

**JOINT ~ COM DEV & FINANCE COMMITTEE MEETING MINUTES**  
**from MONDAY, OCTOBER 24<sup>TH</sup>, 2022 [meeting began at 7:05 P.M.]**

**CD PRESENT:** Chair Callahan, Mitchell, Schneider, Lipian and Oswald

**FINANCE PRESENT:** Chair Stewart, Tollett, Cerra, Davis, Schneider

**OTHER COUNCIL MEMBERS:** Simmons

**OTHERS PRESENT:** Mayor Whitfield, Law Dir Deery, Safety Svc Dir Brubaker, Asst Dir Calvert, Fin Dir Pileski, Asst Fin Dir Farrell, Engineer McKillips, HR Dir Yousefi, WWPC Supt Korzan, CD Manager Almabayyed, CD Director Scott, Lise Day, Public Information Officer Cloud, Chief Pronesti, Chief Pelko, Parks Dir Reardon

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*This is a JOINT Meeting of the Community Development Committee and the Finance Committee of Elyria City Council.  
Community Development has already been called to order and Chair Stewart called Finance to order at 7:05 P.M.*

**1. Approval of the Joint Meeting Minutes ~ October 11<sup>th</sup>, 2022.**

*(There was No Joint Meeting on September 26<sup>th</sup>).*

**CD: Moved by Mrs. Mitchell, seconded by Mr. Oswald to approve the above listed Joint Meeting Minutes.**

**Finance: Moved by Mr. Schneider seconded by Mr. Cerra to approve the above listed Joint Meeting Minutes**

**2. The matter of the PY 2023 Community Development Block Grant (CDBG)**

**Action Plan Update. \*THIRD PUBLIC HEARING\* (3<sup>rd</sup> of 3 Public Hearings)**

Referred By: Community Development Director Scott

Chair Callahan read the 'Call To Public Hearing' and asked for any proponents. CD Director Scott said there is no vote for this evening's meeting however they will ask for the Committee to work with this budget sheet. The goal is to bring the balance to zero so they can get a draft plan out and available to the public by October 28<sup>th</sup> and it has to be available for public viewing for 30 days. They will then bring this back to committee on November 28<sup>th</sup> and at that time they will present any comments they receive and the committee can adjust the budget according to those comments. The goal would to have it approved on December 5<sup>th</sup>. The funding requests were presented on the screen which was a little over \$100,000.

The administration cost cannot exceed 20 percent of the expenditures and allocations for admin and planning. The next line is the purple color which is the Public Service Activities which cannot exceed 15 percent of the total expenditures of the budget for Public Service.

The Community Development Dept. went over the funding requests and put together some recommendations. All of the non-profits that applied for funding are listed on the sheet. They do have some remaining CDBG Covid dollars. There are some non-profits that they were able to expend some of those funds down. They have to work on getting rid of the rest of that. Dir Scott asked if there were any questions.

Chair Callahan asked if there were any more proponents, he asked 3 times and there were none. Then he asked if there were any opponents and there were none. There were no questions.

Chair Callahan told Dir Scott that he and the panel appreciate all of the work that goes into this matter each year and all that Dir Scott and her department do.

Mrs. Mitchell said that she likes the recommendations that the Community Development Department has presented to them and those recommendations are very helpful.

**Chair Callahan has declared that a third Public Hearing has been held.**

### **3. The matter of a request to remove the Community Development Rehab Lien on 339 15<sup>th</sup> Street.**

Referred by: Community Development Director Scott

Dir Scott said the owner of this property is Marcia Trusky has entered into 4 different home rehab agreements between 1995 and 2017. She no longer resides in the home, her niece, who is her power of attorney is requesting to dismiss or reduce the CD Liens on the property to help provide for her care. Ms. Vaughn has an offer on the property, she did provide a purchase agreement and is requesting for these liens to be reduced. The purchase agreement states that the house would sell for \$60,000 and she also provided a mortgage statement which shows \$23,000 is still owned on the property. The total of the liens owned to the City is \$45,756. This has been reviewed by the CD Department and the recommendation is to support reducing these liens contingent on the net proceeds. If those are insufficient to repay the program investment due then they would reduce it by that amount.

