

MISSION STATEMENT

The mission of Community Development is to provide Community Development Block Grant (CDBG) and HOME Program funding to municipalities and other subrecipients not eligible for direct United States Department of Housing and Urban Development (HUD) funding so they can develop viable communities to primarily benefit low and moderate income people.

**COMMUNITY DEVELOPMENT ADVISORY COMMITTEE
March 11, 2009**

MINUTES

MEMBER OR ALTERNATE

REPRESENTING

*******PRESENT*******

Robert Doster
Adam Super
Armida Gonzales
Frank Cavalier
Roy Perez
Jose Diego Espinoza
Scott Stewart
Shirley Oglesby
James Warner
Horst Kraus
Richard Painchaud
Doris Heisler
Edward Kientz
Carlos Ontiveros

Buckeye
El Mirage
Gila Bend
Goodyear
Guadalupe
Tolleson
Wickenburg
Youngtown
District 2
District 3
District 3
District 4
District 4
District 5

*******ABSENT*******

CD STAFF PRESENT

Renee Ayres-Benavidez
Dan Marjanek
Sharon Sanders
Jeanne Vega
Sandra Simmons

I. CALL TO ORDER

Chair Painchaud called the regular meeting to order at approximately 6:30 P.M.

II. ROLL CALL AND ESTABLISHMENT OF QUORUM

Sharon Sanders, Recording Secretary, took roll call. At the time of roll call, 12 members were present. A quorum was established. Total attendance for the meeting was 14 of the 14 CDAC representatives.

III. APPROVAL OF MINUTES OF PRIOR MEETINGS

Chair Painchaud asked for approval of the minutes of February 11, 2009 Regular CDAC Meeting. Rep. Super made a motion to approve the February 11, 2009 minutes as presented. Rep. Espinosa seconded the motion. The motion passed unanimously by a voice vote with no opposition voiced.

Chair Painchaud asked for approval of the minutes of February 18, 2009 Public Hearing #1. Rep. Super made a motion to approve the February 18, 2009 minutes as presented. Rep. Ontiveros seconded the motion. The motion passed unanimously by a voice vote with no opposition voiced.

Chair Painchaud asked for approval of the minutes of February 25, 2009 Work Study Session. Rep. Kraus made a motion to approve the minutes of February 25, 2009 as stipulated. Rep. Super seconded the motion. The motion passed unanimously by a voice vote with no opposition voiced.

IV. AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDING

Renee Ayres-Benavidez provided a legislative update. Congress has passed and President Obama has signed the omnibus budget bill. Nationally, CDBG has increased 1.9% and the HOME Program has an 11.1% increase over last year's appropriations, but Maricopa County has not yet been notified of our allocation amount.

Maricopa County will receive an allocation of CDBG funds under the American Recovery and Reinvestment Act of 2009 (ARRA) of \$588,782. The requirements for using these funds have not been issued by HUD. The funding is to be used for economic opportunities, preferably permanent jobs. She pointed out that the Maricopa County CDBG Program is not designed as an economic development activity. Additionally, ARRA legislation gives preference to activities which can be awarded within 120 days of grant receipt. Qualified projects will need to be designed, cleared environmentally and ready to fund. Staff reviewed unfunded and underfunded applications received for the 2008-2009 Program Year and applications for the 2009-2010 Program Year to identify projects that may be appropriate for ARRA funding. Guadalupe Sidewalk Improvements and Youngtown Alley Paving projects were identified as potential recipients of funding under ARRA. She asked for guidance on how to proceed with CDAC recommendations since the allocation of ARRA funds may have an impact upon which applications are available for funding during the regular 2009-2010 CDBG

cycle. The consensus of the committee was to ignore the stimulus money at this time and move forward with funding recommendations for the 2009-2010 CDBG Program as if the stimulus money did not exist.

V. CDAC MEETING ATTENDANCE

Vote by Proxy – Ms. Sanders informed the committee that she and Dan Marjanek have conferred with Victoria Mangiapane of the County Manager's Office regarding voting by proxy. Ms. Mangiapane advised that voting by proxy could only be used if the CDAC By-Laws had specific provisions for the use of proxies. The current By-Laws are silent on this issue.

