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Community Development Block Grant Committee
Minutes
Wednesday, February 18, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Alderman Anthony Kennedy, Arthur Landry, Tim Mahone, Alderman Tod Ohnstad, and Ron Frederick

MEMBERS EXCUSED: Anita Faraone

STAFF PRESENT: Jeff Labahn and Anthony Geliche

The meeting was called to order by Alderman Marks at 5:05 p m Roll call was taken

Approval of Minutes from the December 1, 2008 Meeting

Alderman Ohnstad said in the article provided in the packet it states CEDCO provides loans The minutes on page 3 indicates funding is for technical assistance only, not loans Mr Geliche said even though CEDCO may offer loans, our funding is for technical assistance only

A motion was made by Alderman Ohnstad and seconded by Mr Frederick to approve the minutes as written The motion passed unanimously (5 ayes; 0 noes)

1 Authorization to Issue CDBG Agreement between the City and CEDCO

Randy Luter, Interim Executive Director, passed out a revised flowchart showing what happens when someone calls or comes into the office

Alderman Kennedy arrived

Mr Luter said there are several ways clients contact CEDCO Clients set up appointments, walk-ins, telephone with inquiries, and business site visits are offered CEDCO receives many telephone inquiries and we try very hard to get the potential clients to come into the office Mr Luter said CEDCO is still working on an effective means to report the assistance provided clients for HUD

When a potential client contacts CEDCO, we assess their current situation We ask them if they have a business plan or a business idea Many potential clients have several business ideas, but do not know where to go from there Some of the potential clients are referred to WWBIC

CEDCO and WWBIC offer seminars together to identify which business flow they want to follow Then the clients move on to prepare their business plan This can be in a group setting or 1:1 CEDCO and WWBIC work together on business plans also The business

plan is the most important part of the process It tells the potential business owner where they are going Once the business plan is secure, then the client moves onto other areas of the business such as generating options and solutions; clarifying roles, relations & functions; etc CEDCO has a checklist that must be completed before referring a client to WWBIC and other lending institutions for financing CEDCO continues to work with their clients by providing technical assistance even after financing is secured to ensure they are successful WWBIC also provides reverse referrals if they have a client who is in need of our technical assistance

Two examples of clients who will be referred to WWBIC in the near future are:

1 LiVito, LLC, a company looking to sell portable imaging machines in the area There are only two similar companies in the area at this time

2 New Seasons Adult Family Homes, Inc is a 3-4 bed private room community-based adult family home Mr & Mrs Kenner, 1619 24th Avenue, said they received their license from the State in December 2008 They were looking for start up funding so went to CEDCO CEDCO reviewed their business plan and connected us with WWBIC and other private lenders Mr Luter is very flexible when setting up meetings with us The Kenners said they want to offer a group home that is over and above what is currently offered in Kenosha

Mr Luter said they are working with the State of Wisconsin, Department of Commerce for a $100,000 grant to add to their minority loan fund for Racine and Kenosha as a matching grant There is a need for administrative funds to keep the program running smoothly and to administer the loan funds

Question: Will the New Seasons Adult Family Home be handicapped accessible for the 3-4 individuals?

Answer: The home is for individuals who are fully ambulatory We do hope to open additional homes in the future

Question: Was a current census taken to show a need for this facility?

Answer: No

Question: Are you under contract with Community Care?

Answer: Yes, we just received confirmation we were approved by Community Care

Alderman Ohnstad asked if CEDCO was working with anyone else Mr Luter said another client was Mr Perez who has 30 years experience in the stainless steel business He owns a building in Kenosha and wants to open his own business He does not have a business plan He is outsourcing his work right now, but has 3-4 contractors in the wings waiting for him to open his own business in Kenosha CEDCO is also working with one contractor and several indirect sub-contractors for the I-94 project

Mr Mahone asked how involved CEDCO is with the I-94 project Mr Luter said he is on two committees One committee deals with the labor force required to work on the I-94 project The other committee is for jobs other than skilled contractors There will be many job opportunities available in addition to the skilled contractors needed for this project There are not many construction firms in the Kenosha/Racine area The DOT will be involved in the bidding process for the prime contractors and sub-contractors

The individuals interested in working of the I-94 project will be looking for financing for equipment Mr Mahone said this is a very important project for business and the people Mr Luter said some people who worked on the Marquette Interchange and have offered their assistance

A motion was made by Mr Mahone and seconded by Alderman Kennedy to authorize a CDBG Agreement between the City and CEDCO for funding in the amount of $40,000 The motion passed unanimously (6 ayes; 0 noes)

The committee asked to receive updates on the progress of CEDCO sactivities Mr Geliche said he would include reimbursement requests in meeting packets as they are submitted WWBIC sends a quarterly update showing success stories and finances Mr Mahone asked if DOT contracts were part of the report and if not, could that be added Mr Luter said that could be added to their report Alderman Marks said she would like to see the report show the relationship between CEDCO and WWBIC along with how they are marketing the downtown and uptown areas

2 Authorization to Issue CDBG Agreement between the City and WWBIC

Heather Lux, SE Wisconsin Office Project Director, and Barb Fischer-Galley, Administrative Assistant, were in attendance representing WWBIC Ms Lux gave a presentation to the committee She stated that WWBIC sgoal was to serve 64 people in Kenosha Through February 18, 2009, 104 people have been served with 49 of those being low to moderate income individuals

WWBIC has formed a new partnership with the Shalom Center by offering their first class their on February 17, 2009 Ms Lux said WWBIC will be holding five (5) Volunteer Income Tax Assistance workshops WWBIC is conducting classes at the CEDCO location Ms Lux said representatives from CEDCO, WWBIC and WHEDA will be meeting with local lenders to let them know of their services and that if they are unable to lend to individuals, WWBIC may be an option

WWBIC sgoal was to increase their outreach venues in Kenosha by five (5) in 2008 Through the end of November 2008, WWBIC has participated in 12 new outreach opportunities

One (1) loan was approved and one (1) was denied since our last meeting A loan for a business called Naturally Delicious located at 5115 Seventh Avenue was just approved This is a catering business using all natural and organic products

Question: On the loan that was denied, do you continue to work with them to help them bet their loan approved?

Answer: Yes, Mary Ngiela, our loan officer for SE Wisconsin, works with them and they can reapply in three to six months said Ms Lux

Question: What is the success rate for second time loan applicants?

Answer: Ms Lux said she did not have that information and would have to get that information to the committee WWBIC does provide technical assistance throughout the loan process

There is a loan in the pipeline for $50,000 that will be reviewed by the Loan Committee on February 26, 2009 There is also a $80,000 loan for a retail business in process We have held a CanWe Talk and hope to have an application for a daycare by February 20, 2009 We conduct 6 8 CanWe Talk sessions a month These sessions are where individuals sit down with Mary Ngiela and see where they are with their business plan

The committee had a concern about Kenosha representation on the WWBIC loan committee Mary Fischer-Tracy from First Banking Center has been added to the loan committee and there is a possibility of a second person being added

Ms Lux distributed an article on Yahoo regarding increased interest in micro loans in which Wendy Baumann, President of WWBIC, was quoted

Question: Is WWBIC involved with the DOT I-94 project?

