the center. It is used for bead space, open space, and was open to the public. The backroom is being converted to offices so the focus will be for more programs to use Trepanier Hall. The area currently is occupied by a few organizations including University Nursery. University Nursery was able to expand the amount of children in their program due to

the larger space. It was commented that the City of Duluth has not funded Native American Organizations in the past. Keith Hamre interjected and said that the City of Duluth has invested millions of dollars in the AICHO facilities. Nyquist asked if there was an architect in line for the project. The presenters did not know but assumed that there was one.

United Developmental Achievement Center of Duluth (UDAC)

Laurie Berner for UDAC explained the proposal for repairing structural damage to UDAC's building. She explained the long process for which UDAC looked into buying another location but ultimately determined that it would be more cost effective and they could provide better services at their current location. The issues with purchasing another property include fund raising for a new building, transporting their clients to the facility, and lack of adjacency to the downtown where many of their business partners are located. They currently are doing a laser survey to determine the exact cause of the structural problems. Nyquist confirmed that they were doing the engineering part of the project right now. Crow asked if their case managers were similar to an ARMHS worker. Berner said they probably are in many ways but they focus quite a bit on vocational training. They work to empower their clients to choose a career path. Recently, because the program has been operating for so long, UDAC has had to expand program offerings for enrichment activities for retired individuals with mental disabilities. Nyquist asked if they had other funding sources. Berner explained that they currently do not because they are still in the planning stages and they are looking into the costs of hiring a local architect.

The discussion opened up to whether or not to fund Irving Park Community Center. Nyquist did not see it being ready to be funded this year. Dudley asked what the downside to approving for approving to submit a final application. Keith Hamre explained that the only real downside is that the committee will have to read another 10 page application. Furthermore, it wastes time and effort on the part of the applicant to complete the full application if the committee has no intention of funding them. Dudley said he thought all the projects looked like worthy candidates for full applications.

Dudley motioned, seconded by Carr, to have the four public facilities pre-applications submit final applications. Motion Passed Unanimously.

Economic Development Pre-Application Review:

Staff explained the Economic Development requirements. The programs must either serve Low and moderate income persons, have jobs created in low and moderate income areas, or support a business that primarily serves low and moderate income.

Neighborhood Youth Services (NYS)

Jessica Schiff for NYS explained the proposal for the JET program. She explained how they are a new applicant because last year they decided not to apply. Currently the way the Duluth at Work Benchmarks are set up they have a difficult time reaching the final payout of \$2,000 per participant. This is because they work predominately with youth under the age of 18. The Duluth at Work final Benchmark is at 3 years of tracking and

they often times do not have contact with participants. NYS proposes shifting the benchmarks to allow for a 2 year program. They would also like to allow for benchmark achievement if a person in their program goes on to college or receives an unpaid internship. These affect the 25% increase in income. Carr asked if they were still operating out of Woodland Hills. Schiff responded yes. Carr asked if the program participants are all from that area. Schiff explained they were from all over Duluth. Dudley asked how many participants they are proposing. Schiff said with \$40,000 they can fund 5 participants. The way the Duluth at Work benchmarks are set up you can receive up to \$8,000. Branley asked about dealing with participants over 18. Schiff explained that it becomes a problem because they age out of the NYS services. Branley asked if they had funding now. Schiff explained that they do. They however only budget \$6,000 for participant because they have a hard time reaching the final benchmark. Crow asked if they have any participants who drop out of school. Schiff explained that they do work with some who drop out of school. NYS does not have GED services, but their building is located across the street from a facility that can provide that support. She also explained that even if they are not in High School they are still eligible. Dudley asked how many total positions do they serve. They will be able to work with 35 positions of low to moderate income persons. Carr asked why they can't track them for 3 years. It was a chosen benchmark for a reason and feels that they should be able to fit within the program guidelines. Schiff reiterated that the three year benchmark was not chosen for any compelling reason. She asked the committee to consider the appropriateness of 3 years for benchmarks.

Life House and SOAR

Maude Dornfeld and Jeff Woolverton for Life House, and Emily Edison for SOAR, explained their proposal. Life House is proposing to expand their Duluth at Work for Homeless Youth Program. The proposal calls for a pilot collaboration between Life House and SOAR. They have recognized that over the past 4 years funding has declined and were looking for ways to streamline their programs. Life House acknowledged that they were good at teaching youth soft skills while SOAR was very good at teaching hard skills and job training. Life House realized that youth needed a more direct hand-off for the youth to truly seek out job training. The collaboration would entail the case manager from Life House ensuring the participant receives training at SOAR and information sharing would occur. A uniform skills assessment will be used by both organizations. Crow asked if SOAR trains youth. Edison said they only do 18 years and older. Dudley asked if Life House has participants younger than 18. Dornfeld said that they do so they would not be eligible. Carr explained that homeless youth was a priority and asked if they will be tracking behavioral changes with their participants. Life House does work to develop soft skills and does track behavioral changes.

Motion by Carr, Second by Nyquist, to have the two economic development pre-applications submit final applications. Motion passed unanimously.

HOME Pre-Application Review: **Housing Resource Connection**

Cliff Knettell for HRC explained the proposal. He explained that HRC is a Community Housing Development Organization. They do a variety of housing related projects in the City of Duluth. They construct and renovate single family homes and multi-family homes. Some examples of projects that they are currently working on include a multi-family building called Hillside located on 4th street and Lake Avenue. The request will help support single family and multi-family construction including potentially 2 new multifamily buildings with partnerships with other organizations. The goal is to create affordable housing.

Motion by Carr, seconded by Nyquist, to have the two HOME pre-applications submit final applications. Motion passed unanimously.

Meeting Adjourned 8:40.

Submitted by: Mike Palermo