

October 31, 2014

TO: PY 2015 Community Development Program Advisory Committee Members

FROM: Michael A. Hiler, Deputy Chief, Office of Community Development
Michael A. Hiler

SUBJECT: PY 2015 Community Development Program Advisory Committee Meeting Minutes

On October 15, 2014, from 9:30 a.m. to 4:00 p.m., the PY 2015 Community Development Program Advisory Committee met at the Creekside Conference and Event Center in Gahanna. The following is a summary of the major topics discussed during the meeting.

Introduction

- Mary Oakley, Office of Community Development (OCD) Economic and Appalachian Development Supervisor, called the meeting to order at 9:30 a.m.
- Introductions were made, and the agenda and structure of the Advisory Committee meeting was reviewed
- Ms. Oakley provided the Advisory Committee with an update on the Ohio Development Services Agency (ODSA). Ms. Oakley informed the Advisory Committee that David Goodman and Ryan Burgess continued to serve as Director and Assistant Director of ODSA. During the past several months, Andy Pusateri was appointed Chief of Staff, and Jon Stock was appointed Chief Legal Counsel. She introduced Sadicka White, Community Services Division Chief, who welcomed the attendees and provided remarks on the director's vision of one agency, and explained how the agency would implement this vision.
- Ms. Oakley briefly reminded attendees of the structure of the Community Development Block Grant program, including the Allocation program and the three Competitive Set-Asides, Critical Infrastructure, Neighborhood Revitalization, and Downtown Revitalization.

PY 2013 Annual Performance Report

- David Pasquariello, Community Development Program Representative, provided an overview of the PY 2013 Allocation Program. In PY 2013, \$20.9 million in Community Development Program funds were provided to 104 communities. The majority of funds were awarded for public facilities projects, including water and sewer, flood and drainage, sidewalks, streets, parks and recreation, fire protection, clearance activities, and public rehabilitation. Funds were also awarded for housing and public service activities. More than 545,771 people are expected to benefit from the funded activities.
- Mr. Pasquariello also provided an overview of the PY 2014 Community Development Application Review. The Office of Community Development anticipates a total award of 104 grants totaling \$21,841,000. For the Critical Infrastructure Program there were 17 awards totaling \$4.5 million. For the Downtown Revitalization Program there were 5 awards totaling \$1.5 million. For the Neighborhood Revitalization Program there were 12 award totaling \$3.5 million. Also, in PY 2013-2014, a total of 151 applications were received for the three competitive programs. A total of 63 applications (41.7%) were funded. 69 (66.3%) of the 104 eligible communities submitted at least one application and 43 (41.3%) received at least one award.
- Joshua Roth, Community Development Program Representative, asked the Advisory Committee if there were barriers to applying for the Competitive Set-Aside program, as there were less applications submitted than expected. The Advisory Committee agreed that the application deadline being so close to the Community Housing Impact and Preservation Program (CHIP) deadline and the new OCEAN system for submitting applications were reasons to not submit a competitive set-aside application in PY 2014.

PY 2014 Application Review Update

- Ms. Oakley provided an update on PY 2014 Application review and Grant Agreement Status. She informed the committee that the staff was working to generate grant agreements and anticipated the majority of communities would receive their contracts prior to the November 19-21, 2014 Community Development Conference.

Community Development Implementation Strategy

- Ms. Oakley introduced the new Community Development Implementation Strategy (CDIS) to the Advisory Committee, which will go into effect for the PY 2015 program.
- Ben Kepple, Community Development Program Representative, outlined to the Advisory Committee the proposed timeline for completion of required CDIS components. He explained the prioritization process included with the implementation strategy. It will include a chart for communities to use to anticipate needs for the biannual period and assist with the selection of projects with the most impact and best fit for competitive funding through the Office of Community Development. He noted that program representatives would be using the charts to track community progress over time, and that eventually the priorities identified by the communities would figure into competitive funding scoring.
- Mr. Kepple stated that a draft version of the prioritization chart would be available for comment by the time of the scheduled Community Development conference in November.
- The Advisory Committee agreed that the CDIS process would help communities incorporate a degree of planning into their Community Development programs, but voiced concerns about lack of attendance at CDIS meetings hurting the communities' chances at being considered for funding. The primary concern was that it can be difficult to get smaller jurisdictions to engage fully in the process because many communities have very limited staff and resources.
- Ms. Oakley and Matt LaMantia, OCD Assistant Deputy Chief, reiterated that the main purpose of the CDIS process is to enhance community participation by adopting a model similar to the citizen participation process, which will still occur during even years. As long as communities are reaching out to local jurisdictions for input in the community development process, the core requirements of the CDIS process are being met.