Answer: No, we are not Ms Lux said she joined WWBIC in September and they were not involved with the project at that time

Mr Landry thanked Ms Lux for getting a Kenosha representative on the loan committee

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to authorize a CDBG Agreement between the City and WWBIC for funding in the amount of $80,000 The motion passed unanimously (6 ayes; 0 noes)

Alderman Marks said she is glad to see WWBIC is instrumental in bringing new businesses into downtown and the community

Mr Luter asked if he could get a list of available property in the downtown area Tony Geliche, Community Development Specialist, said he can get that information from the City Development office

3 2010 2014 Consolidated Plan

Tony Geliche said Common Council approved an agreement between the City and Urban Strategies, Inc to assist in the preparation of the 2010 2014 Consolidated Plan The

Consolidated Plan is a HUD requirement to receive CDBG and HOME funds and is a collaborative process identifying the needs in Kenosha in relation to housing, homelessness and Community Development needs The goals, priorities and programs to address these needs are established once the needs are identified We collaborate with other agencies to help meet the needs We do need to incorporate the ESG (Emergency Shelter Grant) program needs into our Consolidated Plan

The Consolidated Plan will need to be adopted, refined and debated so that it has clear objectives for those requesting funding The plan can be amended as situations change

This committee will review the findings of the consultant, provide suggestions for the consolidated plan and approve the goals and recommendations The goals and recommendations will go before the Plan Commission and Common Council for adoption

The consolidated plan in the past has been generic This is an opportunity to have a plan that we hope will better address the needs of the community The process begins tomorrow with a meeting with the City, United Way, UW Extension, and Kenosha County to see if they are willing to work together on this project The adopted Consolidated Plan is required before we can move into our next CDBG Program year process

Question: In the past 2-3 months, two (2) groups have come together for persons with mental illness and the homeless They are Change and KARE Can those two (2) groups be surveyed for their input for the Consolidated Plan? The KARE Center is looking to replace their current facility

Answer: Mr Geliche said the list is currently being put together

Alderman Marks said this plan goes hand-in-hand with our Allocation Plan This plan will give us guidance for our percentages on how we allocate our funds Mr Frederick said he is hopeful that mental illness will be addressed There is a waiting list for the current facilities Alderman Marks said with the economic situation the way it is today, mental illness may be affecting more people

Alderman Marks said she would like the committee to meet monthly through June Possibly representatives from Urban Strategies, Inc can meet with the committee in March and explain to the committee what they are doing She asked if the committee would check on the 2nd and 3rd Wednesdays of the month to see if meetings could be arranged on either of those days

4 CDBG Activity Balances

Tony Geliche said the three (3) page report shows the actual funding through Block Grant and the current balances for each agency In the left hand column is the year the project was funded and the year the funds were allocated The report also shows what the total contract amount is and what each agency has been paid to date This report shows the committee where we are in spending our funds Many of our agencies request funding between 2 calendar years Some agencies put in a one time reimbursement request If the

reimbursements do not come out to the exact amount and there is a small balance, that balance is transferred to the unprogrammed fund balance

Question: What is the balance in Economic Development?

Answer: There is $696,000 in 2006 funds and $675,000 in 2005 funding remaining in the Economic Development fund After funding both CEDCO and WWBIC, there will be a very small amount left in the Economic Development fund

Question: When will we hear what our 2009 amounts will be from HUD?

Answer: Hopefully, within about 30 days There may be additional entitlement funds available, but those funds will have to be moved on within four (4) months, so will have to be used on projects ready to go immediately We could see additional funds, but do not know what the amount will be

Question: Was Kenosha Fire Department a 2009 applicant?

Answer: No, they were a 2008 recipient

Question: If CDBG receives additional funding, would it be possible to use some of the funding for summer employment?

Answer: Mr Geliche said he is not sure at this time because he does not know what the requirements will be for the additional funding

Alderman Marks asked for a report showing what was allocated over the past five (5) years This will tell us what we allocated to various agencies and may help us determine what we should have done over that period of time Mr Geliche said the consultants will be performing that task for the committee over the past ten (10) years They will determine if our goals were met during that time

5 Any other Business as Authorized by Law

Mr Geliche said he would like the committee to consider changing the calendar cycle for the CDBG process The current cycle begins in July with the approval of the Allocation Plan The application period is usually at the end of August to mid-September with interviews and allocation completed by mid- to end of October After final approval is received by Common Council in mid-November, everything is on hold until May when we receive our determination from HUD The change would move the Allocation Plan meeting to August or September The application would be due in December Interviews and the allocation meeting would be in January

Recipients have a six month period of no activity which is hard to budget for The current process has been in place for years, but this would be a good time to consider a change Alderman Marks said we can let the applicants know very early on that the process time line is changing Alderman Kennedy asked if the change were made, what does that do for

City Development staff during budget time Mr Geliche said the budget process may be moving up a month

Alderman Marks asked that the Calendar Cycle be an item on the next agenda

6 Public Comments

Public hearing opened No public comments Public hearing closed

7 Commissioner Comments

No Commissioner comments

A motion to adjourn was made by Alderman Kennedy and seconded by Mr Mahone The motion passed unanimously (6 ayes; 0 noes)

The meeting adjourned at 6:10 p m

Community Development Block Grant Committee
Minutes
Wednesday, April 30, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Alderman Tod Ohnstad, Anita Faraone, Arthur Landry, Tim Mahone, and Ron Frederick

MEMBERS EXCUSED: Alderman Anthony Kennedy

STAFF PRESENT: Jeff Labahn and Anthony Geliche

The meeting was called to order by Alderman Marks at 5:03 p.m. Roll call was taken.

Approval of Minutes from the February 18, 2008 Meeting

A motion was made by Mr. Frederick and seconded by Ms. Faraone to approve the minutes as written. The motion passed unanimously (5 ayes; 0 noes).

1. Funding Analysis

Tony Geliche, Community Development Specialist, said the CDBG Funding Analysis was categorized to show where the funds were spent in prior years. This provides a picture of where the funds have previously been allocated. Mr. Frederick appreciated the effort put forth categorizing the funding. Mr. Frederick felt the Domestic Violence, Facility Improvements, and Economic Development categories were too general. Mr. Landry said he would like to see more detail within the categories as well. Mr. Geliche said Facility Improvements pertains to improvements to the actual building. Alderman Marks said the identification can be changed. Mr. Geliche said he did not want to categorize the funding by agency but by services and programs. Alderman Ohnstad said the analysis is very worthwhile and will be helpful during the next program cycle. Alderman Marks said this will help the committee decide where to focus the funding.

A motion was made by Mr. Landry and seconded by Ms. Faraone to receive and file the 2000-2009 CDBG Funding Analysis. The motion passed unanimously (5 ayes; 0 noes).

2. "211" Calling Systems

Mr. Geliche said a 211 Calling System refers callers to Community Services within a designated area. The development of a 211 Calling System as a whole would not be eligible for CDBG funding since 50% of Kenosha is not low-to-moderate income. CDBG funding could be used to fund the portion of the calls made to the system who were referred to programs such as homeless, domestic violence, etc. or if they are calling to get information on programs for low to moderate income people.

There are two ways to track the calls. They could be tracked by the duration of the call. If tracked by duration, then CDBG would pay by the length of the call. The other means of tracking would be by the number of calls. CDBG would only pay for the exact number of calls that meet CDBG criteria. The calls would be paid for just like City staff – only for the actual hours worked. The best information to clarify what is allowable is the directive from HUD.

