



Planning & Development Division
Planning & Economic Development Department

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Community Development Committee Meeting Summary

Tuesday, December 03, 2019, 5:30 p.m.

Room 330, Duluth City Hall

1. Call to Order and Roll Call

Chair Hamilton Smith called the meeting to order at 5:30 pm

Roll Call

Attending- Hamilton Smith, Patricia Sterner, Noland Makowsky, and Mark Osthus

Absent- Daris Nordby, Valerie Joeckel, and Breanna Ellison

Staff Present: Ben VanTassel, Suzanne Kelley, Mollie Hinderaker

2. Approval of Meeting Summary

MOTION/Second: Makowsky/Osthus moved to approve the meeting summary from November 19, 2019. **Vote (4-0)**

3. Staff Summary: Public Comment Period, Comments Received:

City staff, Suzanne Kelley, passed out the final public comments received that were sent out via email prior to the meeting. There were no questions on any public comments received.

4. Public Hearing on the FY2020-2024 Consolidated Plan & FY2020 Annual Action Plan:

Chair Smith opened up the public hearing.

Evan Flom from the Seeds of Success Program through Community Action Duluth (CAD) was in the audience and asked to speak about the program. He stated that the Seeds of Success program focuses on increasing food access for lower income residents by establishing multiple farmers markets throughout the year. Seeds of Success also puts on a kids program and an EBT match program giving more people access to fresh foods. Flom stated that they are gearing to expand Seeds of Success by implementing a transitional employment program. This additional employment focus would build capacity and create opportunity for individuals who typically see barriers to employment.

Sterner inquired how this expansion could work with other employment programs existing in the community.

Flom replied that Stream Corps is an existing program through CAD which already offers similar employment opportunities. Seeds of Success would model this new transitional employment position after this pre-existing program.

Smith asked if there was an education component to the Seeds of Success program and if they ever worked with dieticians.

Flom explained that there are educational components that they incorporate into the site. For example, they do cooking demonstrations at the Hillside farmers market in partnership with Essentia Health, which might include working with professional dieticians. The Duluth Community Garden Program is also a partner that helps provide fresh food education to program users.

With no other speakers signed up or members of the audience wanting to make a public comment, Chair Smith closed the public hearing.

5. Finalize Committee Recommendation: FY2020 Annual Action Plan:

City staff, Benjamin VanTassel, gave a brief overview of the process to finalize the FY2020 Action Plan. After the meeting tonight, the Committee will have finalized their funding recommendation, which will then be presented to City Council for review. VanTassel reminded the Committee that the funding recommendations are currently based on estimates and that the City would know the exact funding totals after the Congressional budgeting process was complete. VanTassel reminded the Committee that because of this, the Committee would also have to decide on a contingency plan, laying out how they will address changes in the actual budget compared to the recommendations based on estimates.

Makowsky asked for a reminder on what the funding pre commitments were for the FY2020 Action Plan.

VanTassel stated that two housing projects were funded with pre-committed funds, Decker Dwellings and Birchwood Apartments, and that both of these projects secured funding from Minnesota Housing Finance Agency.

Suzanne Kelley emphasized that it is relatively rare for Duluth to get two projects funded by the State in one year and that the pre committed CDBG funds allocated by the Committee most likely helped in each respective scoring process.

Chair Smith stated that the Committee would finalize the funding recommendations by category and would open up each category for discussion before finalizing.

CDBG – Affordable Housing

Sterner introduced an idea addressing the two Ecolibrium3 projects in this category, Duluth Energy Efficiency Program (DEEP) and Specialized Improvement Area (SIA) Blight Reduction. Sterner explained that instead of funding the SIA Blight Reduction program at such a reduced rate compared to the request, the Committee could transfer those dollars to DEEP and make it more close to being fully funded. She suggested reaching out to Ecolibrium3 to get their opinion on how it would affect each program.

VanTassel explained that it is unlikely we would get an immediate answer but could reach out retroactively after finalizing the Committee's funding recommendation and before presenting to City Council.

