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Development, Planning and Sustainability Committee: Community Development Block Grant Hearings, Day 2, Morning Session

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Summary

- Director Alyssa Hernandez said the Community Development Department was "over-reliant" on the U.S. Department of Housing and Urban Development (HUD). However, she said they are "stronger together."
- Collectively, council members voiced their unhappiness and concern with the CDC Activity Grants.
- Council Member Charles Slife said that block grants are the main funding source for community development corporations.
- Two numbers to call for **Homeless Shelter** information are: 211 or the **24/7 Frontline Service Hotline** at **216-623-6888**.

Follow-Up Questions

- If the purpose of the block grant program is to prevent and eliminate blight, why has there been so much property deterioration on the East Side of Cleveland in recent years?
- How can more funds be allocated to the most blighted wards?
- How can passing real estate down from one generation to the next be considered creating "generational wealth" if the younger generation doesn't pay the property taxes and the real estate goes into foreclosure?
- How many houses in East Glenville have gone into foreclosure and been demolished due to the property taxes being in arrears?

Notes

The Development, Planning and Sustainability Committee: Community Development Block Grant Hearings, Day 2, Morning Session, began at 9:30 a.m.

Attendance

Present at roll call were these council members: Committee Chair Anthony Hairston (Ward 10); Charles Slife (Ward 17); Kris Harsh (Ward 13); Danny Kelly (Ward 11); and Kerry McCormack (Ward 3).

Additional council members in attendance were: Stephanie Howse (Ward 7); Michael Polensek (Ward 8); Rebecca Maurer (Ward 12); Richard Starr (Ward 5); Deborah Gray (Ward 4); and Joe Jones (Ward 1).

Hairston said that the following council members were out due to illness: Jenny Spencer (Ward 15); and Vice Chair and Majority Whip Jasmin Santana (Ward 14).



(Source: SignalCleveland.org)



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Agenda

I. The Neighborhood Development Activities Program (NDA), The Community Development Corporation (CDC), Citywides, and Public Services:

- Neighborhood Development Activity Grants
- CDC Activity Grants
- Citywide and Development Assistance Grants
- Social Service Grants

II. Special Populations Needs

- City/County Continuum of Care (Homelessness)

Neighborhood Development Activity Grants (**NDA**)
Hairston informed the council that they would begin the meeting with **Page 6-1** in the CDBG Book:

Then he turned the meeting over to Community Development Director Alyssa Hernandez.

She greeted the council and introduced Commissioner Joy Anderson, who talked about NDA funding. Anderson told the council that NDA grants fund:

- Seeds of Literacy
- The Community Housing Solutions Furnace Repair Program
- Commercial services
- Affordable housing

Assistant Director Michiel Wackers told the council that NDA funding is $7.6 million of their discretionary funds and that the council is familiar with how they spend their own money.

Hairston said the council members work with the CDCs to develop plans on how their allocated funds will be used.

He added that information about each ward's allocated funds and the community projects that they were spent on is found in the CDBG Book **Appendix** section, which is located in the back.

Harsh had a discrepancy with the $12.2 million amount (listed at the top of **page 6-1).** He said when the amount is divided by 17 (the number of wards in Cleveland), council members did not receive their portions.

Fiscal Manager Jeff Kucharski replied that the amount includes $7.4 million for this year and approximately $4 million of unspent funds from previous years. He added that $200,000 is used for senior transportation expenses.

Slife asked if the budget could be supplemented to provide consistent service for senior

hospital transportation–with no mileage restrictions on appointments with specialty doctors.

Anderson replied that departmental funding provides an additional $205,000 to senior transportation.

Slife asked what the CDC could do beyond the Block Grant Program.

Hernandez said her department was "over-reliant" on Housing and Urban Development (HUD). However, she said, they are "stronger together."

Slife said that block grants are the main funding source for the CDCs.

McCormack read a comment from Council Member Joe Jones, requesting to meet with Hernandez to discuss problems in his ward.

Starr said that the wards should receive different allocated amounts based on their needs. He talked about the poverty in his ward.

Hernandez said that several other cities don't have 17 wards and that many people are surprised that Cleveland has so many.

Find more information about block grants in this SignalCleveland.org video and article explainer by Cleveland Documenters Jenna Thomas and Jack Brancatelli: "Community Development Block Grants: What are they? How do they work? (Video)"

CDC Activity Grants

Hairston said they were moving on to **Page 6-2**, in the CDBG Book.