Mr. Landry asked if anyone has asked Kenosha to start a 211 Calling System. Alderman Marks said Racine has the system with coverage in Kenosha and Walworth Counties. Racine's funding comes from the University of Wisconsin and Human Services of Racine County. Racine is looking to provide additional coverage in Kenosha. The largest increase in calls is coming from the Hispanic community in Kenosha. Currently the calls from Kenosha are referred to Safe Haven in Racine. Mr. Landry noted that Racine is not in our Region. Mr. Geliche said the provider can be outside our area as long as the recipients are in Kenosha. The calling system would have to log the calls. Mr. Landry asked if Kenosha and Racine were combined, would they meet the 50% low to moderate income requirement for HUD. Mr. Geliche said they would not.

Alderman Marks said there was an Info Please directory back in 2004/05. Several organizations previously discussed a 211 System, but there was no funding for the program. There was some discussion with the University of Lake County for an online system.

Tim Mahone arrived.

A 211 Call Center helps the 911 system during an emergency situation such as Katrina or tornadoes. Mr. Landry asked if the 211 Calling System could assist with the Stimulus Program inquiries. Mr. Mahone said the Waukesha and the local calling system are working with United Way for efficiency with the systems. There is a limited amount of funding and many ways to spend the funds. Ms. Faraone asked if Kenosha County Human Services has been approached to fund the calling system. Would stimulus funds be able to be used to initiate the program? Mr. Geliche said we would not be able to use stimulus funds for the program.

Alderman Marks said Racine wants to meet with Kenosha and other organizations to see what can be done, but they are still getting their information organized. Mr. Frederick said it is important to make sure the project is done well from the start. It will be a substantial commitment with joint systems. It would be beneficial to compare the Racine and Waukesha systems. Waukesha has a very comprehensive system. The calling system will require a substantial infrastructure. A lot of time and money will be required to create a quality calling system.

Alderman Ohnstad said in a few months we will have a large amount of money and many requests from throughout the City. He would not feel comfortable taking funds away from the applicants to pay for this calling system, but understands it is important to have a quality calling system.

Alderman Marks said it would be helpful to have a cost for the program. There are more

and more people in need of this type of system. Alderman Marks stated the committee has leverage of funding from various organizations which will be helpful. Mr. Frederick said juvenile and crisis records have been kept for over 20 years, which we will have access to. Health and Human Services will be important in developing the 211 Calling System because they are already in charge of what is in place. Alderman Marks said that is why this has been brought before the CDBG Committee for possible funding.

Mr. Landry said he would be hesitant to substantially fund this project on a multi-year basis because if funding decreases it takes away from needy organizations in the community. Alderman Marks said these are the hard decisions the committee has to make. The 211 Calling System is one possibility.

Alderman Marks said we need to first see if CDBG funds can be used. Then meet with Racine to possibly work with them to enhance their system. Mr. Mahone suggested studying the University of Wisconsin and Racine systems to see which aspects of the systems we could use for our own system and try to get funding. Alderman Marks said if we allocated $20,000 – $25,000 in CDBG funding, it would be a good point of contact for many of the people that CDBG represents. Mr. Mahone noted that funding amounts are increasing, so possibly CDBG can be a source of funding. Alderman Marks said more first time callers are calling in looking for help because of the economy, and first time callers require additional assistance.

A motion was made by Mr. Landry and seconded by Ms. Faraone to receive and file the "211" Calling Systems information. The motion passed unanimously (6 ayes; 0 noes).

3. CDBG Activity Balances

Mr. Geliche distributed an updated CDBG Activity Balance worksheet. The balances for several agencies such as Kenosha Literacy Center, Bridges and the Spanish Center have requests for payment that are in the process of being paid so are not reflected in the report. CEDCO and WWBIC are not updated. The signed WWBIC contract was received today. The balances are accurate through last week.

Alderman Marks asked if people are receiving grants through the Rehab Grant Program. Mr. Geliche said between 20 – 25 people receive grants each year. The funds get used pretty quickly. Alderman Marks asked what the ending dates were for the contracts. Mr. Geliche said the contracts end May 31, 2009. The Southport Lighthouse Keeper's House project is complete, but we are still waiting for the paper work. AODA Safe House project was never done. Mr. Geliche said he waits one year past the contract end date before closing out the account. A couple accounts that did not use quite all of their funding will be zeroed out. A couple organizations asked for extensions.

Mr. Mahone asked how Walkin' in my Shoes was doing. Mr. Geliche said they are doing well. The agency purchases their supplies on an as needed basis usually at Wal-Mart. They do a good job on their reporting. Mr. Mahone asked if they get many people coming up from Illinois. Mr. Geliche said he did not notice that a significant number of people were coming from Illinois requesting services provided by Walkin' In My Shoes.

Alderman Ohnstad asked about the large balances in the City accounts. Mr. Geliche said he will be moving some of the money to cover necessary expenses. The City did not requests funding last year because we have houses to sell and the market is slow. The City may request funding in the fall, but if we can't use the funds, we would let the Committee know.

Mr. Landry asked if there has been any feedback on difficulty in leverage of funds or problems spending funds for their projects. Mr. Geliche said not with the current funds, but possibly with next year's funding.

A motion was made by Mr. Landry and seconded by Ms. Faraone to receive and file the CDBG Activity Balances information. The motion passed unanimously (6 ayes; 0 noes).

4. Any Other Business as Authorized by Law

Mr. Geliche said the 2008 CDBG Agreements expire on May 31, 2009 and there are no extensions.

Mr. Geliche said the City is still waiting for the contract from HUD for the 2009 program. There is a slight increase in funding for 2009, but we do not have an actual dollar amount. All agreements have been reviewed and approved by the agencies. We are hoping to have the agreements on the May 18, 2009 Common Council agenda. Some of the contracts have a January 1, 2009 start date and others have a May 1, 2009 start date.

We have additional stimulus funding of approximately $283,000 said Mr. Geliche. We may need to meet to allocate those funds. At the present time, we do not have any guidance for spending the funds other than a 120 day time frame to spend the allocated funds or they will be lost. If we are unable to utilize the funds, we are to let HUD know immediately. Additional funds could be awarded if we have projects available.

Alderman Marks asked if brick and mortar projects of CDBG recipients could use the funds. Mr. Geliche said he did not know since they have not received the guidelines yet.

Mr. Frederick said a proposal for stimulus funds from Kenoshan's Who Care for a Kenosha Adult Emergency Center to serve as an alternative to a hospital was not funded. The current center for people with acute psychiatric illness sees 600 people per year. The majority of the people meet the poverty guidelines. The current center is not handicapped accessible.

Mr. Mahone said the agencies will need to react immediately. The key would be for agencies to be educated in advance in order to utilize the funds. Ms. Faraone said the funds not being used are going back on Recovery.com and the government is asking people and agencies to apply for the funds. Can we see if last year's applicants could benefit from any of the funding available on Recovery.com? Mr. Geliche said once we know how the funds can be used, we will be able to determine the best course of action.

Mr. Geliche said the Consolidated Plan survey is on the City's website. 2010 requires a new plan before the funds can be allocated. Urban Strategies is our consultant. The survey will determine the needs of the community. It has been on our website for three (3) weeks with 205 responses. We have advertised in the newspaper, on cable, sent out a mailing to our CDBG grant applicants, have posted information at the libraries and the non-profit agencies that had CDBG contracts. Mr. Geliche said he will check with Urban Strategies to see if we need to leave it on longer for a larger number of responses. It is necessary to update the needs of the City and our data tables in our Consolidated Plan. Mr. Geliche said they have met with University of Wisconsin, University of Wisconsin-Extension, United Way, Kenosha County, homeless programs, and other agencies. The goal is to have a Consolidated Plan that will meet the needs of the community and that all programs in Kenosha can utilize.