American Community Survey

- Ms. Oakley introduced the 2006-2010 American Community Survey (ACS) Low- and Moderate-Income Summary Data (LMISD) that will be used instead of Census Data for the PY 2015 program. Ms. Oakley explained to the Advisory Committee the differences between the way the data was provided in the 2000 Census and 2006-2010 ACS. A number of communities are no longer low- and moderate-income (LMI) with the ACS data. Ms. Oakley provided information on communities can use income surveys as a tool to re-qualify areas for eligibility. The ACS data will also impact the eligibility of two Direct City grantees. The City of Oregon and the City of Wadsworth no longer meet the 30 percent LMI threshold for Direct City status. The cities will continue to receive funding in PY 2015, but will be required jurisdictions under their respective county programs in PY 2016-PY 2018.

PY 2015 Community Development Allocation Program

- Mr. Roth presented the strengths and weaknesses of the current PY 2015 Community Development Allocation Program, as determined by members of the Community Development Office, to the Advisory Committee. The program is a flexible resource for CDBG-eligible community development activities qualified under the LMI and Slum/Blight national objectives and needs are identified at the local level; however, awards are too small to make a significant community impact, locally selected projects are often non-catalytic or maintenance activities that are not part of a strategic or comprehensive revitalization strategy, and eligibility is the only threshold for awarding funds.
- Mr. Roth introduced a few alternatives to the current program for discussion by the Advisory Committee. The first alternative was to delay the due date, making it further away from the CHIP due date to encourage more comprehensive projects, or stagger the Allocation and Competitive

Set-Aside due date, to allow funding decisions for the competitive program to be made prior to Allocation application submission. The Committee expressed that the current due date was preferable, as long as there was enough time after the CHIP due date, and wanted to keep the Allocation and Competitive Set-Aside submissions together.

- Mr. Roth introduced the second possible alternative to the PY 2015 Community Development Allocation Program. Currently, Community Development Block Grant funding is split between the Allocation Program and the Competitive Set-Aside Program at 60% Allocation and 40% Competitive. The proposed change would create a 50/50% split between the new programs. The Advisory Committee seemed interested in the idea of creating additional funding for the Competitive program, but was cautious about taking away funding for the Allocation Program. The Committee explained that continuous funding was required to maintain administrative capacity and plan for multiple funding years.
- Mr. Roth introduced the next alternative to the PY 2015 Community Development Allocation Program. It proposed capping the amount of Allocation funds a community could use for administration. Currently the administration budget, including fair housing, cannot exceed 20 percent of the Allocation. Mr. Roth also introduced the possibility of a fixed administration award for each community or a fixed amount based on grant size. The Advisory Committee expressed that the current 20% cap for administration funding be kept the same.
- Mr. Roth also discussed with the Advisory board the potential to further reduce the number of projects allowed under the Allocation Program to two projects. With the current structure of three or four projects based on grant size, a maximum of 339 projects can be undertaken with an average of \$29,050 per project. If there was a limit of two projects, a maximum of 208 projects, with average funding of \$47,346 per project, could be undertaken with one additional project available through the Competitive Set-Aside Program. The Advisory Committee did not agree that limiting the number of projects a community could complete under an Allocation Program would allow for more impactful projects and expressed a need for flexibility and the ability to complete smaller projects based on locally identified need.
- Carolyn Thurman, Community Development Program Representative, reviewed the performance measures currently used to evaluate the impact of the Community Development Program. The Advisory Committee proposed a number of additions including expanding reporting to encompass all limited clientele classes and fair housing metrics.
- Tim Allen, Training and Technical Assistance Supervisor, outlined the standard fair housing program as currently structured and discussed its history, purpose, and goals. Mr. Allen shared input from members of the Fair Housing and New Horizons Advisory Committee, including increased availability and use of web-based resources. Mr. Allen also briefly discussed the Affirmatively Furthering Fair Housing rule. The proposed rule is prescriptive for Entitlement communities, but the required implementation for State programs is unclear.

PY 2015 Community Development Program Competitive Set-Asides

- Ms. Thurman and Mr. Roth presented the strengths and weaknesses of the Competitive Set-Asides, as determined by members of the Community Development Office, to the Advisory Committee. The Neighborhood Revitalization Program improves multiple public facilities in a targeted and distressed residential area and incorporates citizen feedback into the activity selection and program design process; however, the program fails to address a variety of needs (e.g. housing, public health and safety issues, and community building) and applications often appear to be designed to meet the requirements of the program rather than a comprehensive revitalization of a neighborhood. The Critical Infrastructure Program is a significant source of funds for a single component project and allows for improvements to infrastructure often overlooked by other infrastructure funding sources; however, program parameters may be too limiting and communities are not asked to address sustainability. The Downtown Program provides funding for historic preservation and private rehabilitation projects and allows communities to create Revolving Loan Funds to reinvest program income into a long-term downtown revitalization strategy; however, the program does not provide for comprehensive revitalization (e.g. housing activities, business development and community building).
- Ms. Thurman solicited feedback on the Neighborhood Revitalization Grant Program's effectiveness for revitalizing communities. The Advisory Committee stated that although the funding was limited in scope, the grant serve as a catalyst to do more comprehensive community development work in awarded communities. The Advisory Committee was asked to comment on

the grant ceiling and eligible activities. The Advisory Committee was not opposed to raising the grant ceiling, but not at the expense of other OCD programs. The Advisory Committee was satisfied with the current list of eligible activities.

