

ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE MINUTES

April 24, 2018

In Attendance

Councilman Anthony Byrd, Committee Chair, called the meeting to order at 3:49 p.m. in the Assembly Room. A quorum was present, including Council Chairman Ken Smith, Vice-Chairman Erskine Oglesby and Council members Carol Berz, Demetrus Coonrod, Russell Gilbert, Chip Henderson, Darrin Ledford and Jerry Mitchell. City Attorney Wade Hinton and Council Support Specialist Keren Campbell were also present.

Others in Attendance

Economic and Community Development: Donna Williams, Administrator; Finance: Daisy Madison, Chief Finance Officer; Human Resources: Beverly Moultrie, Director.

Approval of Minutes

On motion of Councilman Henderson and seconded by Councilman Gilbert, the minutes of the last meeting (April 3, 2018) were approved as published.

Resolution Agenda Item 7A, 7B & 7C

These items had been discussed at previous open meetings. Upon no questions or comments, these items were closed.

Next Week's Agenda: Tuesday, May 1, 2018

Resolutions Agenda Items 7A

Councilman Henderson asked Ms. Williams to discuss the purpose of this resolution. Upon no further questions or comments, the item was closed.

Resolutions Agenda Items 7B

This item had been discussed at previous meetings. Upon no questions or comments, the item was closed.

Community Development Grants

Ms. Williams gave a PowerPoint presentation on the CDBG, HOME, & ESG Entitlement Grants & Program Income. Her PowerPoint covered the following:

- Purpose
- 2018 – 2019 Action Plan
- Sources
- HUD National objectives
- Funding
- Program Income
- Request & Recommendations
- Target Population
- Income Census Tract Area
- Giant Cycle
- Next Steps

[PowerPoint attached]

A discussion ensued where Ms. Williams addressed the following questions:

- Details on project for Cromwell Hills apartment (Councilman Gilbert)
- Information included during the Budget Sessions (Councilwoman Berz)
- Staff pay (Councilwoman Berz)
- Allocations over and beyond what's being requested (Councilwoman Berz)
- Funding and recommendations being made (Councilwoman Berz)
- Budget cuts (Councilman Henderson)
- Recommendations for You & Family Development (Councilman Henderson)

Ms. Madison addressed the questions pertaining to budget.

Councilwoman Coonrod expressed concerns regarding the Panhandling ordinance and if it was being implemented accordingly. Councilman Ledford stated that he had been having discussions with Chief Roddy to make sure things were being conducted as per protocol.

Councilwoman Coonrod also asked Ms. Moultrie about an applicant that the councilwoman felt had not been treated properly. Ms. Moultrie agreed to look into the matter that Councilwoman Coonrod described.

Upon no further questions or comments, the issue was closed.

Adjournment

There being no further business, Councilman Byrd adjourned the meeting at 4:24 p.m.

City of Chattanooga
Department of Economic and
Community Development (ECD)

2018 - 2019 Action Plan
for
Community Development Grants



CDBG, HOME, & ESG Entitlement Grants &
Program Income

Presentation to City Council - April 24, 2018

Purpose

- *Present funding recommendations and highlights of 2018 - 2019 Action Plan*
- *Present process and calendar*

Sources:

Entitlement Grants

- **Community Development Block Grant (CDBG)**
 - *Develop viable urban communities through*
 - Decent housing
 - Suitable living environment
 - Expanded economic opportunities
- **HOME Investment Partnerships Program (HOME)**
 - *Provide decent, safe, and sanitary affordable housing to lower-income households*
 - *Leverage private sector participation*
- **Emergency Solutions Grant (ESG)**
 - *Support operations and services of homeless shelters*
 - *Prevent families and individuals from becoming homeless*
 - *Rapidly re-house homeless individuals and families*

HUD's National Objectives

- Benefit low to moderate income persons;
- Aid in the prevention of slums and blight;
- Address needs having a particular urgency

2015 -2019 Consolidated Plan

City's Goals to Address Housing & Community Development Needs

- Increase supply of affordable rental housing and housing for homeownership available to the City's low-to-moderate income households;
- Preserve existing affordable housing stock;
- Provide housing and services to special needs populations;
- Improve/increase opportunities for citizens to access/retain affordable housing;
- Support neighborhood stabilization and development through public improvements in strategic coordination with housing activities, and;
- Promote economic development activities in the City.