#### **COMMUNITY DEVELOPMENT COMMITTEE:**

**Mr. Oswald moved, second by Mrs. Mitchell to recommend an ordinance authorizing to reduce the liens on the property of 339 15<sup>th</sup> Street contingent on the final net proceeds of the sale of the house.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

#### **FINANCE COMMITTEE:**

**Mr. Schneider moved, second by Mrs. Davis to recommend an ordinance authorizing to reduce the liens on the property of 339 15<sup>th</sup> Street contingent on the final net proceeds of the sale of the house.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

Chair Stewart asked when they anticipate this to close?

Dir Scott said they do not have a closing date, they were waiting to hear on Council's decision. The sale is contingent upon the decision made by Council.

Dir Deery said her suggestion would be to draw up a proposed ordinance that would authorize reducing the liens based on the net proceeds.

### **4. The matter of a Capital Improvement Program under The American Rescue Plan.** Referred by: Community Development Director Scott ***[Discussion only]***

Dir Scott said the intent of this program is to provide forgivable loans to non-profit organizations that would provide essential services to the community for Capital Improvement Investments on their buildings. They must respond to the pandemic and they must be reasonably proportional to the pandemic. Examples would be supportive housing, transitional shelters and recovery housing development that would need to increase their space due to capacity adaptations to facilities due to increase demand.

Funding requests would have to be submitted to CD Dept. Non-profits would have to provide justification with supporting data. There would be a deadline for submission and it's proposed that it would go to the Elyria Economic Development Committee for review and approval. They would have authority to approve capital investments under fifty thousand dollars and over would require councilmatic action. Intent would be to provide these loans and place liens on the property. They would monitor regularly to make sure the organization is using the building properly and using the improvements for what the intended use was for.

Dir Scott also requested that \$500,000 be taken from the Essential Services Program that has not been encumbered and put into this Capital Improvement Program.

Dir Deery asked if the one million dollars has already been allocated to Essential Services?

Dir Scott said yes.

Dir Deery asked if the \$500,000 that is being requested still remaining out of the million dollars?

Dir Scott said yes.

Mayor Whitfield added that there have been several non-profit organizations and businesses, reach out saying that they've had roof or boiler issues or renovations needed. They feel this is an opportunity for the City to be responsive to their requests.

Dir Scott emailed a draft of these requests to the committee over the weekend as well as paper copies were placed in City Hall mailboxes. It is a draft and they will have to continue to work with the Law Dept. to finalize the details.

Mrs. Mitchell said we're talking about rehabing buildings and she thought the ARP was to replace funds because of covid. Is rehabing buildings an acceptable use of those funds?

Dir Scott said Capital Expenditures are allowable, however we would have to make certain the organization ties it back to covid. What was the problem, how will this improvement address the problem and what will the impact be?

Mrs. Davis asked if these monies are only available to property owners?

Dir Scott said yes.

**Chair Stewart asked if we can take more time to look at this. He moves that this matter be moved to pending items.**

## **5. The matter of a request of ARPA Funds for the Neighborhood Alliance Kitchen Project.** Referred by: Community Development Director Scott ***[Discussion only]***

Dir Scott said they wanted to bring this back onto the floor. The Neighborhood Alliance requested funding and Council Committee approved it in February 2022 and at that time it was determined that the City should have a Capital Improvement Policy in place before they provide the funding. If the Capital Improvement program passes, the intent was to have the Neighborhood Alliance project be reconsidered. The project is to be completed at the end of October. The goal is to start delivering meals from this site in mid-November.

Mayor Whitfield said the committee did approve the grant to them earlier this year. The other reason they proposed the Capital Program is one of the concerns was that if we issue them a grant, then what about other organizations.

They are recommending that the committee approve Neighborhood Alliance. They can't be approved without a program and the cover is that the other organizations that are interested, that, we'll be considering a future program. Neighborhood Alliance is under a tight time constraints with getting this going.

Mrs. Mitchell asked how much is the Neighborhood Alliance requesting for this?

