



*Duluth Community Development Program Mission is to invest in community programs that help low to moderate income people by addressing **basic needs**, providing **affordable housing** and increasing economic **self-sufficiency**.*

City of Duluth
Community Development Committee
June 20, 2017 5:30 PM
City Hall Room 303
Meeting Summary

1. Call to Order and Roll Call

Attending: Randy Brody, Abigail Mlinar, Hamilton Smith, Mark Othus, Nolan Makowsky, Debra Branley

Absent: Cruz Mendoza

Staff Present: Adam Fulton, Ben VanTassel, Suzanne Kelley, Kate Van Daele

Chair Brody welcomed Nolan Makowsky and noted that remain two vacancies on the Community Development Committee.

2. CAPER Public Hearing

Overview of the Public Hearing Purpose

Manager Adam Fulton provided an overview of the purpose of the CAPER. He noted that the CAPER serves as a report to HUD as a progress report on the programs that were funded through the City of Duluth Community Development Program. Information from the summary of accomplishments, financial reports, in addition to a review of the goals of programs is put into a document that is generated from Integrated Disbursement Information System (IDIS).

The CAPER in addition to serving as an annual report looks at progress being made towards goals made in the City of Duluth Consolidated Plan. The Consolidated Plan sets goals based on needs of the Duluth Community and gives a timeline of five years to fund and accomplish those goals.

This report is made available to the public, in addition to the public hearing, as a way to gather input from the community of the accomplishments, or questions about programs that were funded. No comments have been received to date.

Review of 2016 CAPER & Monitoring Process

Suzanne Kelley provided an overview of the CAPER document and the process leading to its development. Monitoring takes place annually either by a desk or an on-site file review. This year, staff participated in both on-site and desk reviews based on risk analysis of the various organizations.

Public comments are added to the CAPER, and the final report is published and sent to HUD to review.

Public Comment

Chair Randy Brody opened the floor for public comment at 5:45. No speakers addressed the Committee.

3. Fiscal Year 2016 Sub-recipient Updates

a. Duluth Housing and Redevelopment Authority – Housing Resource Connection

Jill Keppers, HRA executive director, stated that the HRA met their goal and that no issues were identified in the monitoring. Suggestions were provided during monitoring as to how files could better maintained regarding these programs. Lack of contractors bidding on projects does not result in enough competition; the HRA is interested in finding additional contractors to bid on projects.

b. Duluth Housing and Redevelopment Authority – Tenant Based Rental Assistance

Jill Keppers, HRA executive director, stated that the HRA served 25 households which was above the goal of 18. TBRA did not have any issues that were identified through monitoring.

c. Duluth Housing and Redevelopment Authority – Coordinated Entry

Jill Keppers, HRA executive director, shared that the HRA develops, manages and maintains the Coordinated Entry system. The CE Coordinator is partially funded through this program. The CE Coordinator processed 1,700+ persons processed through the waitlist which exceeded the goal of 1,000 persons. Ninety-five households were provided with housing.

d. One Roof Community Housing – Housing Resource Connection, Acq/Rehab/ Resale

Jeff Corey, One Roof executive director, stated that One Roof met their goal in 2016. The goal was to acquire three homes, of which three were acquired, rehabbed and resold. No monitoring issues were identified.

e. One Roof Community Housing – Gateway Multi-Family Housing

Jeff Corey, One Roof executive director, discussed the status of the Gateway project. It is a \$18m housing preservation project which is 75% complete. The goal is to be done by August 2017. The goal was to have 150 units rehabbed of which 75% are complete. There will be some transitional units, some will be dedicated to youth through a partnership with Life House, and COC units. Security will be enhanced when the rehab is complete increasing safety for tenants.

f. One Roof Community Housing – Tennant Landlord Connection

Jeff Corey, One Roof executive director, stated the goal was to serve 300 clients, but they served 428. Since the program was started the percentage of the clients of color is much higher than other races. The program provides stability for clients, and mediation between clients and their landlords. One Roof is continuing to work with the city and county to identify and track program outcomes.

g. SOAR Career Services – Duluth at Work Collaborative

Jason Beckman described the Duluth at Work program's goal to recruit 41 clients; instead they recruited 74 clients. The program is 30 months long, of which includes recruiting, job training and employment. Benchmarks have been very successful with 67 clients being trained and thirty-six clients obtaining employment. They will be working to ensure their clients complete training, gain employment, and retain employment. SOAR continues to work with Life House and Community Action Duluth in this collaborative. No monitoring issues were identified within this year's monitoring.