After the survey, Urban Strategies will talk to the Plan Commission, Common Council, County Board Supervisors, etc. They will expand on the survey, hold focus groups. CDBG will also have input. It will be presented to the CDBG Committee in August or September for approval.

Mr. Geliche said we may take this opportunity to look at our program cycle. The 2009 funds received final approval in November and we still do not have funding. We might want to look at moving the allocation meeting to January with the application period in November – December. Interviews would be held in January – February so the applicants are not waiting so long to get their funds. We can't change the federal timeframe, be we can change our process. We hope to have a more useful tool when we allocate our funds.

Mr. Mahone asked if we could extend the time for the survey to be posted on the City website as he would like to contact some young professional groups to take the survey. Mr. Geliche said there have been two (2) responses from the Lincoln Park neighborhood, ten (10) from the Washington Park neighborhood, and six (6) from the Columbus Park neighborhood. Mr. Geliche said Appleton has 600 responses. We thought we would have a better response. Mr. Mahone asked to extend the survey for two (2) weeks and he would email a notice to his network of contacts. Alderman Marks asked to have the survey
remain on the City website until the end of May. Mr. Geliche said he will check with Urban Strategies about leaving the survey on the website until the end of the month.

Alderman Marks asked Staff to set up a meeting in May or June for the Stimulus funding and to bring in the Consultant to discuss the Consolidated Plan.

5. Public Comments

No public comments.

6. Commissioner Comments

No Commissioner comments.

A motion to adjourn was made by Alderman Ohnstad and seconded by Ms. Faraone. The motion passed unanimously (6 ayes; 0 noes).

The meeting adjourned at 6:00 p.m.

Community Development Block Grant Committee
Minutes
Thursday, May 14, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Alderman Anthony Kennedy, Anita Faraone, Arthur Landry, Tim Mahone, and Ron Frederick

MEMBERS EXCUSED: Alderman Tod Ohnstad

STAFF PRESENT: Jeff Labahn and Anthony Geliche

The meeting was called to order by Alderman Marks at 5:03 p.m. Roll call was taken.

1. **Project funding under the CDBG-R (American Recovery and Reinvestment Act of 2009)**

Public hearing opened.

Frank Pacetti, City Administrator for the City of Kenosha, 625 52nd Street, Kenosha, said this is the stimulus era and the rules change daily. The City of Kenosha has been working on obtaining funding for three (3) months. Stimulus funds have their own set of regulations different from conventional CDBG funds.

Mr. Pacetti said the City of Kenosha has received funding, but we must tell them we want the funding or we lose it. There is not enough time to go through our normal application process with the CDBG-R funds. The best option is to apply the funds to road improvement projects. The projects are ready and will only require the approval of this Committee, Finance Committee and the Common Council. The deadlines for the funding are tight.

Tony Geliche, Community Development Specialist, said the Amendment to the 2008 Consolidated Plan has to be to HUD by June 5, 2009, so we need to have it on the June 1, 2009 Common Council agenda. Mr. Geliche said the American Recovery and Reinvestment Act of 2009 wants the funding used for priority projects. Infrastructure was highly emphasized in the guidelines. The street assessment list was submitted by Public Works for the CIP 2009 CDBG appropriation. This is the list we will use to select our road improvement projects. The intent is to do 65th Street from 14th Avenue to 20th Avenue and 65th Street from 20th Avenue to 22nd Avenue since the two project are just about ready to send to bid. The roads will be able to be started when school is finished and completed before school begins in the fall. This will bump up the other projects on the list for 2009 funds.

Mr. Geliche said staff's recommendation is to use the CDBG-R funds for road improvements and shift up the remaining 2009 projects for the 2009 CDBG funds.

A motion was made by Mr. Frederick and seconded by Mr. Landry to use the CDBG-R funds for road improvements and shift up the remaining 2009 projects.

Alderman Kennedy said, in looking at the list of street assessments, that all the funding will be used on the two projects mentioned. What if there are funds left over? Mr. Geliche said if the projects come in under budget, then we will look at doing another project that is close to the amount remaining. There is an excess of $282,000 in 2008 funds to apply to other road projects listed on the assessment list also since we do not have time to go through the application process.

Mr. Mahone asked if the funds earmarked for Kenosha have to be used for roads and if we have to tell HUD we want the funds. Mr. Geliche said we do have to tell HUD we want the funds. The funds have to be used for priority projects such as to modernize infrastructure, health care, energy efficiency. Mr. Mahone asked if the proposed road improvements meet the requirements. Mr. Geliche said they do because they are in the target areas where based on census data, 51% or more of the residents are low-to-moderate income. Mr. Mahone said he has no issues with using the funds for road improvements. Mr. Geliche said we can document eligibility two ways – be client benefit or area benefit. We choose to document that the area is at least 51% low-to-moderate income. Mr. Mahone asked what jobs will be created with this project. Mr. Geliche said the men and women employed by the road improvement.

Alderman Kennedy asked if a stipulation could be added to use just Kenosha county or city contractors. Mr. Pacetti said he did not think that was possible, but he would check. It may be discrimination because it is federal funding. Mr. Landry said it may delay getting our funding request in also. Mr. Geliche said the funds need to be obligated within 120 days.

The motion passed unanimously (6 ayes; 0 noes).

2. Any Other Business as Authorized by Law

Mr. Geliche said we may need another meeting for additional funding from HUD. The request cannot go to the Common Council until the official letter is received from HUD. A meeting was tentatively scheduled for June 17, 2009.

3. Public Comments

No public comments.

4. Commissioner Comments

Mr. Mahone asked when the Needs Survey would be removed from the City website. Mr. Geliche said at the end of this week. Alderman Marks asked if the survey could remain on the website until the end of the month. Mr. Geliche said he will check with Urban Strategies, but did not anticipate a problem.

A motion to adjourn was made by Ms. Faraone and seconded by Mr. Frederick. The motion passed unanimously (6 ayes; 0 noes).

The meeting adjourned at 5:20 p.m.

Community Development Block Grant Committee
Minutes
Wednesday, September 30, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Alderman Anthony Kennedy, Alderman Tod Ohnstad, and Arthur Landry

MEMBERS EXCUSED: Tim Mahone, and Ron Frederick

STAFF PRESENT: Jeff Labahn, Anthony Geliche, and Zohrab Khaligian

The meeting was called to order by Alderman Marks at 5:04 p.m. Roll call was taken.

Approval of Minutes from the April 30, 2009 and May 14, 2009 Meeting

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to approve the minutes as written. The motion passed unanimously (4 ayes; 0 noes).

1. 2010 – 2014 Consolidated Plan

Tony Geliche, Community Development Specialist, said he has been working closely with the consultants from Urban Strategies on the Consolidated Plan. They held focus groups, did an online survey, and have submitted their draft report containing priority needs and suggested goals.

