SPECIAL PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

A Special Parks, Recreation, and Community Enhancement Committee meeting was held on March 15, 2012, at 10:02 a.m. with Chairwoman Russell presiding. Members present were Mr. Anderson, Mrs. Horsey, and Mr. Lewis. Mr. Bonar was absent.

AGENDA ADDITIONS/DELETIONS

By unanimous consent, the agenda was approved as presented.

Community Development Block Grant (CDBG) Application Review

Mrs. Tracey Harvey, Community Development Manager, noted that members would be serving as the Community Development Block Grant (CDBG) Review Panel for the CDBG Applications for Fiscal Year 2012. As such, members were provided a list of applicants, a CDBG Interview Schedule, a breakdown of federal resources available for use and the total amount of grant funds requested, CDBG scoring criteria, a 2012 CDBG Review Panel Scoring Sheet for each applicant, and staff reports summarizing each application. She requested that members summarize their evaluation of each application on the CDBG Grant Application Review Sheet and provide a score based on the information presented. Members were advised that the numbers in parenthesis next to each measure indicated the maximum score for a given category and that the maximum total points was 100.

Mrs. Harvey advised members that the total amount of grant funds available for activities was $188,286 and explained the allocation requirements of the grant, as follows:

CDBG Funds Allocation	$226,803
Anticipated Program Income	$ 8,554
Total Grant Allocation	$235,357
20% of the grant must be allocated for Program Administration	$235,357 x.20 $47,071
Grant Funds Available for Activities	$188,286
Total Grant Funds Requested by Applicants	$248,000

Mrs. Harvey cautioned that, according to CDBG requirements, funds awarded for public service activities could not exceed 15% of the total grant allocation ($35,303).

Oral Presentations

Each applicant was provided an opportunity to make oral presentations before the committee, as follows:

Dover Interfaith Mission for Housing

Ms. Jeanine Kleimo, Chair, Board of Directors, Dover Interfaith Mission for Housing (DIMH), reviewed a grant application in the amount of $27,500. She explained that DIMH is an interfaith community organization which provides shelter, meals, and assistance to homeless men from the

greater Dover community. Ms. Kleimo indicated that DIMH's shelter at 684 Forest Street can accommodate up to 36 lodgers. She stated that the organization sheltered 142 men during 2011 and has sheltered more than 700 over the past four (4) years. Mrs. Kleimo explained that the organization has maintained a success rate of approximately 60% in transitioning men from the shelter into permanent employment and private housing, with an estimated impact of $1.5M on the local economic community (based on the assumption that individuals work full-time and earn only minimum wage) and also provides employees for difficult to fill, entry-level jobs in the community. The organization uses volunteer services whenever possible and has no full-time staff, with the Board of Directors performing most of the day-to-day tasks that paid staff members typically perform in other facilities. DIMH partners with local colleges to obtain interns, provide employment, and alcohol/drug counseling, as well as nursing assistance. Mrs. Kleimo noted that CDBG funds would be used for operational, maintenance, and repair costs for the shelter. She advised members that DIMH hopes to match CDBG funds with funds from the Delaware State Housing Authority (DSHA) and Delaware Grant-in-Aid and that the organization receives significant support from local faith communities, businesses, and private citizens of Dover.

Mr. Anderson expressed appreciation for the work performed in the community by DIMH.

Mrs. Russell noted the need for similar services for the City's female population.

In response to Mrs. Horsey, Ms. Kleimo stated that the 36-bed shelter has been sustained on a relatively low budget through the generosity of those who volunteer and provide support to the organization and that it would be difficult to expand at the current time. In addition, expansion would be problematic at the current location because the property is leased. Mrs. Kleimo explained that most shelters in the State limit residents to 30 days lodging and the average cost of serving each client is $2,000. In contrast, she noted that DIMH's clients are allowed to stay for 90 days at an average cost of $675 per resident.

Milford Housing Development Corporation (MHDC) Housing Rehabilitation Program

Ms. Valerie DeMarco, Development Director, and Mr. Russell Huxtable, Vice President and Chief Operating Officer, reviewed a grant application in the amount of $60,000 for the Milford Housing Development Corporation (MHDC) Housing Rehabilitation Program. Mr. Huxtable explained that MHDC is a private, non-profit housing development organization established 35 years ago and that the application was being submitted in regard to the home ownership program. He noted that 140 "sweat equity" homes have been built through MHDC's self-help housing program in and around Kent and Sussex County and that the organization has been partnering with the City of Dover since 2006.