h. Entrepreneur Fund – Growing Neighborhood Businesses

Candi Broeffle discussed the 11 businesses that were trained, exceeding the goal by three businesses (the goal had been 8). One of the businesses that was trained will not meet the income goal due to not being able to operate due to health reasons. At this time, the businesses that were trained have not received their tax returns, however the staff member said that she anticipates that all of the businesses will have seen an increase in income. No issues were identified through monitoring.

i. Life House – Homeless Youth Building Rehabilitation

Erich Lutz discussed the progress and described the work was at least 65% complete and would be completed soon. The project is going as planned.

j. Life House – Basic Needs Center for Homeless Youth

Erich Lutz discussed the program. Life House served 651 youth in the drop-in center which exceeded the goal of 600. 1500 meals were provided, which was a 23% increase from 2015. One of the reasons for the increase in services was that in September 2015 HUD modified the definition of homeless youth from 23 to 24 years of age. This increased the number of participants who were able to attend services within the drop-in center. No monitoring issues were brought up during this year's review.

k. American Indian Community Housing Organization – Dr. Robert Powless Cultural Center Improvements (formerly Trepanier Hall)

Joe Morales discussed the program. He stated that 30% of the goal has been met so far. The elevator has been installed to date, and the roof has been bid out and is close to being under contract. Bidding and procurement for public facility projects is done by the City of Duluth. The Cultural Center hosts 500 events per year for events in the community.

l. American Indian Community Housing Organization- Transitional and Permanent Supportive Housing Services

Joe Morales described that the program houses the hardest to house in 29 units. AICHO had a goal of 75 clients through transitional and permanent housing and instead had 110 persons. No issues were brought up in this year's monitoring session.

m. AICHO – Emergency Shelter

Joe Morales described the operations of AICHO's emergency shelter. He outlined the progress and noted that AICHO had exceeded the proposed goals of the program. No monitoring issues were identified.

n. CHUM – Duluth Hunger Project

Scott Van Daele described the Duluth Hunger Project's goal of serving 12,000 clients through CHUM's three food shelves, The Salvation Army's food shelf, and meals served at the Damiano Center. In 2016, the Duluth Hunger Project served over 14,000 participants, exceeding the goal. No monitoring issues were identified.

o. CHUM – CHUM Shelter

Lee Stuart noted that CHUM exceeded the goal set forth for the shelter in 2016. She stated that CHUM saw an increase in the number of people using the CHUM shelter this year. There had been a decrease in the number of people needing shelter in the last few years, but this year they saw an increase. She provided demographic background on individuals using the shelter.

p. Lake Superior Community Health Center – Access to Dental Health Care

Cheryl Larsen stated the goal for this past year was 4,779 patients through their dental clinic. LSCHC served almost 1,500 clients above that goal this year. The program was able to hire a dental therapist that was able to do fillings, so the dentists are able to do extractions in addition to other more intense dental care. The program has a 2.5 year waiting list currently. This is not something that the program anticipates being able to immediately address, because of a shortage of dentists in the area, and not being able to pay dentists a salary that they might expect in the private sector. The program is collaborating with the private sector to assist patients on a pilot basis. No monitoring issues were identified.

q. Neighborhood Youth Services – JET Food Program

Princess Kisob described that NYS exceeded their goal of 500 youth by serving a total of 742 youth. NYS provided 18,199 meals and snacks throughout the year. This includes dinner and a snack during the school year. In the summer, NYS provides breakfast and lunch in addition to snacks. The program looked for restaurants and chefs to come in and teach the youth how to cook meals. An example that was given was during Black History Month was having local chefs come in to cook soul food. This was a new experience for youth who enjoyed learning about new foods, and foods that they might not be able to find in Duluth. No monitoring issues were identified during this year's visit.

r. Center City Housing Corporation – Supportive Housing

Kelly Looby shared that Center City's Family Supportive Housing provides housing to homeless individuals and families. Services for children experiencing trauma are also provided. Often children who are experiencing homelessness, are two grades behind. The program helps children to enter school at grade level once enrolled in the program. This program also provides afterschool programs for children who are older. These are not mandatory services, they are voluntary. Case management is also provided.