Marcia Bergeson, Urban Strategies consultant, said she would describe the process and what they did to arrive at their conclusions. The process required consultation with citizens and organizations in the City. This was done through the online survey and focus groups. The survey was put online in April. It was available to all citizens in the City. The City marketed the survey. There were 267 replies of which 84% were homeowners. If the survey were given again, Urban Strategies would try to increase participation in some areas within the City. Some of the results included:

- Neighborhood Safety
  - CDBG investment in homeownership was beneficial.
  - Homeownership makes neighborhoods safer.
  - Most homeowners felt safe although written comments noted increased vandalism, break-ins.
  - When asked if safer than 5 years ago, citizens said it was the same or had decreased
- CDBG Investments
  - Homeownership rehab
  - Homeownership development
  - Homeless and public service
    - Job training
    - Literacy

        - Transitional housing and emergency shelters were rated as "not important"
- Changes in Community Development in past 5 years (decent housing; affordable housing; homeownership opportunities; rental housing; senior housing; housing for people with disabilities; condition of streets; condition of parks; opportunities for walking; opportunities for biking; other)
    - Same: public transportation, housing for disabled, safe places for children to play
    - Better: availability of owner occupied housing, availability of decent housing, senior housing, opportunities for biking
    - Worse: streets and sidewalks, job opportunities
- Open-Ended Questions
    - Need more jobs
    - Streets need improvement
    - Safety
    - Love Kenosha

The focus groups were held in June and August. There were 130 stakeholders invited to the June 25, 2009 sessions. Thirty-eight (38) people attended. They included elected officials, city department heads and representatives, and other city officials.

On August 4, 2009, four (4) focus groups were held for practitioners. Forty-five (45) practitioners attended the four (4) groups. Practitioners included representatives of organizations and non-profits who administer CDBG or HOME funding or who would be interested in participating in these programs. All the participants in the focus groups were very involved and responsive.

Hickory Hurrie, Urban Strategies, said he would review Urban Strategies recommendations for the City's Five-Year Synopsis of Community Needs, Goals and Objectives and Suggested CDBG and HOME Goals for 2010 – 2014 Based on Functional Objectives. Outcomes would be based on revenues received.

Priority needs:
- Strategic decisions
    - Continue to focus on individual areas
    - Continue to use funds in geographic target areas
    - Evaluate target areas periodically to know when to move into a new target neighborhood
- Public Service
    - Focus on narrowing the range of outcomes
        - Youth programs
        - Homeless
        - Work with other organizations in Kenosha to meet other objectives
- Jobs
    - Shift some funds to make money for economic development

Overall, Kenosha has very solid CDBG and HOME Programs.

Question: In reviewing the suggested Kenosha CDBG and HOME Goals for 2010 – 2014 based on Functional Objectives, it seems that the percentages for youth and homeless should be switched. Youth received the highest percentage of need and homeless came in second. I think we should listen to what the people say and give 6% of the total allocation to youth programming and 5% to reduce homelessness.

Answer: When looking at the percentages you also have to look at the distinction between the programs which are public service and capital improvement. Youth programs would be funded under public service and youth facilities under capital expenditures. Public service is capped at 15% of total allocation. The percentage allocated to Capital improvement or Housing and Neighborhood Improvement can be adjusted. The number of people affected with youth is greater than the number of homeless and the homeless numbers include youth.

Question: Are the categories titles such as Public Service, clearly defined by HUD?

Answer: No, the categories are defined locally. The CDBG Committee could change the name of the category, but the 15% cap would still remain. The City has the Public Service category to mirror HUD.

Question: Is it possible to get a full size graph for question no. 7?

Answer: Yes, staff will email it to the Committee.

Question: If there is a 15% cap on the Public Service category, there is nothing improper in changing the homeless to 5% and youth to 6% in the Goals chart.

Answer: There is no problem switching the two percentages.

Alderman Marks said she liked the objectives. They give the committee the opportunity to plan the next five (5) years. The Committee and the City have a target. This information can be part of the application telling applicants your program must help us achieve our objectives. This will provide better measurements also.

Question: Will the Consolidated Plan need the HOME Commission's approval also?

Answer: Historically, we have not brought it before the HOME Commission. Mainly, City Plan Commission, Finance Committee and Common Council review the plan with the Common Council as the final approval.

Question: Are the above mentioned committees allowed input into the Consolidated Plan?

Answer: They have approval authority. The CDBG Committee prepares and approves the goals and objectives and submits to the Plan Commission,

Finance and Common Council for approval. The three (3) committees see the funding that comes forward so they need to have the background information on how and why the decisions are made. We hope to bring the Allocation Plan to the October 22, 2009 Plan Commission meeting.

Alderman Marks said it is important to spend more time up front on the Allocation Plan and make the plan work for us. Tony Geliche suggested looking at the categories and making sure they apply so that we receive the type of applications we want to receive. We may want to consider using the Consolidated Plan as our Allocation Plan with the percentages so we can achieve our goals.

Question: Would not-for-profit organizations be eliminated by using the Consolidated Plan?

Answer: Some may and some may not. Reviewing the information on page 2 of the handout is critical. A percentage of funds may be awarded to other not-for-profit organizations that address our goals.

Ms. Bergeson noted that if the funds are spread too thin they may not have an impact on the program or organization. It may be better to give more to fewer.

Alderman Marks said we need to look at what areas we need to focus on such as affordable housing, rental assistance, etc. Mr. Hurrie said there is a difference between identifying needs and setting goals and objectives. Respondents said we need rental assistance, but that doesn't mean you should necessarily spend money on rental assistance. This need could be addressed by trying to improve the dwelling.

Question: So, the needs should be aligned with the goals and objectives?

Answer: Yes, but it can be difficult. Possibilities are rent payment security deposits to rent-to-ownership assistance. New ways to address the needs should be found. The needs were identified by the focus groups and the surveys but are not necessarily what can be addressed. CDBG, HOME and CIP can address these needs.

Alderman Ohnstad said we need to know what will be acceptable going forward to the committees. Rental housing ranked somewhat important. This committee needs to figure out new ways to make it acceptable to other committees. Alderman Marks said the Consolidated Plan and Allocation Plan need to be addressed in a certain manner that will meet the needs of the community and elected officials. Ms. Bergeson said the practitioners at their focus groups asked for collaboration.

Mr. Landry said in reference to spreading the funding too thin, in the past every group wants all the money. But, each group says even a little money will help. We do have small groups coming back year after year asking for a small amount of funding who do not leverage their funds. But we also have applicants who do leverage their funds and continue to come back each year and ask for the same amount. Mr. Hurrie said some

groups may be small and a little funding will go a long way. The Consolidated Plan should help determine how CDBG is doing for both the large and small organizations.

It is important to determine what the goals and objectives you need to address are. If the requests are for large amounts and the committee awards small amounts, then reevaluate your goals and objectives after two (2) years to see if they are being met. Also determine if the small funding amount is making an impact.

Question: Did you get comments on who we should be serving?

Answer: The surveys definitely said not to serve illegal immigrants and gangs. They said help should be given to the disabled and the homeless.

Alderman Kennedy said they want to see job creation. Can we create jobs for youth? Tony Geliche said this would be funded through the Public Service category which has a 15% mandated cap by HUD. Marcia Bergeson said providing training that does not provide a full time job at the end of the training would be funded under Public Service. There is a possibility to provide job training under Economic Development. Hickory Hurrie said training could be provided to youth by hiring them to rehab houses. They learn the construction trade through the schools but the main goal is rehabbing the houses.

Question: Alderman Kennedy asked if Carpenter's Home Improvement Program, Inc. (CHIP) could be used for rehab?