Mr. Huxtable explained that in November 2011, MHDC combined with First State Resource Conservation and Development (RC & D) and acquired this organization's emergency home repair project and staff. He noted that MHDC had submitted two (2) proposals for CDBG funding, one for housing rehabilitation and one for emergency home repair. Mr. Huxtable stated that the rehabilitation project would serve six (6) to eight (8) homeownership units per year with up to $15,000 of rehabilitation per unit. Since the application was for a multi-year grant, the work would be accomplished over three (3) years, for a total of 18-24 total units. All those served would meet

the low-to-moderate income qualifications. Mr. Huxtable explained that MHDC works with City of Dover to identify qualified individuals on the CDBG waiting list. He noted that funding this program would help to preserve the City's affordable housing stock and allow some of the City's elderly residents to age in place by keep their homes livable.

Milford Housing Development Corporation (MHDC) - Home Repair Project

Mr. Fred Traute, Preservation Manager, reviewed a grant application for the Milford Housing Development Corporation's (MHDC's) Home Repair Project in the amount of $40,000. He advised members that he previously worked with First State Resource Conservation and Development's (RC & D's) Home Repair Project and that partnering with MHDC has allowed the Project to leverage more resources. Members were provided a Memorandum from Mr. Traute dated March 15, 2012, Grant Request for Community Development Block Grant, 2012-2013 ***(Attachment #1)*** outlining the details of the request and accomplishments of the program.

Mr. Traute explained that the repairs performed under this program typically cost a few thousand dollars and initially address emergency repair needs, such as lack of heat, rather than long-term rehabilitation. The goal of the program is to take care of immediate hazards in the home, followed by a site visit to determine if there are other needs present. He noted that 58 homes in the City of Dover have been served through the use of CDBG funds for this purpose over the past six (6) years. The organization partners with the Senior Employment Program through the First State Community Action Agency in Sussex County and through the Modern Maturity Center in Kent County. Through this program, a staff construction supervisor leads two (2) or three (3) senior employees who receive job training and provide labor at no cost.

In response to Mr. Lewis, Mr. Traute explained that previously expenditures on each home were limited to $2,500; however, with the increased costs of performing heat or electrical work, this figure was increased to $7,500.

Mr. Huxtable provided members a Success Profile that featured the account of Mary B. Ashley ***(Attachment #2),*** an 82-year-old client who was living in substandard housing and was successfully placed in a new two (2) bedroom home. He emphasized that clients are evaluated to determine which of the organization's programs will help them meet their goals of decent, safe, and affordable housing, which is the goal and mission of MHDC.

In response to Mr. Anderson, Mr. Traute explained that the estimate of 45 units to be repaired through the use of CDBG funds referred to independent repairs rather than the number of individual clients, since homes often require more than one repair. He noted that he requires all contractors to complete work to his satisfaction.

Responding to Mrs. Horsey, Mr. Huxtable stated that the organization receives funds from some sources that are specifically allocated for a particular geographic or population demographic. He emphasized that any home repair funds received from the City of Dover would be expended within City limits.

For clarification, Mrs. DeMarco explained that MHDC was founded in 1977 in Milford by residents who saw the need for affordable housing. Since that time, the organization has expanded State-wide and into Maryland. She noted that MHDC staff have had internal discussions regarding the possibility of changing the name of the organization because the title of Milford Housing Development Corporation is misleading.

National Council on Agricultural Life and Labor Research Fund, Inc. (NCALL)

Mr. Joe Myer, Executive Director, and Ms. Denise Freeman, Pre-Purchase Housing Counselor and Housing Counseling Director, National Council on Agricultural Life and Labor Research Fund, Inc. (NCALL), reviewed a grant application in the amount of $12,500. Mr. Myer advised members that NCALL has been addressing affordable housing in the area since 1976. He explained that NCALL provides homeownership counseling, foreclosure prevention, and financial literacy; has been approved by the Department of Housing and Urban Development (HUD); has been recognized by HUD for its performance; and has attained high rankings nationally as an affordable housing and community development organization. He noted that CDBG funds were being sought for home ownership and foreclosure prevention programs and that NCALL has previously partnered with the City of Dover in the First State Program, which provides down payment and settlement help.

Mr. Myer advised members that, over the past year, NCALL assisted 215 first-time homebuyers in closing on their first homes and prevented 206 foreclosures in Delaware. He noted that $12,500 in grant funds were being requested in 2012, $7,500 for homeownership counseling and $5,000 for foreclosure prevention, with the same amounts being projected for Fiscal Years 2013 and 2014.

Members were provided with an NCALL Dover CDBG Application Summary ***(Attachment #3)*** for their review. Mr. Myer estimated that 40 households in the City would benefit from the program, resulting in a potential impact of $6,000,000 in new mortgages leveraged and mortgages saved. He noted that it was estimated that 25 of the 40 households served would be in the low-to-moderate income bracket.

