

**Meeting Minutes
State College Borough
CDBG/Citizen's Advisory Committee
March 12, 2019**

The State College Borough Community Development Block Grant/Citizen's Advisory Committee (CDBG/CAC) meeting was called to order by Chairman Smith on Monday, March 12, 2019 at 12:08 p.m. in the Municipal Building, 243 South Allen Street.

Members Present

Selden Smith, Chair; Rebecca Misangyi, Vice-Chair; Jason Olcese; Marcia Patterson; and Bruce Quigley

Members Absent

Alexis Burke
David Gaines

Others Present

Maureen H. Safko, Senior Planner; and Denise L. Rhoads, Administrative Assistant

Approval of Minutes

A motion was made by Ms. Patterson and seconded by Mr. Olcese to approve the February 5, 2019 minutes as submitted. The vote was unanimously in favor.

Chair Report

Chairman Smith's Public Service Agency Site Visit Recap

- **House of Care:** CAC learned the program was not just for hospice care. The program was also for those that had no support, no family and had a physical or mental incapacity. The program started out as an AIDS hospice agency. Phil Jones was currently the director who was also a pastor.
- **Burrowes Street Youth Haven (BSYH) and Independent Living (IL):** CAC learned the program was for teenagers who were not necessarily runaways but, included those from homeless families, and ages ranged from 13-21 years. The goal of the program was for the residents to learn everyday skills along with budgeting, and how to live on their own. BSYH was located next door to IL. Counseling was also provided, and participants needed parents' permission to enter the program. Ms. Misangyi stated after a person had completed their 30-days, if the need arose, they could return for a day or two.
- **State College Community Land Trust (SCCLT):** Mr. Olcese asked what the advantage was in buying a Land Trust house because you would not own the land and would not fully benefit from the appreciation of the value of the home. Ms. Safko stated the Borough recognized that local First Time Home Buyer Program guidelines minimized the benefits of homeownership for buyers and had revised the Resale/Recapture policy in 2017 and 2018 to remedy the situation.

- **Centre Safe (formerly Women’s Resource Center):** Had a strictly controlled procedure for entering the shelter.
- Mr. Smith stated he was impressed with all of these organizations.
- Mr. Smith deferred the recap on Housing Transitions Inc, until Mr. Gaines was available to give his report.

CAC comments included:

- Mr. Olcese asked how much funding the CDBG Program provided for these agencies. Mr. Smith stated the bulk of funding did not come from the Borough.
- Ms. Patterson stated all of these agencies depended on volunteers as well. Mr. Smith stated they all received United Way funding too.
- Mr. Olcese asked if the CAC got to decide how much funding went to each agency. Mr. Smith stated there were constraints by the Housing and Urban Development department. Ms. Safko explained that the CDBG guidelines limit the percentage that could be allocated to each agency.
- Mr. Quigley stated that the Borough was able to leverage more funding by allocating smaller amounts to the agencies.
- Mr. Olcese stated he would like to visit the agencies in the future.

Public Hour

No members of the public attended the meeting or the hearing. Ms. Safko reported that the hearing for the 2017 CAPER was well attended by at least 3 or 4 members of the public. She added that efforts to attract the public to the hearing for the 2018 CAPER included: a advertised public notice, plus public hearing notices were sent to many human service agencies, municipalities and non-profit organizations. Additionally, she noted that the meeting was specifically scheduled one week later than usual to avoid holding the meeting during the Penn State University Spring Break when many potential attendees would have been unable to attend the meeting and hearing.

Public Hearing on Program Performance

Ms. Safko’s PowerPoint presentation included:

- She noted the report was on the Borough’s performance of the prior year (2018).
- FY 2018 HOME Investment Partnership Program (HOME) funding increased by 84% over the 2017 allocation, and that CDBG had increased by approximately 10%.
- She noted the FY 2019 federal allocation for the CDBG and HOME Programs looks favorable.

FY 2018 Grant Allocations:

- CDBG - \$536,621
- HOME - \$589,983

FY 2018 CDBG Budget:

- Affordable Housing
 - Temporary Housing Foundation, Inc. (THF) Rental Acquisition/Rehabilitation Program - \$220,236
 - First-Time Homebuyer (FTHB) Acquisition/Rehabilitation - \$98,960

- Infrastructure
 - Streetlight and Curb Cut Replacements - \$29,607
Ms. Safko stated CAC normally allocates \$250,000 per year to Public Works for infrastructure. She noted in 2018, the Borough had a large amount of money left over from past years that needed to be used. Staff utilized the older funds first for infrastructure and made the 2018 CDBG funds available for the THF Rental Acquisition/Rehabilitation Program.
- Public Services – 15% Limit - \$80,493
- Administration – 20% Limit - \$107,324

TOTAL: \$536,324

FY 2018 HOME Budget:

- Housing
 - SCCLT FTHB Program - \$389,605
 - THF FTHB Program - \$111,880 (In 2018, since THF had agreed to move more toward affordable rental housing, the larger amount of funding was allocated to SCCLT to allow more funding for owner-occupied housing.)
- Community Housing Development Organization (CHDO) Operating Support (capped at 15%) In prior years, the Borough would alternate the allocation of these funds from year to year between THF and SCCLT. Because of fluctuation in funding levels from year to year, beginning in 2018, the Borough divided the CHDO Operating funds in half annually so each CHDO received an equal share.
 - SCCLT CHDO Operating Support - \$14,750
 - THF CHDO Operating Support - \$14,750
- Administration – 10% Limit - \$59,998

TOTAL: \$590,983

Financial Status 2018 Year-end:

- CDBG

➤ 2017 End of Year Balance	\$570,985.49
➤ 2018 Allocation, plus Program Income (satisfaction of loans)	<u>\$639,496.92</u>
➤ Total CDBG Available in 2018	\$1,210,842.41
➤ Expended in 2018	<u>\$ 731,570.89</u>
➤ 2018 End of Year Balance	\$ 478,911.52
- HOME

➤ 2017 End of Year Balance	\$234,162.63
➤ 2018 Allocation, plus Program Income	<u>\$653,378.43</u>
➤ Total HOME Available in 2018	\$887,541.06
➤ Expended in 2018	<u>\$558,004.15</u>
➤ 2018 End of Year Balance	\$329,536.91

CDBG Goals in 2018:

Affordable Housing

- FTHB Acquisition/Rehabilitation Goal – 1 Actual – 1
- Owner-Occupied Housing Rehabilitation Goal – 1 Actual – 1
- THF Rental Acquisition/Rehabilitation (2018/2019) Goal – 7 Actual – 0

Ms. Safko stated the Borough could utilize Inclusionary Housing (IH) funds toward these goals as well. Developers had the option to decide if they would build IH units within a housing project, pay a fee-in-lieu, or build a separate housing unit to accommodate the IH requirements.

Mr. Olcese asked if the IH units were subsidized by Borough funds. Ms. Safko stated they were not, and the building owner worked with the Borough to know which units would be designated as affordable.

Mr. Quigley asked if a payment standard came into play such as a Housing Voucher. Ms. Safko stated they did not use HUD regulated fair market rents, but based rent on 30% of the income of the household. Mr. Quigley also asked if the FTHB worked with the Housing Authority of Centre County. Ms. Safko stated the Borough did work with the Housing Authority on at least one house in the past where a Housing Choice Voucher was used. He stated he would encourage using this Housing Choice Voucher moving forward.

Infrastructure

	<u>Project Completed</u>	
	<u>Goal</u>	<u>Actual</u>
Bellaire Court Rehabilitation	2016	2018
Streetlight/Curb Replacement (College Avenue Garner to High)	2017	2018
Ms. Safko noted the project was completed in 2017 but due to an amendment it was not shown to be completed until 2018.		
Streetlight/Curb Replacement (100 Blocks: McAllister, Locust, Heister)	2018	2018
Calder Way Curb Cut Replacement	2018	2018

Public Services:

	<u>People Served</u>	
	<u>Goal</u>	<u>Actual</u>
Centre County Women’s Resource Center	125	107
Housing Transitions, Inc.	70	91
Burrowes Street Youth Haven	30	13
Stepping Stone Transitional Living Program	10	10
House of Care	5	5
	<u>238</u>	<u>226</u>

HOME Goals in 2018:

	<u>FTHB Assisted</u>	
	<u>Goal</u>	<u>Actual</u>
SCCLT	1	1
• CLT60 – completed in 2017 reported in 2018		
• CLT65 – completed in 2018 reported in 2019		
• CLT63 – completed one resale in 2018 creating an additional FTHB household		
THF	1	1
• THF30 – completed in 2017 reported in 2018		
• THF31 – completed in 2018 reported in 2019		

Ratio of 2018 Expenditures

- Timeliness ratio for CDBG was 1.33 (required ratio was 1.5 or less) this was a comparison of funds expended, to funds not yet spent.
- HOME commitment, and expenditure deadlines were met in 2018.

Ms. Safko stated if the Borough failed to meet the timeliness ratio for two years in a row, there would be negative consequences.

Goals for 2019:

- Owner-Occupied Housing Rehabilitation Goal 1
- FTHB Acquisition/Rehabilitation Goal 1
- SCCLT FTHB Goal 1
- THF FTHB Goal 1
- THF Rental Acquisition/Rehabilitation Goal 1
- Streetlight/Curbs (Sowers, Hetzel, Foster) (as of this meeting, Pugh Street would be added to this list) Complete
- Human Service Agency Beneficiaries Goal 237

Upcoming Meeting

Tuesday, April 2, 2019

Adjournment

With no further business to discuss, the meeting was adjourned at 1:45 p.m. by Ms. Misangyi and seconded by Ms. Patterson. The vote was unanimously in favor.

Respectfully submitted,

Denise L. Rhoads,
Administrative Assistant