- Mr. Roth solicited feedback on the Critical Infrastructure Grant Program. The Advisory Committee was asked to comment on the grant ceiling and eligible activities. The Advisory Committee did not agree that the grant ceiling should be lower for the Critical Infrastructure Program than the comprehensive Neighborhood Revitalization and Downtown Revitalization programs. They like having a pot of money for infrastructure projects that are not large enough to rank for Ohio Department of Transportation or Ohio Public Works Commission funding, but are also not opposed to expanding eligibility to include other types of public facilities, if scored properly. The Advisory Committee also expressed a desire for service areas to overlap Neighborhood Revitalization and Downtown Revitalization target areas.
- Ms. Thurman solicited feedback on the Downtown Revitalization program. . The Advisory Committee was asked to comment on the grant ceiling and eligible activities. The Advisory Committee was not opposed to raising the grant ceiling, but not at the expense of other OCD programs. The Advisory Committee stated that scoring for private rehabilitation projects should be weighted more heavily than streetscape infrastructure, but both should remain as eligible activities for CDBG funding. The Advisory Committee also stated a need for planning dollars.

OCEAN

- Ms. Oakley reminded the Advisory Committee that this was the first year in which applications were received through the OCEAN program. A survey was conducted after the first round of applications, 86 responses were received. Ms. Oakley went through the results with the Advisory Committee. The OCEAN system received moderate marks, earning at least 3.6 out of 5 in each of the four categories measured: Intake Form questions, System Instruction questions, System Structure questions, and Staff Support questions.
- Ms. Oakley also went through some of the most requested features applicants had asked to be added to the OCEAN applications. These features were availability of reports, e-mail notifications, instructions and technical assistance, and improvement of the application format. The submission of Competitive Set-Aside applications will also be restructured for PY 2015.
- Mr. LaMantia updated the Advisory Committee on the status of other OCEAN features, including the request for payment process, which will require Electronic Funds Transfer, and reporting requirements. A session at the November 19-21, 2014 Community Development Conference will provide more information on the OCEAN system and allow an opportunity for additional feedback.

Training Needs and Recommendations

- Ms. Oakley stated that communities unsuccessful in applying for PY 2014 funds could set up Technical Assistance Consultations starting October 15, 2014. The meetings will be held November 24 through December 31, 2014. The Advisory Committee was instructed to contact David Pasquariello or Ben Kepple to make an appointment.
- Ms. Oakley also reminded the Advisory Committee of the upcoming Community Development Conference, held November 19 through November 21, 2014 at the Sawmill Creek Resort, in Huron Ohio. The Committee was reminded of the registration deadline of November 5, 2014.

Other Policy or Program Issues

- Ms. Oakley asked the Advisory Committee if there were any additional questions or topics that needed to be addressed. None were raised.

The PY 2015 Community Development Program Advisory Committee adjourned at 4:00 p.m.



Ohio Development Services Agency
Office of Community Development
PY 2015 Community Development Program Advisory Committee Members
Creekside Conference and Event Center
October 15, 2014

ATTENDANCE LIST

<u>Name</u>	<u>Organization</u>
Tim Allen	Ohio Development Services Agency
Joyce Barrett	Heritage Ohio
Glen Crippen	Hocking Athens Perry CA
Pat Davies	Morrow County
Phyllis Dunlap	C.T. Consultants, Inc.
Terri Fetherolf	Vinton County
Gayle Flaczynski	Poggemeyer Design Group, Inc.
Aleta Foust	Hancock RPC
Julie Green	Trumbull County Planning Commission
Dianne Guenther	City of Delaware
Michael Hiler	Ohio Development Services Agency
Michelle Hyer	Buckeye Hills-Hockey Valley
Lisa Johnson	Wayne County Planning Department
Allison Kelly	Ohio Development Services Agency
Ben Kepple	Ohio Development Services Agency
Ralph Kline	Ironton-Lawrence County CAO
Matthew LaMantia	Ohio Development Services Agency
Tim Leasure	Ohio Development Services Agency
Bill Malson	MS Consultants, Inc.
Jeff Marshall	Darke County
Holly Mattei	Fairfield County RPC
Angie McConnell	WSOS CAC Inc.
Jay Myers	Fayette County
Mary Oakley	Ohio Development Services Agency
David Pasquariello	Ohio Development Services Agency
Nikki Reese	Miami County
Scott Reynolds	Tuscarawas County OCED
Josh Roth	Ohio Development Services Agency
Amy Schocken	CDC of Ohio, Inc.
Devon Shoemaker	Ross County Planning Department
Karen Sprague	Gallia County
Carolyn Thurman	Ohio Development Services Agency
Niki Warncke	Maumee Valley Planning
Evelyn Warr-Cummings	Marion County RPC
Sadicka White	Ohio Development Services Agency
A.C. Wiethe	Belomar Regional Council
A.C. Wiethe	Belomar Regional Council
David Wright	Fulton County RPC