In response to Mrs. Horsey, Mr. Myer explained that median incomes in Kent and Sussex Counties are 25% lower than New Castle; however, the cost of home construction is the same or more, so clients in these areas are disadvantaged in terms of meeting income guidelines. He indicated that the internal goal of the agency is to serve lower income households and solicit tools, such as the First Start Program, that help NCALL to bridge that gap. Mr. Myer noted that HUD guidelines dictate that anyone requesting foreclosure prevention assistance must be served regardless of income. He assured members that the estimate provided for low-to-moderate income households served was conservative and that NCALL would have no difficulty meeting program goals in this regard.

Responding to Mr. Anderson, Mr. Myer stated that NCALL was a CDBG subgrant recipient previously, but not in recent years. NCALL is currently a Neighborhood Stabilization Program (NSP) partner, which involves working with the CDBG, although NCALL does not receive grant funds. He stated that the multi-year approach that the City is currently utilizing for CDBG funding attracted NCALL to apply this year because housing programs tend to require an extended period of time.

Serenity Place

Mr. William Boyles, Executive Director, and Mrs. Lisa Boyles, Member of the Board of Directors and volunteer staff member, Serenity Place, presented a grant application in the amount of $30,000. Mr. Boyles explained that Serenity Place is a State-licensed treatment facility for adult males with substance abuse problems who are homeless and unemployed. He noted that the program has been in existence for 21 years and has served more than 1,000 men. All residents are required to make at least a three (3) month commitment to the program; however, many stay an average of nine (9) months. Residents are provided licensed treatment, including individual and group counseling. They are required to seek employment and pay approximately $100 for room and board once they are employed. Residents share responsibilities for maintaining the facility, meal preparation, and performing chores.

Mr. Boyles advised members that in June 2011, a fire occurred at Serenity Place, resulting in the loss of the main building. A small building next door survived and has been made into an administration office where counseling, meetings, and administration take place. A new building is planned which will double the capacity of the facility from 10 to 20, and a capital campaign drive has begun to raise funds. Mr. Boyles explained that insurance proceeds for damage to the building were approximately $300,000 and the full project cost will be approximately $600,000. Approximately $60,000 of the additional funds needed have been raised to date.

Mr. Boyles noted that Serenity Place provides an invaluable service to the community by providing treatment to homeless and unemployed individuals, many from criminal backgrounds, thus making the community a safer place. He indicated that many of those who complete the program stay in the Dover area, occupy low-wage jobs, pursue their education or start businesses, and are successful in terms of staying clean and sober and becoming productive members of society.

In response to Mrs. Russell, Mr. Boyles noted that Serenity Place is well established and is well known throughout the State by community organizations that serve this segment of the population. He stated that clients pay $100 per week, which covers room and board. Their stay at Serenity Place is subsidized and they are encouraged to save the remainder of their earnings for future needs. Mr. Boyles advised members that the program is highly structured and there is a 10:00 p.m. curfew Sunday through Thursday and 11:00 p.m. on weekends.

Responding to Mrs. Russell, Mr. Boyles stated that the organization has continued to serve its clients following the fire. Clients are being housed in a building on State Street on an interim basis and services, including counseling, are being provided out of the office at 327 Martin Street. He indicated that the program would continue with or without CDBG funds. He noted that the organization is seeking additional contributions through grant funds and community organizations.

In response to Mr. Anderson, Mr. Boyles stated that the request was for a one-time grant for a capital contribution to the rebuilding project. Agreeing with Mr. Anderson, he stated that there was a tremendous need for a similar facility for women and that Serenity Place would like to address this in the future.

Responding to Mrs. Russell, Mr. Boyles stated that Serenity Place is not technically a religious-based organization; however, men are strongly encouraged to pursue spiritual growth and the program utilizes the Alcoholics Anonymous 12 steps of recovery utilized by Alcoholics Anonymous. Mrs. Boyles stated that the organization is not affiliated with any one church and the men come from all spiritual walks.

In response to Mr. Lewis, Mr. Boyles stated that the organization is working with the City of Dover Planning Department to coordinate the details of the building project and hopes to break ground this summer.

In response to Mrs. Harvey, Mr. Boyles assured members that the project would proceed even if not all of the requested funding was received and that any CDBG funds awarded would be utilized. He noted that the project's capital campaign would remain open indefinitely and the organization would secure bank financing if needed.

Elizabeth W. Murphey School, Inc.