Answer: CHIP is funded under the Housing and Home Improvement category and is reported as a housing activity in IDIS and as a beneficiary of the HOME Program. CHIP builds houses for our HOME Program.

Marcia Bergeson said it may be a means to get additional funds into the HOME Program. Tony Geliche noted we provide funding to pay the salary for the journeyman carpenter for CHIP. We used to fund this under Public Service. Marcia Bergeson showed us how to move it to a housing activity which is how we fund it now. We have two (2) organizations that are funded under Economic Development. They both provide micro assistance to help start businesses.

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to change the Suggested Percentage of CDBG Allocation for Youth Programming to 6% and the Suggested Percentage of CDBG Allocation for Homeless to 5% with the Estimated Five-Year CDBG Allocation Amount to change accordingly. The motion passed unanimously (4 ayes; 0 noes).

Question: What is our next step?

Answer: To recommend approval of the Goals and Objectives for the next five years. We would like to bring the Consolidated Plan and the Allocation Plan to the Common Council on November 16, so the application period can be completed by the end of the year with program approval by March 1, 2010.

Mr. Hurrie said Urban Strategies can assist further with ways to design your program to get additional CDBG funding, such as projects using funds as equity instead of loans and then reallocate the funds later; assist with economic development projects; assistance to know when to go into a neighborhood and to know when the work is done within a neighborhood based on evidence and data.

Mr. Landry said he is interested in the leveraging funds. This committee asks organizations to leverage funds, and feels this committee should do the same. Mr. Geliche said you need to have funding to do the additional work. CDBG currently does not have the funding available. Mr. Landry asked if could start setting funds aside for this purpose. Mr. Geliche said taking CDBG funds away during hard economic times might not be wise. WWBIC has a loan that is paying back and so some of our Economic Development funds will start coming back. Mr. Landry said investing money to make money seems like a good idea to him.

Alderman Marks said increasing programs for youth isn't just in the number of youths served, but in the quality of programs. The programs must increase the quality of their lives and keep the kids in school. Mr. Geliche said the Committee can set the outcomes desired from the goals addressed in the Allocation Plan. Mr. Geliche suggested going through each category and being very specific about the outcomes required.

Alderman Marks asked if the Consolidated Plan is approved, when will it go forward. Mr. Geliche said it will go to the City Plan Commission on October 22, 2009. The Committee will then meet to prepare the Allocation Plan which will go on the November 5, 2009 agenda. The Consolidated Plan and Allocation Plan can be amended and refined as we go through the process. Mr. Hurrie said you can set your five-year goal, and each year you can refine it, if needed. Having several layers works well and gives potential applicants guidelines to craft their application.

Question: Alderman Marks asked with the economy the way it currently is, should we adjust the Consoldiated Plan based on the economy?

Answer: Marcia Bergeson said the Consolidated Plan can be changed each year as needed.

Alderman Marks thanked the consultants for the services. Tony Geliche said the consultants brought a lot of experience to this project. Their former positions were: Bob Berlan, Director of Community Development for the Milwaukee HUD office; Marcia Bergeson, Sr. Community Planning & Development Representative for the Milwaukee HUD office; and Hickory Hurrie, Program Manager, City of Madison CDBG/HOME Programs.

Alderman Marks said the NRSA has been successful, but they will be unable to use them again. Marcia Bergeson said there are other ways of doing the same types of things without a NRSA.

There was discussion regarding the wording under the heading "Homeless" in the *Recommendations for Five-Year Synopsis of Community Needs, Goals and Objectives* document. It was suggested to revise "Rent Payment and Security Deposit Assistance" as it would not be acceptable. The new terminology is ***Additional effective ways to prevent or reduce homeless.***

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to approve the Recommendations for Five-Year Synopsis of Community Needs, Goals and Objectives as amended. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Ohnstad and second by Mr. Landry to approve the Functional Objectives as amended. The motion passed unanimously (4 ayes; 0 noes).

2. Amendment to the 2005, 2007 and 2008 Neighborhood Improvement Funds

Alderman Ohnstad said he drove by the housing and asked if the homes we want to acquire are fairly priced. Zohrab Khaligian, Community Development Specialist, said for the homes on 62nd Street, we are trying to talk to the owners. We need to move the funds and have the money available to buy the homes first. The problem right now is the owners are asking top dollar for their properties and investors are buying foreclosures faster than we can.

A motion was made by Mr. Landry and second by Alderman Ohnstad to approve the Amendment to the 2005, 2007 and 2008 Neighborhood Improvement Funds to allow $332,457.57 to be expended to assemble property in the Columbus West Target Area and/or 62nd Street and 18th Avenue Area. The motion passed unanimously (4 ayes; 0 noes).

Tony Geliche noted that this item will also need approval by the Finance Committee and Common Council.

3. Review of proposed 2010 CDBG Calendar

It was noted that the 2010 – 2014 Consolidated Plan is scheduled to go before Finance Committee and Common Council on Monday, November 16, 2009. Discussion followed regarding a meeting to set the Allocation Plan. Alderman Ohnstad said he is unavailable from October 7 – 14, 2009.

The Allocation meeting is where you may wish to define youth services. Alderman Marks thought our counterpart in Illinois or elsewhere may have an Allocation Plan that we can model our plan after. Teens cause the most problems. There needs to be activities to keep them busy. Mr. Geliche said he would put out a request on the Internet. In the past, our Allocation Plan has been generic. This is an opportunity to be more specific and define what we want to accomplish. Alderman Marks suggested sending out a communication to the applicants telling them the Allocation Plan will be different providing details on what types of programs the City wants to see funded.

Mr. Landry said he is comfortable with working with the categories presented in the Consolidated Plan. Mr. Geliche said they are close to what we have worked with in the past. Using what is in the Consolidated Plan shows that we are listening to what people are saying. Tony Geliche suggested taking a little more time to think about who we want to fund before scheduling the Allocation meeting which is why he is proposing October 12 or October 14, 2009. If the Committee just refines the categories and does not change them, the meeting will take approximately 1 – 1 ½ hours. The Allocation Plan would go to the Plan Commission on November 5, 2009 and Finance and Common Council on November 16, 2009. Pending approval, the application process would be from November 17 thru December 18, 2009 and interviews the 2nd week in January 2010. Alderman Kennedy asked if we could refrain from scheduling meetings on Mondays. The Allocation meeting would be the last week in January 2010, Plan Commission in February and Finance and Common Council in March 2010.

4. Any Other Business as Authorized by Law

Alderman Ohnstad asked that a full-sized version of the comments be emailed to the Committee.

Alderman Marks proposed that the Committee market the changes to the Allocation Plan to assure that it gets all necessary approvals.

5. Public Comments

No public comments.

6. Commissioner Comments

No Commissioners comments.

A motion to adjourn was made by Alderman Kennedy and seconded by Alderman Ohnstad. The motion passed unanimously (4 ayes; 0 noes).

The meeting adjourned at 6:43 p.m.

Community Development Block Grant Committee
Minutes
Tuesday, October 20, 2009

MEMBERS PRESENT: Alderman Katherine Marks, Alderman Anthony Kennedy, Alderman Tod Ohnstad, Ron Frederick, Arthur Landry, and Tim Mahone

MEMBERS EXCUSED: Kathleen Barca

STAFF PRESENT: Jeff Labahn and Anthony Geliche

The meeting was called to order by Alderman Marks at 11:38 a.m. Roll call was taken.

