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Development, Planning and Sustainability Committee: Community Development Block Grant Hearings, Day 1, Morning Session

Documenter name: Tina Scott Agency: <u>Cleveland City Council</u> Date: May 28, 2024 <u>See more about this meeting at Documenters.org</u>

Summary

- Council members shared their concerns regarding the lack of quality programs, processes and services for residents in the past and asked Community Development leadership how their concerns and the issues will be addressed.
- Community Development Director Alyssa Hernandez said establishing an implementation vendor and a universal application for services are some of the new processes and re-organization that position the department to serve residents better.
- Community Development Assistant Director Anthony Scott apologized to city residents for the department not providing efficient programs and customer service.

Follow-Up Questions

- How can the city further work with Community Development to better serve residents?
- How can the city and Community Development keep what has worked well (efficiently) for residents, change/add to what will better assist with what has worked, and drop what has not?

Notes

Members of the council committee:

Anthony Hairston, chair Jasmin Santana, vice chair Stephanie Howse-Jones Kris Harsh Joe Jones Kerry McCormack Jenny Spencer

Additional members of council in attendance at various points of the meeting

Richard Starr Danny Kelly Deborah Gray Rebecca Maurer Blaine Griffin

Mayor's Community Development administration

Director of Community Development Alyssa Hernandez Assistant Director Michiel Wackers Assistant Director Anthony Scott Department Budget Manager Jeff Kucharski

[Editor's note: The committee kicked off Community Development Block Grant (CDBG) hearings in this meeting. The hearings are a chance for council to question and adjust how the city plans to spend about \$28.3 million in federal grants. Find more details in the Department of Community Development's presentation and CDBG Budget Book.]

Director Hernandez shared her vision for the <u>department</u>: "The Department of Community Development envisions a Cleveland where stakeholders are empowered to build the pathway to equity. This vision is realized by creating quality housing and vibrant neighborhoods that serve as the foundation for generational wealth and community prosperity."

Hernandez discussed some of the department's main services/assets:

- Home repair
- Land Bank
- Tax abatement

Hernandez also discussed some of the partner programs, such as homeless services and home repair.

Hernandez described some of the department's administrative work:

• Fair housing

- Community engagement
- Strategic data analytics

She said the main categories under Assistant Director Scott are program operations, community programming, and residential improvement. Assistant Director Wackers oversees housing development, which includes offices for equitable housing and tax abatement, data analytics, and neighborhood revitalization.

Hernandez said her department has hired and promoted many since she came on board a few years ago. She said her department has been reorganized and changes to its application and service process are 95% complete. Her department has a Spanish resource guide and a fair housing brochure (in English and coming in Spanish by the end of the month).

Jeff Kucharski, the department's budget manager, summarized Community Development's budget process and services.

Committee Member Jenny Spencer asked for more information regarding the public service cap on page 2-4 in the budget book. Wackers said public services are defined by the U.S. Department of Housing and Urban Development (HUD) as direct services to residents such as after-school programs, senior services, and educational and public safety programs. They do not have a hard cost such as a construction or home-repair activity. Generally, HUD allows grantees to allocate 15% of the grant to public services, he said. Cleveland is grandfathered in at the roughly \$4.8 million it allocated in 1983.

This year the city projects allocating a little over \$4 million of CDBG money to public service programs such as senior tree trimming services, administering the city's <u>CHORE</u> <u>program</u>, and community engagement. Hernandez added that they are keeping the budget stable in terms of the allocation.

Chair Hairston referred to page 2-1 in the budget book, which shows Cleveland's historical CDBG allotment. Hairston asked about the discussion with HUD when the numbers are reduced. Cleveland expects about \$2 million less than last year, a roughly 7% decrease. Hernandez said typically no because the number results come from an established formula rather than a negotiation.

Spencer said she isn't happy about the reduction in dollars allocated from <u>HUD's Home</u> <u>Investment Partnerships (HOME)</u> program (about \$4.2 million, down from roughly \$5.4 million the previous year). HOME funds can be used for gap financing, according to Community Development's presentation. Kucharski added that the budgeted number includes money available from previous years.

Council Member Richard Starr asked why it takes so long to implement the department's programs. Starr mentioned the specific timeframe of August 2023 to the present. He asked about \$15 million of <u>American Rescue Plan Act (ARPA)</u> money council approved in August for home repair. Hernandez said some of the delay is due to new contracts with external stakeholders and ensuring all steps made are in compliance. Starr said that with the explanation the director provided, that means the \$15 million for the new program will be more delayed. He said he wants to see more home repairs in Ward 5.

[Editor's note: Signal Cleveland's Nick Castele has <u>tracked ARPA funding</u>. The data shows Cleveland has allocated \$10 million for home repair,]

Council Member Joe Jones thanked Hernandez for what she has accomplished since joining the city at the beginning of 2022. Jones said before Hernandez, services were only half completed. Jones commended Hernandez on her 95% completion of the department's re-organization.

Hernandez said she observed what was successfully being done in South Carolina with community development programs and her observation brought her to a conclusion that bringing in an implementation vendor to oversee all department program vendor contracts will significantly reduce delays in the vendor contract process.

Hairston asked How the residents' application process for services is being improved. Wackers responded that the department has worked on a central database for everyone to access application data as opposed to people playing catch up all of the time.

Scott said, "We owe a lot of citizens a lot of apologies" for their lack of efficiency. Scott said "we" need to go through our files and pull out the oldest applications – unprocessed and/or incomplete – and reach out to those applicant residents to apologize to them and follow through with them accordingly.

Hernandez and Wackers said the department's "universal application" will further reduce cumbersome processes from resident applications to services provided through completion. Hernandez said this application will be available in June.

The CDBG legislation:

166-2024 AN EMERGENCY ORDINANCE Authorizing the Director of Community

Development to apply for and accept grants from the U.S. Department of Housing and Urban Development for PY2024 under the Title I of the Housing and Community Development Act of 1974, for the 2024 Federal HOME Investment Partnerships Act Program, Emergency Solutions Grant Program, and the Housing Opportunities for Persons with AIDS Program; and authorizing contracts and other expenditures. Sponsors: Anthony Hairston, Blaine Griffin and By Departmental Request

The committee also advanced the following legislation (find more details in <u>the</u> <u>presentation</u>):

482-2024 AN EMERGENCY ORDINANCE Authorizing the Mayor and the Commissioner of Purchases and Supplies to acquire and re-convey properties presently owned by Cleveland LD, LLC, and/or its affiliates and designees, for the purpose of entering the chain of title prior to the adoption of tax increment financing legislation authorized under Section 5709.41 of the Revised Code.

Sponsors: Kerry McCormack, Anthony Hairston, Blaine Griffin and By Departmental Request

The committee broke for lunch at 12:01 p.m. Hairston said the committee would reconvene at 12:45 p.m.

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