Mr. Michael Kopp, Executive Director, Elizabeth W. Murphey School, Inc., reviewed a grant application in the amount of $38,000. He advised members that the Murphey School is a group home that serves neglected and abused homeless children. Mr. Kopp explained that the organization is seeking to reduce utility costs in order to remain solvent and continue serving the children of the State. All referrals are made from the State of Delaware Children's Department, Division of Prevention and Behavioral Health Services. Children are cared for until they can return to their homes, are placed in a suitable foster home, or age out of care. Mr. Kopp stated that children typically remain and age out of care. He advised members that the Murphey School has opened an additional building for 16-17 year-olds who are learning independent living skills. He indicated that CDBG funds would be used to convert the building's heating system from a steam boiler to geothermal heating and air conditioning and to replace old steam pipes within the walls. The school has experienced a dramatic decrease in utility costs as a result of utilizing this type of energy system for their other buildings and would like to do the same for the building that was recently opened. Mr. Kopp stated that the building will house four (4) individuals and the downstairs area will be used as a teaching area for cooking and homemaking skills.

Mr. Kopp noted that, although an endowment was left by Mr. Murphey for the school in 1922, it contains specific instructions regarding the amount of funds that the school receives per year and the amount is proportional to income earned. As a result, the organization is struggling and staff is anxious to complete the project as soon as possible to realize utility savings.

In response to Mr. Anderson, Mr. Kopp stated that if all of the requested CDBG funding were not granted this year, the geothermal well system would be installed at this time and the interior wall work would be postponed until subsequent years.

Mr. Kopp reminded members that the children in long-term care at the Murphey School are legally considered to be homeless.

City of Dover Homeownership Assistance Program

Mrs. Tracey Harvey, Community Development Manager, reviewed a grant application in the amount of $40,000 for the City of Dover Homeownership Assistance Program. She indicated that this program provides first-time homebuyers assistance with down payment or closing costs, allowing them to purchase affordable housing in the City of Dover. Mrs. Harvey advised members that there is a high demand for this program and that CDBG funds would be used to provide up to $10,000 to each of four (4) first-time homebuyers to assist in the purchase of properties in the City. She noted that all purchasers must complete a homeownership counseling session with the National Council on Agricultural Life and Labor Research, Inc. (NCALL) before signing a sales contract. Mrs. Harvey stated that 2011 has been an exceptional year for the program, with seven (7) first-time homebuyers closing on properties and an eighth closing planned before the end of the year. She explained that housing is more affordable now because the depressed economy has created a buyer's market, which has resulted in increased opportunities for first-time homebuyers. Mrs. Harvey indicated that there is a definite need for the program and that she receives frequent inquiries about the program.

Review/Scoring of Community Development Block Grant (CDBG) Applications

Members reviewed and discussed the various CDBG grant applications to develop a score for each applicant.

After a period of discussion, members conducted a review of each grant application and provided individual scores on the CDBG Grant Application Scoring Sheet for applicants *(as on file in the Office of the City Clerk)* and staff tallied the scoring sheets.

Mrs. Townshend reminded members that the funding of public service projects would be limited to $35,303 (15% of the total grant allocation).

Mrs. Russell stated that, due to her position on the Board of Directors of the Dover Interfaith Mission for Housing, she would not participate in the scoring or ranking of public service applications.

Mr. Lewis moved to recommend that the full amount of CDBG funds permitted for public service activities ($35,303) be dedicated for this purpose, seconded by Mrs. Horsey and unanimously carried.

Mrs. Horsey moved to recommend that $27,500 of the City's CDBG grant allocation for public service activities be distributed to the Dover Interfaith Mission for Housing and $7,803 be awarded to the National Council on Agricultural Life and Labor Research Fund, Inc. (NCALL). The motion passed by a vote of two (2) yes, and one (1) no (Mr. Lewis; Mrs. Russell abstained).

Members then scored the CDBG applications for non-public service programs.

Based on the scoring of the grant applications by the Committee, Mr. Lewis moved to recommend approval of the distribution of the City's Community Development Block Grant (CDBG) monies for non-public service programs as follows:

Applicant	Amount Requested	Amount Recommended
MHDC - Housing Rehabilitation	$ 60,000	$ 40,000
MHDC - Emergency Home Repair	$ 40,000	$ 35,000
Serenity Place	$ 30,000	$ 27,983
Elizabeth W. Murphey School	$ 38,000	$ 20,000
Homeownership Assistance Program	$ 40,000	$ 30,000

The motion was seconded by Mr. Anderson and unanimously carried.

By unanimous consent, the meeting adjourned at 12:44 P.M.

Sophia R. Russell
Chairwoman

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Attachments to Original and File Copy

Attachment #1 - Memorandum from Mr. Fred Traute dated March 15, 2012 - Grant Request for Community Development Block Grant, 2012-2013
Attachment #2 - Success Profile of MHDC Client - Mary B. Ashley
Attachment #3 - NCALL Dover CDBG Application Summary