Approval of Minutes from the September 30, 2009 Meeting

A motion was made by Alderman Kennedy and seconded by Art Landry to approve the minutes as written. The motion passed unanimously (6 ayes; 0 noes).

1. 2010 Community Development Block Grant (CDBG) Fund Allocation Plan. PUBLIC HEARING

Public hearing opened. Alderman Marks asked that participant comments be general on how to benefit the community, not specific to their agency.

Jo Wynn, Walkin' In My Shoes, 2211 50th Street, Kenosha, WI, stated there is an increase in homeless youth, shelters are at capacity and she would like to see funding allocated for Emergency Vouchers for food and housing.

Yolanda Adams, Urban League, 1418 68th Street, Kenosha, WI, said she would like to see the Economic Development funds opened up to all non-profit organizations. This category should be competitive for all non-profit organizations to allow funds to be provided to organizations that serve small pockets within the community. Alderman Marks stated Economic Development funds are currently open to all non-profit organizations. The funds were given to the two (2) agencies because they were the only agencies to apply for Economic Development funds.

Clarence Griffin, Kemper Center, 6500 Third Avenue, Kenosha, WI, said when the Committee is looking at projects, he hopes they will consider projects geared toward energy conservation.

Bill Greathouse, CHIP, 3600 52nd Street, Kenosha, WI, stated he would like to see funds continue to be spent in the housing area to provide affordable housing for low to moderate income people.

Kathryn Comstock, Women and Children's Horizons, 2525 63rd Street, Kenosha, WI asked that the committee consider the fact that all social services agencies, food service

and homeless shelters are stretched to their limits. The needs of such agencies have probably doubled since last year due to the economy.

Dan Melyon, Shalom Center, 1713 62nd Street, Kenosha, WI, said he realizes that poverty is increasing as will the demand for Public Service funds. The CDBG Committee has done well to fund the demands of those asking for Public Service funds. He asked that they continue to do so this year.

Gerald Christensen, New Song Ministries, PO Box 2212, Kenosha, WI, said he agreed with the statements given by Ms. Comstock and Mr. Melyon.

Mary Jane Landry-Wilkins, Kenosha Literacy Council, 2419 63rd Street, Kenosha, WI, noted an article in today's Kenosha News stating that "Higher Jobless Rates could be the Norm." She urged the committee to consider what was presented by Ms. Comstock and Mr. Melyon. She also stressed that collaboration among agencies is critical to not duplicate services.

Public hearing closed.

Tony Geliche, Community Development Specialist, said the meeting today is to adopt the 2010 Allocation Plan. The Allocation Plan is a guide for agencies applying for funding. It provides information on how the applications will be evaluated and the funds that are available. The format of the Allocation Plan has remained the same for several years. Each funding category is identified and information is provided on how to qualify.

The City of Kenosha is also preparing a new five-year Consolidated Plan. The Allocation Plan needs to address the Consolidated Plan. By Federal guidelines, the Public Service category is capped at 15% and Planning & Management is capped at 20%.

Mr. Frederick suggested the possibility of replacing the current application process with a Request for Proposal (RFP) process. This would require more detailed information from the agency and reduce the number of applications received.

Alderman Marks said when setting the Allocation Plan, the Committee might want to consider allocating funding to neighborhoods with specific strategies and so the funds can be leveraged in the target areas. In the housing area, consider continuing to funds the target neighborhoods to accomplish the specific goals, and then move forward to other neighborhoods. Alderman Marks suggested, based on the 2010-2014 Consolidated Plan, the Committee may want to look at increasing or shifting the ranges for the Economic Development and Housing & Neighborhood Improvement categories.

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to set the Public Service category at 15%.

Mr. Mahone asked if there has been any effort to use stimulus money to help subsidize Public Service funds. Mr. Geliche said he was not aware of any stimulus money being available. Mr Mahone asked the audience if anyone had attempted to acquire any funds for their programs. No one responded. Mr. Mahone explained the Stimulus Program

and said he would provide business cards so that his office could assist agencies, if needed. Mr. Geliche said U.W. Parkside received a grant for Strengthening Communities. Mr. Mahone said there is money coming out of Washington D.C. for the homeless and for poverty. Organizations should be doing research for additional funds to parallel with CDBG funding. Alderman Marks said the Committee is always looking at how agencies are leveraging funds. *"Are you researching for federal funding for your organization?"* may be a question to add to the application.

Alderman Kennedy said that U.W. Parkside has received funding for non-profit development. Can we ask Parkside what they are doing with their funding to help us leverage our funds? Alderman Marks said Parkside has received two (2) grants. One for Capacity Building for development for non-profit organizations and one for Strengthening Communities which is mainly for Parkside, but some of this funding may filter into the community. We don't know how many non-profit organizations are going to Parkside seeking funding.

The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Alderman Kennedy and seconded by Mr. Mahone to set the Planning and Management category at 20%. The motion passed unanimously (6 ayes; 0 noes).

Alderman Marks said for the Housing & Neighborhood Improvement and Economic Development categories, we have set ranges so if no applications are received in either category, funds can be moved to other categories. Mr. Geliche said the Economic Development category had not been used for several years (because there was a fund balance). In 2008 and 2009, we funded WWBIC and CEDCO for a total of $125,000 from previous Economic Development funding. WWBIC's loan program was funded $56,000 and technical assistance was funded $32,000 and CEDCO was funded $40,000 for technical assistance. Mr. Landry said he would like to see the Economic Development fund increased to create jobs for better living for the people in Kenosha.

A motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to increase the range for the Economic Development category to 3-6%.

Mr. Geliche said the City usually receives approximately $1 million, with the possibility of a slight increase this year. That would put approximately $60,000 in the Economic Development fund. Mr. Geliche said last year we did not fund the Economic Development category because we had a balance from previous years. We have used all the funds available to us. Six percent would give us a maximum of approximately $60,000. Alderman Ohnstad suggested that maybe a higher level of funding is needed.

An amendment to the previous motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to increase the range for the Economic Development category to 6-12%.

Mr. Frederick said he did not have a problem with the 6-12%, but if we don't get enough applications, do we have to make an amendment to the Plan to reallocate the funds. Mr.

Geliche said if you make the reallocation of the funds as part of the Allocation Plan, then you will not have an issue if you do not receive enough applications. Alderman Marks suggested changing the range to 0-12% to address this issue. Mr. Geliche said in 2003 ranges were incorporated into the Allocation Plan because there were several organizations such as Lakeshore BID interested in accessing the funds. Lakeshore BID used the funds in the beginning, but then stopped using them so the fund balance continued to increase.

An amendment to the previous motion was made by Alderman Ohnstad and seconded by Alderman Kennedy to change the range for the Economic Development category to 0-12%. The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Alderman Kennedy and second by Mr. Landry to approve the range of 53-65% for the Housing and Neighborhood Improvement category. The motion passed unanimously (6 ayes; 0 noes).

Mr. Geliche suggested the Committee review the Reduction of Funding clause in Section IV which states "If there is an increase in CDBG funds received...these funds will be placed in a street resurfacing fund to include curb, gutter, parkway, and sidewalk." Alderman Marks questioned whether funds should be used for street improvements with the amount of stimulus money received for street improvements. Mr. Geliche said the additional funds could be given to applications already on file. Mr. Landry noted funds could be given to street improvements later if they had an application on file. Alderman Marks suggested incorporating both the street improvements and applications of file into the statement. Mr. Geliche recommended that the statement reflect one action. Mr. Landry agreed.