Dir Scott said they are requesting \$150,000.

They are in mid process in getting the kitchen installed. The equipment has been delivered and they are having inspections and getting close to completion. They currently have 3 routes where they deliver meals to in the City of Elyria. With this kitchen they are hoping to add a 4<sup>th</sup> route and they do have the demand.

Mrs. Davis asked if Neighborhood Alliance only services Elyria?

Alicia Foss said that they are the largest Home Delivery Meal provider for Lorain County, with the highest number they serve in Elyria.

Mayor Whitfield asked if they could mention the different funding sources and the total amount that has been raised including the County money.

Alicia said the LC Commissioners approved \$500,000 toward the project and that is the funding they've been using to get the bulk of this work done. They've also received donations from private funders and have been soliciting funds from various sources. The kitchen is one part of the project and they're renovating the former YMCA Building on Washington Ave. The kitchen is one component of that. They will renovate the building to make it a functional space so they can better serve the community. They've also applied for State Capital money and other sources of funding that will be a part of this project.

Mr. Tollett asked for input from the Law Director.

Dir Deery said this matter was referred and the committees approved ARPA money for this project earlier this year. Shortly after, when her office began the legislation and with speaking with the Directors, it became apparent that the program requirements that were set up with the ARPA were more restrictive than what the Federal Guidelines were. What that meant was that this project being a Capital Project because of the kitchen, though they are serving food to the needy, it's ultimately a Capital Project, it wasn't a fit legislatively for the program. Therefore it was recommended to be referred back to committee as a stand alone project. It was supported on it's own as opposed to it not being allowed for Capital Improvements. It spearheaded the Capital Improvement program which everyone just heard about. That is why this is back at committee. It's the same program, same project, same money. The money has already been earmarked.

Dir Pileski said we would have to create a new program for reporting purposes for ARPA. It is for Essential Services, but they would have to move it into a new program.

Mr. Tollett asked if the Essential Services piece of it is encumbered?

Dir Pileski said he didn't know if there is an open P.O. for this or not.

Dir Scott said they do not have an open P.O.

Dir Pileski said that it is not encumbered and they would have to move the appropriation to the program that they would have to set up.

Mr. Tollett said it's his recommendation not to delay this but we need to get thru the whole ARPA piece before we take a vote, because of how the other funds are being distributed as well.

Mayor Whitfield said they are under a time constraint to complete this project. they've been doing the work, it's just been administratively trying to figure out moving forward. Their recommendation is to have this approved as is and they will follow up with a formal program that others can apply to.

Mrs. Mitchell said because they are on a time constraint, we can do this and the legislation is there and money is there, let's go ahead and do it.

*Mr. Lipian asked if he can recuse himself from this vote as he does a lot of work with the Neighborhood Alliance.*

**COMMUNITY DEVELOPMENT COMMITTEE:**

**Mrs. Mitchell moved, second by Mr. Oswald to recommend an ordinance authorizing ARPA Funds for the requested Neighborhood Alliance Capital kitchen project in the amount of \$150,000.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

**FINANCE COMMITTEE:**

**Mr. Cerra moved, second by Mr. Schneider to recommend an ordinance authorizing ARPA Funds for the requested Neighborhood Alliance Capital kitchen project in the amount of \$150,000.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

**6. The matter of a request for a proposed Housing Beautification Program.**

Referred by: Asst Dir Calvert and Community Development Dir Scott

***[Discussion with possible action]***

Dir Calvert stated that they are requesting the approval for the Housing Beautification Program. It's been the works for some time. It will provide financial assistant to residential property owners for exterior improvements to aid in the redevelopment and beautification of the City's housing stock. It would provide up to \$5,000 for repairs and improvements that face the public right of way. Repairing porches and steps, paint and siding, windows & doors, roofs, driveway and sidewalks. This program will be funded by ARPA dollars which has been appropriated in the amount of \$250,000 and has already been passed by Council earlier this year. Homes in the qualified census track and also LMI households would qualify and households that are 185 percent of the Federal Poverty Rate are eligible. It demonstrates that this is a disproportionately impacted population which makes them eligible. 185 percent of LMI is \$42,606 annually. This would be LMI or Qualified Census Track. The goal is to have the program up and running and receiving applications in spring of 2023. It would be run similar to the Emergency Home Repair Program which is already run thru the Community Development Dept. Homeowners would apply and be approved on a first come-first serve basis. They would accept applications until the funds run out.