Anderson outlined the CDC Activity Grant Program. She said the request for proposal (RFP) was different, and changes to limit CDCs' activities will require them to include a better focus on the department's 10-year housing plan and department priorities. The changes are:

- 50% of CDBG funds must be dedicated to housing activities and the other 50% to commercial service programming.
- Housing rehabilitation administration, including significant home repair programs.
- Technical assistance to businesses.
- A public service activity that they choose (examples: employment training, graffiti

removal, or community clean up).

Wackers said that the department must hold itself accountable and design a flexible program that meets Cleveland's needs.

Hairston told the council that they received a presentation from the Community Development department in their emails.

Harsh asked where CDCs get their funds to invest in home repair. Wackers said CDCs apply for funding.

Hernandez said: "Our accomplishments were low in several areas... CDCs have been under performing."

Harsh asked how many audits the Department of Community Development has had in the last 10 years. Wackers replied that they typically have random audits every three years. CDC activity was last audited in 2021.

Harsh asked if any problems were found in the 2021 audit and if any proposed allocations of CDBG funds were rejected Wackers said that code enforcement was rejected in 2021 and funding of land banks was rejected last year.

Hairston asked for clarity about the Exterior Paint Program. Wackers explained that residents could get referrals to CDC partners to do their home repairs or residents could do their own home repairs and get CDBG assistance.

He added that it is important to understand what data is needed for collecting and what data is required to be turned in.

Hernandez said that the Community Development Department had not been a good partner and they had to do better.

McCormack said that CDBG is the wrong funding source for CDCs and that the grants should not fund CDCs anymore. Additionally, he said that small "ragtag" organizations (CDCs) don't have the funds that they need.

Then, Hairston told the council: "The way we do things here at Cleveland City Hall has to change."

Jones said, "It is not fair. [Community Development is] building houses in some neighborhoods and not building them in other neighborhoods."

Next, Howse told the council that they were not making a dent in changing the trajectory of poverty in Cleveland. She added that council members should have contacted HUD and put together a proposal.

Hernandez told the council: "We are doing too much, and not enough of it well."

Gray said that other programs were available to provide social services for residents. She said CDC funds should be focused primarily on building infrastructure.

Slife asked how housing repairs will help people out of poverty.

Hernandez said raising real estate values and passing houses down to the next generation creates generational wealth.

Citywide and Development Assistance Grant

Next, Hairston informed the council that they were moving on to **Pages 6-3** through **6-6** in the CDBG Book:

Hernandez said applications are currently being accepted for citywide programs.

Anderson explained that the programs typically funded are:

- Home repair
- Home maintenance
- Affordable housing
- Safe housing
- Foreclosure prevention
- Homebuyer education
- Business technical assistance

Hairston said this section was straightforward.

No questions from council members.

Social Service Grants

Next, Hairston informed the council that they were moving on to **Pages 6-7** through **6-11**.

Hernandez said the department was implementing changes for the future of this program.

Anderson told the council that the categories of this program are:

- Public services
- Systemic poverty
- Youth violence
- Poverty and accessibility among the elderly
- Public service economic opportunities initiatives

Hairston reminded the council to read the **Chapter Six Appendix** section, in the back of the CDBG Book.

No questions from the committee.

Special Populations Needs

Hernandez introduced Compliance Manager Martin Bielat to discuss the **City/County Continuum of Care** (**Homelessness**), funded by the Emergency Solutions Grant Program (ESG) and CDBG funds.

Bielat informed the council that on March 15, 2023, they were invited to attend the unveiling of the Community Development Department 's Strategic Plan at The City Club from 9 a.m. to 11 a.m.

Hairston said that many people don't know about available services, so street teams were needed to do outreach. "You have to meet the people where they are," he added.

Homeless Shelter Contact Phone Numbers

Furthermore, Anderson said to **call 211 for homeless shelter** information and Wackers said to call the **24/7 FrontLine Service hotline** at **216-623-6888**.

Jones asked Anderson accompany him on a visit to the Lutheran Men's Shelter on Lakeside Avenue so he can bring things to her attention.

Additionally, Jones asked for a definition of the word **intersectionality**.

Hernandez defined the meaning in this context as identifying with more than one vulnerable population, giving the example of herself as someone who identifies as both a woman and mixed race.

Hairston announced that the council would break for lunch at 12:40 p.m.

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