A motion was made by Mr. Landry and seconded by Alderman Kennedy to amend sentence two (2) in the Reallocation Clause in Section IV – Funding Allocation to read: "If there is an increase in CDBG funds received for the year 2010, these funds will be allocated based on applications on file." The motion passed unanimously (6 ayes; 0 noes).

Alderman Marks said if an RFP process is going to be implemented, the language needs to be included in Section II – Funding Categories. Mr. Landry said he feels the Committee needs additional time to prepare the language. Alderman Marks noted that the Allocation Plan is scheduled to be on the November 5, 2009 Plan Commission agenda. Mr. Geliche offered to draft the language and send it to the Committee for their approval.

Mr. Geliche said the RFP should require the projects meet the needs of the community referenced in the Consolidated Plan. We provide the evaluation criteria in the Allocation Plan. We may want to state the project must address the Consolidated Plan.

Alderman Kennedy asked for more information on the RFP process. Mr. Frederick said currently we receive applications in the Public Service category covering a wide range of issues. The RFP would target some of the funds to specific needs that we identify ahead of time. Alderman Kennedy said he has a problem defining a need prior to the

applications being submitted. Alderman Marks said the needs of the community are defined in the Consolidated Plan and the audience has told us how they would like to see the money allocated. Mr. Geliche said the needs are on page 4 of the Consolidated Plan which are to increase youth services, reduce incidents of homelessness, etc. To address the needs of the Consolidated Plan, then funding should be allocated towards funding for youth and homeless and for general Public Services. Art Landry said he is hesitant to put strict guidelines on the funds before applications are received. Strict guidelines may force us to make decisions that are not in the best interest of the applicants and take away some of our ability to judge the proposals that come to us.

Alderman Marks suggested the applicants could submit a RFP or an application. Mr. Mahone said he is comfortable with the current process. It is easier to judge applicants' past performance and the applicant's understand the current concept. The indicators that drive homelessness, etc. are hard to define, which would make a RFP process more difficult.

Alderman Marks said the idea is more about the how, not the percentages. In our meeting on the Consolidated Plan, we discussed narrowing the categories but we may not want to limit the applications this year due to the economy. Alderman Kennedy agreed that we do not want to stop organizations from applying. If the RFP process is incorporated, it might prevent good ideas from coming forward. Mr. Landry said he is comfortable with the current process and does not want to confuse the applicants. Responsibility should be put on the applicants to show how they are working together with other organizations to ensure there is not a duplication of services.

Mr. Mahone suggested an either or option with the RFP process. Alderman Marks said that is an option if we leave it open-ended. Then we may receive more applications and with the RFP process we may receive better projects and programs. Mr. Frederick said he was not suggesting the RFP replace the current application process. He suggested the RFP process as an option that if the need and circumstances demand, then the program can be packaged in such a manner to be more detailed as long as it addresses the Consolidated Plan. Mr. Mahone said if the RFP could be described so we would know what it would look like and what it will accomplish, then it might be beneficial. Mr. Frederick said we could look at it for 2011 instead. Alderman Marks said the Consolidated Plan could be amended at a later date to incorporate a RFP process. A RFP may help us achieve our goals. The RFP process will be discussed at a future meeting.

Mr. Geliche said the Neighborhood Improvement Committee used to oversee the use of Neighborhood Improvement Fund monies under the Neighborhood Improvement Category. There no longer is a Neighborhood Improvement Committee. The City currently utilizes the funds to do work in select neighborhoods. If this Committee wants the funds to be also used elsewhere, the Committee should consider changing the wording in Section III – Evaluation Criteria.

A motion was made by Alderman Kennedy and seconded by Alderman Ohnstad to amend references to the Lincoln/Columbus Neighborhood Revitalization Strategy Areas to "Local Neighborhood Strategies" in Section III – Evaluation Criteria. The motion passed unanimously (6 ayes; 0 noes).

Alderman Kennedy noted that revitalization never ends. How complete is the revitalization in the Lincoln and Columbus neighborhoods? Alderman Marks stated the Consolidated Plan says there should be continued focus in those two (2) target areas. Substantial improvement has been done in the two (2) neighborhoods, but there is still work to be done.

Mr. Geliche suggested removing "usually occurring in August/September" in Section VII – Funding Requests. This year the application cycle is being changed because we receive the funds later in the year. We listened to the agencies and are trying to get the funds to the agencies in a more timely manner. The Committee agreed to remove the language. Mr. Frederick said he does not like the wording that special requests will not be entertained. He feels we should never say never. Mr. Geliche said we do not have any additional funds to accept special requests and any funds available for reprogramming have been dealt with in Section V.

A motion was made by Alderman Ohnstad and seconded by Mr. Mahone to amend Section V – Reprogramming of Funds to read: "All funds available for reprogramming for the 2010 program year are designated to be reprogrammed by the CDBG Committee to implement local Neighborhood Strategies." The motion passed unanimously (6 ayes; 0 noes).

Alderman Marks asked if the multi-year funding language should remain in the Allocation Plan. Mr. Mahone said currently he is not in favor of multi-year funding because it takes away from what we can do for others later. In reference to reprogramming, we need to address the Wilson Heights neighborhood. There comes a time when you have to say we have completed a certain percentage of our goal in a particular neighborhood and then move on to another area. How do we begin to do that? What is the percentage benchmark for moving on to another neighborhood?

Alderman Kennedy said if the multi-year funding language is removed, it may prevent the Committee from reviewing a good project. If we leave it in, we have the option to fund it or not.

A motion was made by Mr. Mahone and seconded by Alderman Marks to remove the sentence "Multi-year funding requests will be allowed." in Section VII – Funding Requests.

Mr. Frederick said if the option is removed, then we can not accept any multi-year funding applications. The option should be available. He was not in support of removing the multi-year option.

Alderman Ohnstad agreed. He suggested that multi-year funding requests be considered.

An amendment to the previous motion was made by Mr. Mahone and seconded by Alderman Marks to change the sentence in Section VII – Funding Requests to read: "Multi-year funding requests may be considered." The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Alderman Kennedy and seconded by Mr. Landry to accept the complete Allocation Plan as amended and Sections VIII and IX. The motion passed unanimously (6 ayes; 0 noes).

2. Calendar for 2010 CDBG Program

Mr. Geliche announced if the Allocation Plan is approved by the Plan Commission, Finance Committee and Common Council as scheduled, the application period would begin on November 17, 2009. Letters will be sent to all applicants and it will be on our website.

The dates for the interviews and allocation meeting were discussed. Alderman Ohnstad said he is unavailable the week of January 25, 2010. Staff will send out dates to the Committee for availability.

3. Any Other Business as Authorized by Law

There was no additional business.

4. Public Comments

Dan Melyon, Shalom Center, 1713 62nd Street, Kenosha, WI, asked when the applications would be due. Mr. Geliche said December 18, 2009.

6. Commissioner Comments

Mr. Mahone said the website for the State stimulus funds is: www.recovery.wi.gov. He provided business cards and said his office is available for assistance.

A motion to adjourn was made by Alderman Kennedy and seconded by Mr. Mahone. The motion passed unanimously (6 ayes; 0 noes).

The meeting adjourned at 1:00 p.m.