

**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC)
MEETING AND PUBLIC HEARING
TUESDAY, DECEMBER 4, 2012 – 6:00 P.M.
CITY COUNCIL CHAMBERS – DULUTH CITY HALL**

Present: Debra Branley, Jim Gaylord, Bill Kimbler, Michael Ramsey, Daryl Yankee, Daniel Nyquist, Kristi Gordon, John Evans, Barbara Carr, Justin Perpich

Absent: None.

Staff: Keith Hamre, Char McLennan, Suzanne Kelley, Karen Olesen, Ben VanTassel, Jade Seelye (intern).

Others Present: List Attached.

Roll Call: A quorum was present. Chair Kimbler called meeting to order at 6:00 p.m.

1. Introductions

Chair Kimbler announced that a public hearing would take place on the FY 2013 Action Plan.

CD Manager Hamre said the plan has been available for comment since November 1st at the three branch libraries, City Hall, and on the city website. The purpose of the public hearing is for citizens to comment on the Plan and the funding recommendations.

2. Overview of Public Comments received during the 30-day Public Comment Period

Hamre listed the public comments that were received by the Committee during the 30-Day Public Comment Period.

Kathy Bogen- Grant Community School Collaborative

Pam Kramer- Duluth LISC/Duluth At Work

Treasure A. Jenkins- Supporter of Community Action Duluth Circles at Work

Harley Blake- Community Action Duluth Board Member

Mimi Stender- Community Action Duluth Board Member

Russ Salgy- Valley Youth Centers of Duluth

Martin Lepak- Duluth Affordable Housing Coalition Chair

Tim McLoughlin- Boys & Girls Clubs of the Northland/Feeding Kids Through Youth Programs

Chris Francis (CEO)/Blair Gagne (COO)- Duluth Area Family YMCA/Feeding Kids Through Youth Programs

David Schaeffer- Duluth Area Family YMCA/Feeding Kids Through Youth Programs

Angie Miller- Community Action Duluth/Circles At Work

Hamre also noted that a Committee of the Whole meeting has been scheduled with the City Council on December 17th with the Community Development Committee to discuss the Action Plan recommendations.

3. Opportunity for people to comment on the FY 2013 Action Plan Funding Recommendations

Chair Kimbler opened the Public Hearing and advised those who speak will be limited to 3 minutes each. Speakers included:

Kate Wigren- Community Action Duluth (CAD), Circles At Work Program Director. Kate thanked the CD Committee for the work they do, and stated that CAD requested \$64,000, CD Manager recommended \$56,000, and the CD Committee recommended \$28,000. The recommended format is for \$8,000 per participant. Kate read a letter from Angie Miller, stating that Circles At Work provides additional services beyond coaching. Mothers take longer to transition from relying on public assistance to joining the work force because of the barriers. She asked that the Circles At Work program be funded at the amount of the original CD Manager recommendation.

Sara Polensky- Sara was able to find the support she needed to build skills and enroll in school, and this opened up a brighter future because of the Circles At Work program.

Karn Juusola- Karn stated that she volunteers with Circles At Work and has seen many lives changed. The barriers of single parenthood are tough to overcome. This program helps them to overcome the barriers to self-sufficiency.

Samantha Etheridge- Samantha has been connected with CAD for 5 years. In 2011 she started with the Circles At Work Program and has received a lot of support. Her CAD mentor has provided her with tremendous support and she would not be in school without this help. Circles At Work has changed her life.

Tim Peterson- Life House- Finance Director. Tim stated that over 600 at risk youth are served at Life House each year. He provided reassurance that Life House continues to be under strong leadership. Tim and Jeff Woolverton have over 3 years working on the Life House leadership team. He provided examples of homeless youth who have changed their lives through Life House, and he stated that the number of youth Life House has served over the last few years has steadily increased. Life House is committed to providing support for Homeless Youth in Duluth.

Dave Schaeffer- Feeding Kids Through Youth Programs- Dave offered thanks to the CD Committee for their work. He urged to keep the funding at the same level and listed all of the organizations involved in the program. The funding will ensure that the programs maintain current levels of staff in serving food; 27,000

meals and 67,000 snacks. He listed some of the health and educational effects of hunger, and stated that the program helps to make kids educationally and socially successful.