2018 – 2019 Entitlement Funding & Program Income (Estimates)*

	CDBG	HOME	ESG	TOTAL
Grant	\$1,560,000	\$640,000	\$149,000	\$2,349,000
Program Income	\$188,700	\$524,300	\$0	\$713,000
Total	\$1,748,700	\$1,164,300	\$149,000	\$3,062,000

**Funding budgets and proposed recommendations are contingent upon actual allocations from HUD. Budgets and funding recommendations will be proportionally decreased (with the exception of Debt Service), if actual allocations are less than estimates. If allocations are more than estimates, CDBG excess will be allocated to ECD Housing Preservation programs and any excess in ESG will be equally allocated to Community Kitchen and Family Promise.*

FY 2018 – 2019 - CDBG Funding Recommendations

Applicant	Request	Recomm.
ECD & CITY PROGRAMS		
COMMUNITY DEVELOPMENT – GRANT ADMINISTRATION To manage grants - ensuring compliance with all Federal requirements	\$355,000	\$355,000
SECTION 108 DEBT SERVICE Payments to retire debt used for community & economic development projects/programs	\$389,000	\$389,000
CODE ENFORCEMENT/BLIGHT ELIMINATION Demolition of dangerous, substandard structures in LMI neighborhoods.	\$100,000	\$100,000
TRANSPORTATION DEPARTMENT - SIDEWALKS Installation of sidewalks in LMI neighborhoods	\$350,000	\$200,000
PUBLIC WORKS DEPARTMENT - SLAP Installation of new lateral sewer lines to homes of LMI homeowners	\$50,000	\$25,000
ECD AFFORDABLE HOUSING PRESERVATION Funds utilized in preserving affordable rental and homeowner housing		\$4,700
Subtotal	\$1,244,000	\$1,073,700

FY 2018 – 2019 - CDBG

Funding Recommendations

Applicant	Request	Recomm.
CHATTANOOGA COMMUNITY HOUSING DEVELOPMENT (CCHDO) To provide roofing replacements through forgivable loans (over 5 years) to appx. 28 Chattanooga LMI homeowners.	\$250,000	\$200,000
CHATTANOOGA HOUSING AUTHORITY Necessary infrastructure components as part of the redevelopment of Cromwell Hills apartments – preserving housing for very low-income residents.	\$480,000	\$200,000
CHATTANOOGA NEIGHBORHOOD ENTERPRISE To provide low interest loans to appx. 9 homeowners for major home improvements and to cover related program delivery costs.	\$250,000	\$200,000
FAMILY PROMISE Housing/Stabilization Case Manager to serve appx. 100 homeless, enabling them to quickly transition from shelter to permanent housing and achieve stability.	\$50,000	\$25,000
HABITAT FOR HUMANITY OF GREATER CHATTANOOGA Funding to assist homeowners with exterior, weatherization, and/or critical repairs on approximately 12 – 15 homes.	\$50,000	\$50,000
PARTNERSHIP/FAMILIES, CHILDREN & ADULTS Program of emergency solutions for domestic violence and homeless families - providing shelter and rapid re-housing assistance for approximately 190 individuals.	\$35,000	\$35,000
Subtotal	\$1,080,000	\$675,000
TOTAL	\$2,324,000	\$1,748,700

FY 2018 – 2019 - HOME Funding Recommendations

Funding is allocated to projects through open RFP solicitations throughout the year.

AFFORDABLE HOUSING PRESERVATION AND PRODUCTION	\$893,655
MINIMUM REQUIRED CHDO SET-ASIDE	\$96,000
GRANT ADMINISTRATION	\$174,645
TOTAL	\$1,164,300

FY 2018 – 2019 - ESG Funding Recommendations

Applicant	Request	Recomm.
CHATTANOOGA HAMILTON COUNTY HEALTH DEPARTMENT Homeless prevention and rapid re-housing for 45 households receiving case management and/or supportive social services at the Chattanooga-Hamilton County Health Department.	\$40,000	\$40,000
CHATTANOOGA COMMUNITY KITCHEN Emergency shelter operations and HMIS user fees.	\$29,900	\$14,500
CHATTANOOGA ROOM IN THE INN Rapid rehousing stabilization and case management, housing search and placement, and HMIS licensing and data entry.	\$24,942	\$17,782
FAMILY PROMISE Housing/Stabilization Case Manager to serve appx. 100 homeless, enabling them to quickly transition from shelter to permanent housing and achieve stability.	\$42,754	\$30,548
YOUTH & FAMILY DEVELOPMENT To provide rapid re-housing services to families facing homelessness.	\$30,000	-0-
PARTNERSHIP/FAMILIES, CHILDREN & ADULTS Program of emergency solutions for domestic violence and homeless families - providing shelter and rapid re-housing assistance for approximately 190 individuals.	\$35,000	\$35,000
GRANT ADMINISTRATION	\$11,170	\$11,170
TOTALS	\$213,766	\$149,000

Target Population

The following income categories are used for programs:

- Extremely low – households with income less than 30 percent of area median income (AMI)
- Very low – households with income between 30 and 50 percent of AMI
- Low – households with income between 51 and 80 percent of AMI
- Moderate – households with income between 81 and 120 percent of AMI
- Above moderate – households with income above 120 percent of AMI

2017 Income Limits (Median Family Income: \$59,500)

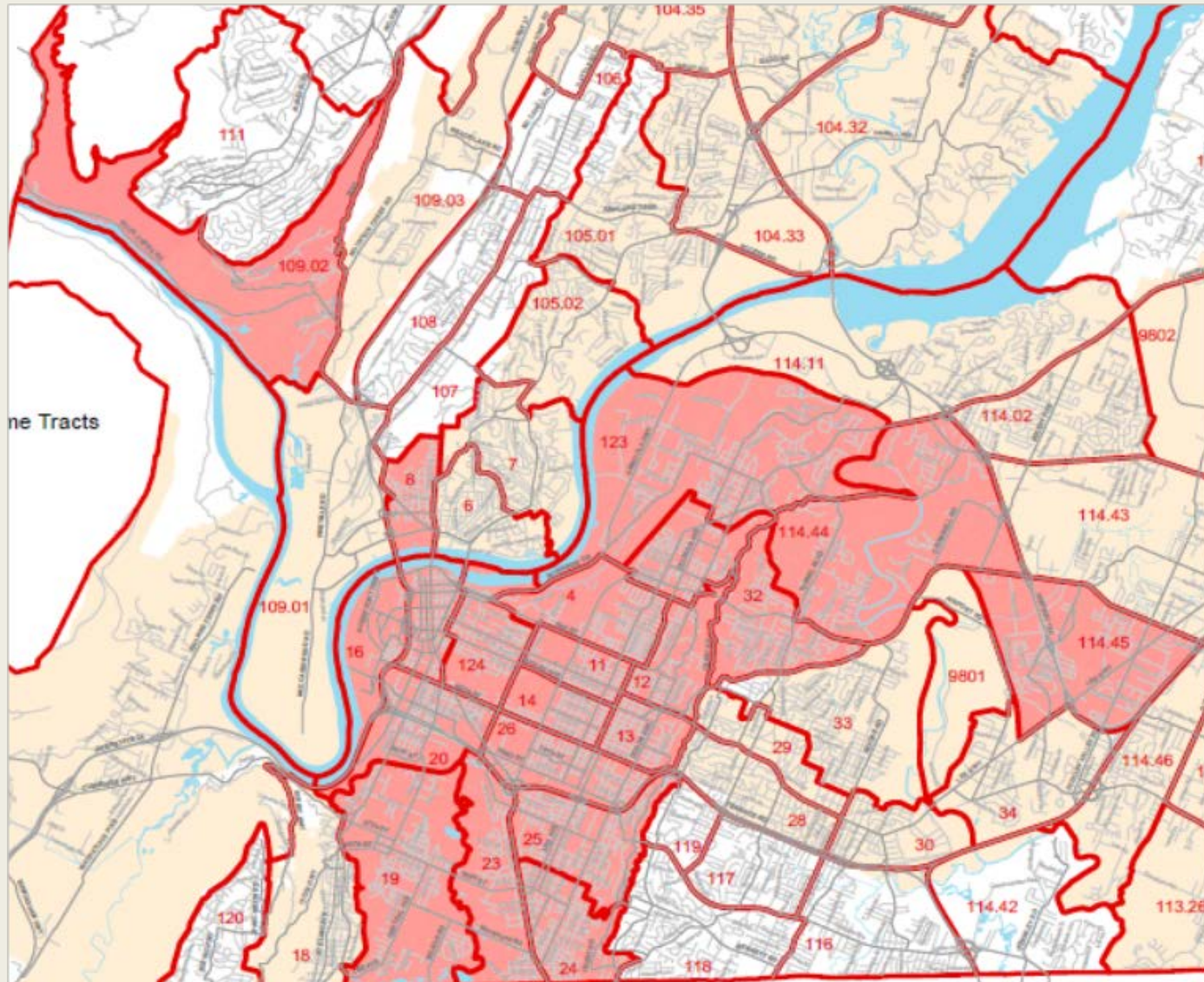
Family Size	Low Income 80% AMI	Very Low 50% AMI	Extremely Low 30% AMI
1 Person	\$33,350	\$20,850	\$12,500
2 Person	\$38,100	\$23,800	\$14,300
3 Person	\$42,850	\$26,800	\$16,100
4 Person	\$47,600	\$29,750	\$17,850
5 Person	\$51,450	\$32,150	\$19,300

Rents:

CDBG and ESG projects/programs will use the most recent HUD published Fair Market Rents.