The goal of this program was to serve 90 clients, and 89 clients were served. The reason for not being able to meet their goal was because moving clients from out of supportive housing into independent housing was difficult. Duluth's vacancy rate of 3.3% attributes to this number of not having enough affordable housing options available for clients who do not have a Section 8 voucher, and cannot afford market rate options. No monitoring issues were identified this year.

s. Center City Housing Corporation – Permanent Supportive Housing

Kelly Looby stated that families can stay for as long as they would like. These families are referred to other organizations that can help them find jobs, go back to school, in addition to other services that assist individuals become self-sufficient. Together, Center City was able to serve 142 individuals beating their goal of 120.

t. Safe Haven – Domestic Violence Shelter

Susan Utech shared that this was the first time in many years that Safe Haven was short of their goal. Instead of serving 500 clients, they served 455. The cause was cited as individuals unable to find housing due to a poor credit rating, and/or poor rental history. Clients at Safe Haven are allowed to stay at the shelter for up to six months. Construction issues at the shelter also played a part. Flooring throughout the shelter needed to be replaced, which did not allow the shelter to accept the typical numbers of people during the summer months. These factors combined did not allow for Safe Haven to meet their goal.

Susan Utech said that the need for domestic violence shelter has not dropped. If anything, the need has increased based on what she has seen.

u. Minnesota Assistance Council for Veterans – Homeless & At-Risk Veterans Stabilization & Outreach

Lori Margret stated that this year, MACV set a goal of 80 veterans and their families in the Homeless and At-risk stabilization and outreach. Instead of serving 80 families they were able to serve 105. More veterans have been identified within St. Louis County that have identified MACV as a safe place for them to go to be a part of their shelter and transitional housing programs. No monitoring issues were identified this year.

v. The Salvation Army- Family Transitional Housing

Kristi Eckhart stated that the Salvation Army has 16 units of transitional housing. The goal was to serve 100 individuals within 2016. This past year the program served 80 individuals. Clients that has Section 8 vouchers were not able to find a unit due to the tough housing environment.

Clients are able to stay in housing for up to 24 months. This past year, clients had a greater difficulty moving into housing than has been experienced in the past. The program is not meant to force clients into homelessness. While they didn't meet their goal, the program director did not feel that this past year was a failure, she said that the program provides valuable service by building trust, referrals, and helps clients to become self-sufficient when they leave the program. No monitoring issues were identified this year.

w. Equilibrium 3 – Energy Services & Volunteer Coordinator

Jodi Slick described that Eco3 had a goal of serving 20 households through their Giving Comfort at Home program. They were able to serve the 20 households that they set out to serve. The homes served are some of the oldest homes in Duluth. There are 11,000 households that could qualify for assistance programs, that are not able to receive funds. The housing market has increased, and does not have contractors that are wanting to come in and do a \$500 job that provide weatherization services. Ninety-percent of the homes that were served were a part of Zenith Terrace mobile home development. New partnerships were created by connecting with Minnesota Energy Resources by providing natural gas services to mobile homes in Morgan Park. No monitoring issues were identified through this year's review.

x. City of Duluth – Rapid Rehousing

Kate Vane Daele, City staff, shared that through the ESG Flex program housing service providers are able to access ESG Flex funds. This year the goal was to serve 50 clients by rapidly rehousing them. A total of 172 clients were served. This program is administered by the Duluth HRA. No monitoring issues were identified during the review.

4. Other Business

- A. Approve April 18, 2017 Meeting Summary
- B. Approve May 16, 2017 Meeting Summary

MOTION/Second: Smith/Branley to approve the April 18, 2017 and May 16, 2017 meeting summaries as presented. Motion passed. **VOTE: (6-0)**

5. Communications

Housing Action Framework

Fulton explained that the Housing Action Framework was approved by the City Council at its June 12, 2017 meeting. This plan serves as an interim step between the current housing needs and the finalization of the Imagine Duluth 2035 Comprehensive Plan. The "New Investment" areas are intended to deconcentrate affordable housing and provide new housing near underserved areas close to job centers. The framework supported by the Administration, and will be discussed as a part of the July 10th Special Meeting. The Committee may wish to consider the HAF as it finalizes funding recommendations for 2018.

Low Income Housing Tax Credits

Fulton described the LIHTC requests for the Decker Dwellings proposal (40 units of new construction), a One Roof Community Housing development located near the Miller Hill Mall, and the Garfield Square Apartments (40 units of new construction), a proposal by Center City Housing. Both projects will hear back from Minnesota Housing and Finance Authority in October if tax credits are approved.

6. Adjourn

MOTION/Second: Smith/Branley to adjourn the meeting at 7:24 PM. Motion passed. **VOTE: (6-0)**