Sarah Priest- Community Action Duluth- Sarah thanked the Committee for their work and tough decisions and told a story of a participant who has benefitted greatly from the FAIM Program. She stated that in the FAIM program, 97% of people who have purchased a home remain in that home. CDBG funding is one of few in the country that is funding similar programs. She asked that the committee fund the housing counseling and IDA program this year. She also referenced the many letters that were written last year in support of this program.

Theresa Johnson- Community Action Duluth- Participant of Circles At Work, and wanted to share the importance of the program. Theresa stated the program helps to alleviate the barriers of finding employment for single mothers. The program is very much needed, and she would like the Committee to continue funding the program.

The Public Hearing was closed.

4. Final FY 2012 Action Plan and Funding Recommendations for Transmittal to City Council

Hamre stated that currently the CDBG/HOME/ESG funding amounts are estimates of what the city will receive, and urged the committee to discuss what staff should do if there is more money or less funding received from the Department of Housing and Urban Development. Hamre stated that if the "fiscal cliff" is reached it could mean about a 7-8% cut to the funding amounts for 2013.

Economic Development

Dan Nyquist recommended that the committee restore the funding for CAD Circles At Work to the Manager's recommendation of \$56,000, stating there is a need for this program in Duluth.

Gaylord noted that we should fund the categories in \$8,000 increments as the Duluth At Work model is designed. Branley reminded the Committee that the reason for the reduction in funding was because many of the 2011 participants did not become employed, and that the focus is about funding a successful program that results in participants getting jobs. Yankee stated that he would like to see efficiencies and the possibility of consolidating programs. Ramsey noted that SOAR has done a good job at meeting benchmarks and that reducing their amount would be punishing a good performing program.

Nyquist motioned, Gaylord seconded to fund the Economic Development Category at the following amounts; CAD Circles At Work at \$56,000, SOAR Duluth At Work at \$112,000, CHUM Employment Services at \$72,000,

Entrepreneur Fund Growing Neighborhood Businesses at \$64,000, and Life House Futures Program at \$24,000. Motion Failed; 2-8 (Yes- Nyquist, Gaylord. No- Branley, Kimbler, Ramsey, Yankee, Gordon, Evans, Carr, Perpich)

Chair asked Kate Wigren (CAD Circles At Work Program Director) to address the differences between what CAD and SOAR provide for their Duluth At Work Programs. Wigren stated that CAD provides childcare for meetings and referrals to SOAR are done when appropriate. The initial intense participant support up front is what CAD does that is unique. She said that even though only three participants had gotten jobs, all had completed training after the first year and more jobs were attained after that first year. SOAR also does more specific trainings for certain occupations and deals with soft skills, crisis needs, etc. CAD also does utilize some of SOAR's programming after a number of needs/barriers have been met.

Carr asked if participants could use Bethany Crisis Shelter or Little Treasures when childcare was needed to attend meetings, rather than rely upon Circles At Work to provide it. Wigren noted there are some distance barriers and explained that childcare assistance is not always available.

Hamre explained why the Duluth At Work uses the base of \$8,000 for each participant. He explained that the premise is based on the Portland model which is \$8,000 for each participant over a three-year period. He also mentioned that the program looks to see them employed for two years to build solid work history and references, which are critical.

Nyquist asked Mary Mathews (Entrepreneur Fund) if the businesses had already been lined up for the year. Mathews responded that they have 9 businesses ready for the program.

Gaylord motioned, Evans seconded that the economic category be funded at the following amounts; CAD Circles at Work at \$48,000, SOAR Duluth at Work at \$120,000, CHUM Employment Services at \$72,000, Entrepreneur Fund Growing Neighborhood Businesses at \$64,000, Life House Futures Program at \$24,000. Motion passed; 6-4 (Yes- Nyquist, Gaylord, Evans, Branley, Yankee, Perpich; No- Ramsey, Kimbler, Carr, Gordon)

Affordable Housing

Hamre recommended the CD Committee change their recommendation for HRA to switch from multi-family rehab units to single-family rehab units. The Duluth HRA is working with One Roof Community Housing in completing more Purchase/Rehab/Resale as the HRA already has significant funding to rehab multi-family units in 2013.