HOME projects/programs will use HUD published High and Low HOME Rents

Geographic Target Low/Moderate Income Census Tracts



City of Chattanooga

Low- moderate Income Census Tracts

Area	Census Tract	Percentage L/M	Race/Ethnicity				
			White	Black	Hispanic	Am. Indian	Asian
Orchard Knob, Avondale	4	68.45%	6.8%	89.2%	2.4%	0.6%	0.0%
Hill City	8	68.31%	64.7%	32.8%	1.1%	1.6%	0.0%
Fortwood	11	62.87%	29.5%	50.2%	23.3%	0.0%	0.0%
Glenwood	12	61.11%	13.6%	84.8%	0.7%	1.2%	0.0%
East Lake, Ridgedale	13	74.25%	38.6%	50.5%	18.5%	0.4%	0.0%
Highland Park	14	66.42%	56.1%	42.2%	9.7%	0.0%	0.2%
Westside	16	100.00%	18.3%	80.0%	0.0%	0.9%	0.8%
South Chattanooga, Alton Park, Piney Wood	19	85.83%	2.8%	94.7%	1.3%	0.3%	0.0%
Southside	20	85.02%	21.0%	65.1%	11.5%	2.4%	0.0%
Clifton Hills,	23	68.56%	43.4%	29.3%	26.5%	0.9%	0.0%
Cedar Hill, East Lake	24	78.12%	72.9%	13.0%	28.3%	2.0%	3.7%
East Lake	25	80.76%	35.7%	55.1%	11.4%	2.1%	0.0%
Oak Grove	26	75.76%	34.5%	49.4%	24.3%	0.0%	0.0%
Downtown	31	60.53%	64.2%	34.7%	3.3%	0.0%	0.0%
Foxwood Heights	32	61.81%	15.5%	75.6%	5.2%	3.9%	0.0%
Signal Mt. Blvd.	109.02	70.31%	100.0%	0.0%	0.0%	0.0%	0.0%
Eastdale	114.44	59.59%	17.3%	80.8%	2.4%	0.0%	0.0%
Shepherd	114.45	51.24%	55.2%	39.5%	10.2%	0.0%	1.1%
Avondale, East Chattanooga	122	86.55%	5.7%	92.9%	2.0%	0.0%	0.0%
Amnicola, East Chatt, Glass Farm	123	66.32%	30.5%	63.9%	0.8%	2.0%	1.2%
ML King, Fortwood	124	68.17%	64.1%	28.5%	2.1%	0.1%	6.6%

Data Source: 2007-2011 ACS

Grant Cycle

Community Development

2018 - 2019

Tentative Calendar

January 24, 25, 26, 2018	Publications announcing Application/Allocation/Funding Process & Workshops for Emergency Solutions Grant (ESG) and Community Development Block Grant (CDBG)
February 1, 2018	Applications Available
February 9, 2018	Application/Allocation Workshops for Emergency Solutions Grant (ESG) and for Community Development Block Grant (CDBG)
March 1, 2018	Application TA Workshops
March 12, 2018	Applications Due
April 16, 2018	Meetings/Applicant Interviews to Determine Funding Recommendations
April 17, 2018	Meetings/Applicant Interviews to Determine Funding Recommendations
April 24, 2018	Presentation of Recommendations to Council
May 1,2,3, 2018	Publication/Announcement of Public Meeting and Public Comment
May 1, 2018	30 - Day Comment Period Begins for Funding Recommendations
May 17 2018	Public Meeting - Action Plan - Outlining Funding and Activities
May 31, 2018	30-Day Comment Period Ends
June 5, 2018	City Council Vote - Resolution
June 7, 2018	Prepare Award/Rejection Letters
June 8, 2018	Submittal of Action Plan to HUD
June 11, 2018	Subrecipient Training and Contract Signing
July 1, 2018	2018 - 2019 Fiscal Year Begins
September 3,4,5, 2018	Publication/Announcements of Public Meeting and Availability of Consolidated Annual Performance Evaluation Report (CAPER)
September 20, 2018	Public Meeting - CAPER
September 13-27, 2018	15-Day Comment Period
September 28, 2018	Submittal of CAPER to HUD

Next Steps - Calendar

- Prepare plan and make available for 30-day public comment period

May 1 – May 31

- Public Meeting – **May 17, 2018**

DRC, 5:30pm - 6:30pm

- **City Council Vote – June 5**

- Submit Plan to HUD – **June 8**

- Prepare Agreements – **June**

- Program Year Starts – **July 1**

■ Questions?

■ Comments?

Until May 31, 2018

■ ECD (423)643-3700; 643-7332

■ 101 East 11th Street, Suite 200

Chattanooga, TN 37402