

**MEETING SUMMARY OF THE
COMMUNITY DEVELOPMENT COMMITTEE (CDC) MEETING
TUESDAY, MAY 27, 2014 – 5:30 P.M.
CONFERENCE ROOM 303- THIRD FLOOR- CITY HALL**

Present: Justin Perpich, Randy Brody, Debra Branley, Harrison Dudley, Kristi Gordon, Reyna Crow

Absent: Barbara Carr

Staff: Keith Hamre, Ben VanTassel, Mike Palermo

1. Introductions and Roll Call
 - a. The meeting was called to order at 5:33 PM. A Quorum was present.
2. Overview of the Public Hearings
 - a. Keith Harme introduced the 2 public hearings. The first is a substantial amendment to provided assessment assistance to a street with a water main break. He explained that when a project is added or removed a public hearing is required and a 30 day comment period. This project would a substantial change. The area is located in Bayview Heights and will be changing a private waterline to a public water line. It will assist with a third of the cost of the assessment. The water main needs immediate replacement but the homeowners were willing to wait to receive the CDBG funds.
3. Public Hearing on a Substantial Amendment to 2013 Annual Action Plan
 - a. There were no comments from the committee, Brody motioned to open the public hearing, seconded by Branley. The motion passed unanimously.
 - b. Perpich invited the public to speak, no comments were given from the public. Crow motioned to close the public hearing, Gordon seconded the motion. The Motion Passed unanimously.
4. Overview of Community and Housing Assessment
 - a. VanTassel started a presentation recapping the data gathering for the community needs assessment including a survey. He explained the layout of the public survey, and that there were 812 responses which is much higher than the pervious years. He also explained where the survey was distrusted and how the online version was advertised. He explained that tonight will be more of the aggregated data and in the following week a broader summary of responses including open ended questions will be provided to the committee.

- b. VanTassel discussed housing issues. There were 150 foreclosures in the last year. This equates to 15 or so per neighborhood. The survey also found that many people were 12% struggling to pay their mortgage. We also know the housing stock is old in Duluth and 88% felt that their home needed an upgrade or maintenance of some type. About half felt that \$100 a month for a loan is the maximum they can afford. VanTassel then went into the rental survey results and explained that from over 2,000 units we have data on that rent increased slightly and the non-subsidized rental vacancy is at 4.6%. The net units increased by 101 units. Branley pointed out that new units tend to have much higher rent than the average rent. VanTassel then went into what was considered affordable housing for a family of 4 in Duluth. If you are at 30% of the median income or even 50% of the median income you will struggle to find adequate housing.
 - c. Palermo continued the presentation and discussed the Duluth@Work program and economic questions from the survey. He discussed the 328 participants and 251 who had gained employment over the past 6 years. 82 participants have achieved a full 2 years of employment. Most who participate do have an increase of 25% but most did not have any income at the start of the program. There is an under representation of American Indian or Alaska Native Participants. He also discussed the growing need for more trades training and the steps that are being taken. The Community Needs Survey found that there were not a lot of respondents who have taken a jobs training course such as Duluth@Work. Most respondents have GED/High School Degree. Most found that having a disability or lack of training prevented them from obtaining a job. Respondents wanted to complete computer training, technical training, and resume writing training.
 - d. VanTassel wrapped up the presentation by explaining that other funders do not provide funding for capital projects. We also need to keep in mind that we have neighborhood plans with some projects we can fund but most were not CDBG eligible projects. Although, the projects we do fund tend to be in the neighborhood plans. For public facilities we tend to have to facilities we fund, City needs such as parks facilities and street assessment, or flood damaged or other damaged public facilities such as the Damiano Center of Life House building.
5. Public Hearing on Community Development and Housing Needs
- a. Dennis Cummings from Duluth Bethel discussed the various programs that Duluth Bethel conducts and how they have been apart of the community for 140 years. He time was off at the 3 minute mark by Perpich.
 - b. Rick Klun from Center City Housing Corporation discussed the need for permanent supportive housing, funding for homelessness,

and asked to consider whether HUD priorities are the same priorities as the community. He conceded the remaining time to Dennis Cummings. Cummings finished his statement and explained that the Bethel Building was built in 1912 and will need serious upgrades to be able to continue for another 140 years.

- c. Jeff Corey from One Roof Community Housing wanted to stress the importance of the Housing Access Center and consider a rebirth of the organization.
 - d. Lee Stuart from CHUM discussed issues with performance based funding and moving from transitional housing to permanent supportive housing. She explained that CHUM reports differently than HUD standards because it is more compassionate. She also discussed difficulty with reducing days in shelter when the housing market is so tight.
 - e. Pam Kramer from Duluth Local Initiative Support Cooperative discussed Duluth@Work. She highlighted that Duluth@Work is working with people who are primarily unemployed. They are also working with AICHO and SOAR to start a program for Native Americans. Duluth@Work is also attempting to start more construction training but it takes time to develop relationships.
 - f. Emily Edison from SOAR spoke about the importance of soft skills in training. While participants may respond to a survey that they want hard skills it is the soft skills like ability to hand difficult situations is something that employers continue to say they need out of an applicant.
 - g. Brody motioned to close the public hearing, Crow seconded. The motion passed unanimously.
6. Approval of Meeting Summary for April 22, 2014 Meeting
 - a. Gordon motion to approve, Branley seconded the motion. The motion passed unanimously.
 7. Funding Model Discussion
 - a. Hamre spoke briefly about the next years funding estimates. The current guess is that funding will be reduced by only 1% for CDBG with a higher reduction in HOME funds. It is also expected that ESG funds will remain level.
 8. Next Steps
 - a. Hamre reviewed the plan for next month's CAPER Review. Each sub-recipient will be interviewed and scored based on their performance. Hamre explained the metrics that performance is evaluated and asked the committee if they would like to edit the past performance points allocation. Currently the application allows 21 points out of 100 total points for past performance. The committee felt that it was sufficient. Hamre also explained that while the CAPER doesn't look at outcome measurement the committee will ask and score with evaluation.

Dudley motioned to adjourn the meeting, Crow seconded. Meeting adjourned at 6:55.

Next Meeting: The next CD Committee meeting will be June 24th, 2014 at 5:30 pm.