

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 Consolidated 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.

Certification that the minutes have been approved by the Community Development Block Grant Committee.

Jeffrey B. Labahn, Secretary