MOTION/Second: Sterner/Makowsky moved to approve the funding recommendations for the CDBG Affordable Housing category with no changes. **Vote (4-0)**

CDBG – Economic Development

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the CDBG Economic Development category with no changes. **Vote (3-0) Abstain (1- Makowsky)**

CDBG – Public Facilities

Chair Smith commented that after hearing from the agency during the public comment period, the Chester Bowl chalet renovation project was satisfactory in terms of project readiness and timeliness.

MOTION/Second: Sterner/Makowsky moved to approve the funding recommendations for the CDBG Public Facilities category with no changes. **Vote (4-0)**

CDBG – Public Services

Sterner commented that despite many of the projects not receiving full funding, largely due to the 15% cap for this category, the recommendations as they stand seemed fair.

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the CDBG Public Services category with no changes. **Vote (3-0) Abstain (1- Makowsky)**

HOME Investment Partnership

MOTION/Second: Sterner/Osthus moved to approve the funding recommendations for the HOME Investment Partnership category with no changes. **Vote (4-0)**

Emergency Solutions Grant

MOTION/Second: Makowsky/Sterner moved to approve the funding recommendations for the Emergency Solutions Grant category with no changes. **Vote (4-0)**

Planning and Administration

Makowsky asked for clarification on what Neighborhood Revitalization Planning was and why this part of the request was not being funded.

VanTassel explained that in the past, Planning and Administration funds were able to go towards additional planning efforts rather than solely towards staff time. Spending money this way is not currently viable. If these funds are available in the future, the City would submit an application for this category.

MOTION/Second: Osthus/Sterner moved to approve the funding recommendations for the Planning and Administration category with no changes. **Vote (4-0)**

After finalizing the funding recommendations for the FY2020 Annual Action Plan, Chair Smith opened up the discussion to establish a contingency plan addressing any changes between actual funding amounts from HUD and the estimated budget.

Sterner proposed the following contingency plan:

-If the official funding amount from HUD is equal to or smaller than a -1 percent difference compared to the estimates, all projects will be reduced an equal amount of funding per respective funding category, i.e. CDBG, ESG, and HOME
-If the official funding amount from HUD is equal to or smaller than a +1 percent difference compared to the estimates, all projects that have not received full funding will receive an equal and additional amount of funding per respective funding category
-If the official funding amount from HUD exceeds a +/-1 percent difference compared to the estimates, the Committee will reconvene to discuss changes to the funding recommendations for each respective funding category.

After some discussion over alternatives, the Committee decided to move forward with Sterner's proposed plan.

MOTION/Second: Osthus/Sterner moved to approve the Contingency Plan proposed above.

Vote (4-0)

6. Finalize Committee Recommendation: FY2020-2024 Consolidated Plan:

Kelley gave a brief overview of the FY2020-2024 Consolidated Plan as a 5-year plan to help guide HUD funding for the City. Similar to the FY2020 Action Plan, the Consolidated Plan went through an initial public hearing process and will be presented to City Council for final review.

MOTION/Second: Sterner/Makowsky moved to approve the draft FY2020-2024 Consolidated Plan. **Vote (4-0)**

7. Committee of the Whole with City Council- Date and Process:

VanTassel explained that he is still working on scheduling a date for Committee of the Whole with City Council. Potential dates include January 13, 2020 or January 27, 2020. VanTassel further stated that in the past, Committee members met before the Council meeting and discussed which member would present on each topic.

Smith stated that he would like to make preliminary assignments tonight. The Committee agreed upon the following preliminary assignments:

Smith- Brief overview of all categories (CDBG, ESG, HOME), CDBG-Public Services, CDBG-Public Facilities

Sterner- CDBG-Affordable Housing, CDBG- Economic Development,

Osthus- ESG

Makowsky- HOME

Chair Smith stated that if other committee members can attend, assignments could change.

8. Draft 2020 Meeting Schedule:

VanTassel overviewed the draft 2020 meeting schedule emphasizing the meeting night in 2020 will revert to the fourth Tuesday of the month. The next meeting is scheduled for Tuesday January 28, 2020 however, if the Committee of the Whole with City Council date is scheduled for Monday January 27, 2020, there is potential to combine both meetings into one night.

9. Adjourn (Next meeting, January 28, 2020)

MOTION/Second: Makowsky/Sterner to adjourn the meeting at 6:35 pm. **Vote (4-0)**