Mr. Cerra asked if this has to be paid back?

Dir Calvert said this is a 100% grant program for eligible applicants. The applicant would be eligible up to \$5,000 and it would be a direct payment to the contractor. And for property owners who reside in the home.

Mr. Oswald said he's glad they've gotten to this point. There was a lot of work involved to get to this point. He was hoping the program could serve everyone.

And not just those in the qualified census area but that was how they had to do it to make it work. This will help improve the City. He hopes when the money runs out and maybe we can keep in going in the future. He's thankful to everyone who worked on this project.

Mrs. Davis said this is a wonderful program and she's appreciative at how everyone worked to get this program up and out. The Mayor had talked about the census track area before and she is glad to see the 2<sup>nd</sup> ward is part of that. She wondered how they will initiate the program so they can let those residents know. How will we get the word out? She is very grateful.

Mr. Lipian said maybe we can put it in the mailer with the deer notice...!! He echoed what Mrs. Davis said. It said we can safely presume the impact of the pandemic disproportionately affected the residents and that can be safely said. There is a disproportion inside of that disproportionate group of people within our city that have code violations and don't have the ability to pay for it, will there be some priority given to those who have to contend with those sort of issues? Perhaps similar to the sidewalk program.

Dir Calvert said it's not necessarily written to give priority to those residents who are facing those violations, however, they are eligible under the program.

Mr. Lipian said he would suggest that they explore a prioritization for those residents who are facing those code violations, or those within the disaffected population which Elyria is that don't have the money to pay for those. Mr. Lipian's concern is that the money could go to the residents that could use it, but don't need it as much and some of the disenfranchised would be the ones that truly need it and couldn't pay for it without it. It may not be the case if the program is well used which is what we want.

Dir Calvert said they can look into that, they are finalizing some minor language on the program guidelines and they can see if this is an option that can be added.

Mayor Whitfield said this is the first round of doing this and after we do this we can learn and make improvements and add things. His goal is to figure ways to get it into the rest of the City, which may require to look at other sources of funds.

Mr. Lipian wants to commend Councilman Oswald for his initiative on this program. It's a very much needed program and he hopes is gets utilized.

Mrs. Mitchell asked how residents apply, what do they need when they apply?

Dir Calvert said they are working on the application documents and requirements for funding and it will be in depth. They would need proof of property ownership, quote from a contractor, income verification, etc. They would have to make sure they are in compliance with ARPA requirements. They will partner with Elyria Community Partnership on marketing the program to get the word out.

Dir Deery said as far as property code violations that this would be something that both she and her office be in communication with Housing Inspectors to let those residents who are being sited that this program may be something those residents may be potentially eligible for, as they do with CDBG and CHIP programs.

Mr. Schneider asked if the owner eligible to do their own work or do they have to go thru a contractor?

Dir Calvert said they would have to work thru a contractor for this program.

Committee Chair read the committee report and asked for a motion.

**COMMUNITY DEVELOPMENT COMMITTEE:**

**Mr. Oswald moved, second by Mrs. Mitchell to recommend an ordinance authorizing the approval of the 'said' program guidelines.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

**FINANCE COMMITTEE:**

**Mrs. Davis moved, second by Mr. Schneider to recommend an ordinance authorizing the approval of the 'said' program guidelines.**

**MOTION CARRIED COMMITTEE REPORT WRITTEN**

**Mr. Lipian moved and second by Mrs. Mitchell to adjourn this evening's Community Development portion of the Meeting at 7:50 P.M.**

**MOTION CARRIED**

***[The evening's meetings continued with the Finance Committee Meeting].***

*Respectfully submitted by, Colleen M. Rosado*

*Council Clerk Secretary/Administrative Assistant*

*CMR/*