Kimbler motioned, Ramsey seconded to fund the Duluth HRA to rehab single-family units, rather than multi-family units. Motion passed; Unanimous.

Nyquist questioned why CAD IDA Housing Counseling and Downpayment Assistance application wasn't recommended for funding this year. Hamre explained that the program's application received the lowest scores and with lacking funds available, funding all the housing programs would be difficult.

No changes were made to the previously recommended funding amounts for Affordable Housing.

Public Facilities

No changes were made to the previously recommended funding amounts for Public Facilities.

Public Services

Hamre noted to the Committee that a program matrix was developed to better inform them what each program does.

Nyquist asked if the Community Development had received any comments from the American Indian Community Housing Organization (AICHO). Hamre noted that we had not received any comments from AICHO, but that they are experiencing staff turnover. Their Executive Director has left and Michelle LeBeau is the interim Executive Director.

No changes were made to the previously recommended funding amounts for Public Services.

Administration

Nyquist questioned who receives the Tenant Based Rental Assistance (TBRA) Administrative funds. Hamre answered that the HRA administers that program and uses the funds for that program.

No changes were made to the previously recommended funding amounts for Administration.

Emergency Solutions Grant

Hamre noted that the \$72,346 extra will be used to pay for homeless prevention and rapid rehousing needs. The Community Development staff is currently working through the process of determining which agency will administer those funds.

No changes were made to the previously recommended funding amounts for Emergency Solutions Grant.

HOME Program

No changes were made to the previously recommended funding amounts for the HOME Program.

Hamre noted that there was \$407 that was unallocated at the last meeting, and the Committee should identify what to do with it.

Kimbler motioned, Gaylord seconded to allocate the \$407 to the Coordinated Duluth Weatherization Program, increasing their allocation to \$180,407. Motion Passed; Unanimous.

Hamre recommended that the Committee make a recommendation if there are reductions or increases to the funding amounts, where CD staff should apply the increases/reductions. Kimbler motioned to make equal reductions across the program. Carr stated that making decreases/increases across the board would not take the program's performance into the decision and that if more/less funding is received it would be best to make an amendment at a future meeting. Kimbler withdrew his motion and a recommendation on what to do with changes in the amount was not made.

5. Approval of Meeting Summary for October 30, 2012

Carr motioned, Yankee seconded to approve the meetings summary for October 30, 2012 as presented. Motion passed; Unanimous.

Next Meeting

Hamre noted that the City Council Committee of the Whole meeting on December 17th would give the CD Committee a chance to recommend their amounts to the Council and discuss the process.

The next meeting date will depend on what funding news the CD Office hears from the Department of Housing and Urban Development. The Action Plan will be submitted to HUD by February 15, 2013.

Hamre asked that the Committee discuss at the next meeting the application process and what changes could be made to improve it.

Ramsey motioned, Evans seconded to adjourn at 7:23 PM. Motion passed, Unanimous.

Respectfully submitted by Ben VanTassel

PUBLIC HEARING ATTENDANCE

Heather Smith- Salvation Army
Pam Benson- Duluth HRA
Lynne Snyder- Duluth HRA
Kate Wigren- Community Action Duluth
Tim Peterson- Life House
Jeff Woolverton- Life House
Amy Westbrook- SOAR
Alexis Carlson- SOAR
John Bartikoski- SOAR
Susan Utech- Safe Haven
David Mattson- SOAR
Cynthia Finley- MACV
Mary Mathews- Entrepreneur Fund
Deb Eagle- Community Action Duluth
Niimii Eagle- Community Action Duluth
Kewee Donahev- Community Action Duluth
Sarah M. Priest- Community Action Duluth
Jeff Corey- One Roof Community Housing
Sara Polensky- Community Action Duluth
Karn Juusola- Community Action Duluth
Samantha Etheridge- Community Action Duluth
David Benson- Damiano Center
Dave Schaeffer- Feeding Kids Through Youth Programs/YMCA