

Cuyahoga Falls City Council
Minutes of the Community Development Committee Meeting
April 20, 2009

Members: Mark Ihasz, Chair
Diana Colavecchio
Mary Ellen Pyke

Mr. Ihasz called the meeting to order at 6:55 p.m. All members were present.

The minutes from the March 2, 2009 committee meeting were approved as submitted

Legislation Considered

Temp. Ord. B-37

Temp. Ord. B-38

Discussion:

Temp. Ord. B-37

An ordinance approving the 2009-2013 CDBG Consolidated Plan and Annual Action Plan Document and Program, and declaring an emergency.

Mrs. Truby stated that approval of this ordinance would constitute the City's one-year and five-year plans. They look at the capital budget as a five-year budget. They look it over every five years and then determine the one-year. This would be the City's second consolidated plan. Some changes they are proposing are increasing paint reimbursement from \$250 to \$300; increasing the rehabilitation loans from \$25,000 to \$30,000; changing the name "Heslop Matching Grant Program" to "Matching Grant Program" so it is not limited to just one area of the city for matching funds ranging from \$2,500 to \$15,000; and changing the public loan from one job created per each \$25,000 loaned to one job created per each \$30,000 loaned. All CDBG monies must be spent on low to moderate income families. They do not know what the amount of the 2009-10 study will be but will plug it into the budget as soon as it is available. The percentages from the 2008-09 budget will remain the same. HUD defines how much can be spent in certain areas. She is hoping that the new amount will be an increase because of the stimulus monies available.

With regard to Housing Rehabilitation, Mrs. Bell stated that interested residents would make application to the City for improvements they want to make to their home. Improvements could be a new roof, furnace, etc. Last year, no qualified applicant had to wait for money. With regard to Infrastructure Replacement, Mr. Guerra stated they are trying to concentrate on residential type streets that have been identified in low and moderate income neighborhoods. The first area is south Front Street. They are also starting engineering for projects in the South and East Village neighborhoods, including Stone, Germaine, Frances and Arcadia. The engineering will be completed and then the streets would be done in phases. The projects will include curbs, sidewalks, tree lawns, and storm sewers. With regard to Economic Development Activities, Mrs. Truby indicated they will be providing loans to small businesses. They have \$140,000 earmarked for this.

Mr. Ihasz asked if the deferred loans would be paid back once the houses are sold. Mrs. Bell stated they would. She added that a family of four would have to have income below \$52,000 to qualify for one of the low to moderate loans and it would be payable during a 15-year period with an interest rate of one percent below prime. Currently, it is three percent. Mr. Ihasz stated that projects are planned for funding that the

City currently has and asked how realistic it was to do all of the streets with those funds. Mr. Guerra stated they would also need some matching funds, such as Issue 2 or something along those lines. The goal is to use what we have and then look for more. A portion is being used for engineering so at the end of the five years, all of the engineering will be completed.

Mrs. Pyke stated the five year plan mentioned underground utilities and asked if that was talking about electric. Mr. Guerra indicated it was just to replace already existing underground utilities if they need to be replaced. Mrs. Pyke stated since Frances is on the list, how would Administration handle 9th Street to Campbell. Mrs. Carr stated she was not sure and would have to look at it. She stated they would have to see if they would do a separate petition in that area, but didn't know at this point.

Mr. Walters commented on the re-inspection fee and felt that it would help push property owners to correct problems in a timely manner if they were faced with penalties from subsequent inspections that would confirm whether or not the property owner has complied. Mr. Walters asked about the notation regarding 200 rental inspections planned for 2010 and each year thereafter. He wondered how it would be funded and how it would operate. Mrs. Truby stated she had previously sent Council a letter about a program they would like to begin on rental inspections. It is still a work-in-progress and feels it would be a beneficial program to the City. They are continuing to fine-tune the details and encouraged Council members to give their input. She felt that a majority of landlords do a good job but not everyone. Mr. Walters indicated he still had the original paperwork distributed by Mrs. Truby and added that there was a lot of interest about this program. He also feels it would be beneficial to the City. Mrs. Pyke asked if the income qualification for the \$2,500 matching grant program was the same as the paint program. Mrs. Bell indicated it was. She added that it was for new construction or for any type of home improvement project such as roof, deck, bathroom, etc. The project must total at least \$5,000 because of the minimum \$2,500 match. The homeowner could also do several projects that total at least \$5,000 rather than be limited to one project. Mrs. Pyke felt this was a huge benefit for those on a fixed income and it is a plus that it isn't just limited to one certain area in the City. The only limit would be the household income. Mrs. Bell added it was on a first come-first served basis. They have earmarked enough money to cover five loans. Mrs. Pyke did not think that was enough money in the fund. Mrs. Truby added they could always reallocate funds later.

Mrs. Hummel commented that the Five Year Plan was a very nice presentation. She was aware of how much work goes into it. It was her hope that the Committee would hold this legislation for two more weeks since Council just received the Action Plan this evening. With regard to the number of homes needing rehabilitation, she asked where that number came from. Mr. Guerra stated it was based on the 2000 Census. Mrs. Hummel asked about the term "Tapestry Segments". Mr. Guerra stated those were categories used to designate who lives in an area. Mrs. Hummel commented that the job creation program mentioned different criteria in different places. Mrs. Truby stated they need to correct that and that it should be 4 jobs per year and 20 jobs over the course of the Five Year Plan. The funds would also be \$140,000. Mrs. Pyke mentioned the comment concerning the Cuyahoga River area losing population and having a negative growth of 1.6. Mr. Guerra indicated that the area had smaller households. Vacancy would also be a contributing factor. Families are also moving out which is shown by the decreased school population. Mr. Ihasz asked Mrs. Truby if she would provide a list or chart to Council members that shows the income requirements for families to qualify for the low to moderate income loans. He also asked if holding the legislation for two weeks would adversely affect the deadline. Mrs. Truby stated it would be fine.

Committee recommended holding Temp. Ord. B-37.

Temp. Ord. B-38

An ordinance authorizing the Community Improvement Corporation to act as agent for the City of Cuyahoga Falls in the negotiation of the purchase and sale of properties under the Neighborhood Stabilization Program, and declaring an emergency.

Mrs. Truby gave a background on the history of the Community Investment Corporation. She stated this ordinance is requesting the CIC to act as agent for the City to purchase and sell homes. The CIC met on February 10 to approve this measure. It will allow for a more expeditious flow and give the City the ability to meet deadlines. It will also provide residents with more privacy when financial information is disclosed. Mr. Ihasz asked whether Administration had any idea on which homes were going to be slated. Jonathan Dailey stated that the market is fluctuating so much that any specifics he gives now could be negated tomorrow. Out of the 12-block target area, there are 7,700 homes. Of those, 52 have the foreclosure process completed and 38 are in the process or scheduled to be completed by the end of July. It is difficult to target the specifics. Mr. Ihasz requested that Council be notified as soon as Administration knows which properties it will pursue. Mrs. Truby stated e-mails will be sent notifying Council. Mrs. Hummel confirmed that the funds would be used to purchase homes and that no revenue or funds would remain with the CIC for any other purpose. Mrs. Truby confirmed that and added that a separate accounting would be set up. Mrs. Pyke asked if the money would be for the purchase and also improvements. Mrs. Truby stated it would. Mrs. Pyke asked how it would be decided who would make the improvements. Mrs. Truby indicated that Mrs. Bell has created a contractor list and people would be bidding on the improvements based on the City's criteria.

Committee recommended bringing out Temp. Ord. B-38.

Meeting adjourned at 7:35 p.m.