VI. FY09-10 CDBG/HOME FINAL RECOMMENDATIONS FOR FUNDING

Chairman Painchaud yielded the floor to Ms. Ayres-Benavidez who addressed questions she received following the February 25 Work Study Session. She clarified that the completion of design and engineering is not a requirement for submitting an application for funding. She also clarified a statement she made regarding minimum requirements for contracting. In order to contract only for viable projects, it is important that funding recommendations at least equal the amount the applicant needs to successfully undertake the activity. Funding allocations that are less than the amount needed to undertake the project and complete at least a minimum scope of work will not be contracted.

Rep. Warner inquired if it would be possible to add a question to the application that would ask the applicant how their request could be modified if requests exceed funds available. He suggested that a percentage or lump sum figure be provided by which the project budget and scope of work could be reduced and/or information relating to additional non-grant funds the applicant would make available to cover a shortfall. Staff agreed to consider this request during the annual review of the application document.

Rep. Cavalier noted that during the Public Hearing of February 18th, El Mirage staff adamantly presented their waterlines and fire protection proposal as not being feasible if the scope of work were scaled back. Since that presentation, the El Mirage proposal has undergone modifications that are inconsistent with the information provided at the public hearing. He expressed concerns that the decision making process was made more difficult by the conflicting information the CDAC is receiving. He also noted concerns regarding fairness to other applicants.

Rep. Perez inquired of El Mirage clarification of the size of existing water delivery lines in the project location and if existing lines replaced by the new waterlines would be abandoned or remain in service. Rep. Super advised Rep. Perez on the size of several waterlines in the area and noted that the existing water mains would be abandoned.

Vice Chair Kientz inquired if, in accordance with the last funding proposal discussed during the CDAC Work Session, El Mirage would be able to undertake a viable project with \$292,289 of CDBG funds.

Rep. Super advised that the absolute minimum funding needed for a viable project is \$498,210. He presented an overall proposal for allocating all CDBG funds based on the minimum funding needed by the El Mirage project. The proposal is as follows:

CDBG Proposal - A APPLICATION	REQUESTED FUNDING	CDAC RECOM- MENDATIONS
CDBG		
Buckeye Alarcon Blvd Sidewalks	\$336,495	\$307,904
El Mirage Waterlines and Fire Protection	\$983,990	\$498,210
Goodyear Waterline Improvements/Slum & Blight	\$500,000	\$237,083
Goodyear Park Improvements/Slum & Blight	\$40,800	\$0
Guadalupe Gastelo Sidewalk Improvements	\$319,353	\$219,152
Wickenburg Sylvan Waterline Improvements	\$394,676	\$387,616
Wickenburg El Recreo Waterline Improvements	\$378,274	\$0
Youngtown Alley Paving	\$450,000	\$342,324

Rep. Super stated that El Mirage would propose that additional funding for the Guadalupe Gastelo Sidewalk Improvements be provided from the Unprogrammed Funds account for CDBG which would be replenished from funds the Town of Guadalupe would return after the completion of their active sidewalk project. Rep. Perez advised Rep. Super that the Town of Guadalupe has expenses they have not yet requested reimbursement for and believe they would have no more than \$23,000 of their current allocation that is unencumbered which could be returned to the Unprogrammed Funds account.

Rep. Super proposed an alternate proposal for CDBG funding recommendations as follows:

CDBG Proposal - B APPLICATION	REQUESTED FUNDING	CDAC RECOM- MENDATIONS
CDBG		
Buckeye Alarcon Blvd Sidewalks	\$336,495	\$263,230
El Mirage Waterlines and Fire Protection	\$983,990	\$498,210
Goodyear Waterline Improvements/Slum & Blight	\$500,000	\$237,083
Goodyear Park Improvements/Slum & Blight	\$40,800	\$0
Guadalupe Gastelo Sidewalk Improvements	\$319,353	\$263,230
Wickenburg Sylvan Waterline Improvements	\$394,676	\$387,616
Wickenburg El Recreo Waterline Improvements	\$378,274	\$0
Youngtown Alley Paving	\$450,000	\$342,921

Rep. Oglesby stated that Youngtown would request that their alley paving be funded by at least \$400,000 since petroleum prices are currently low and Youngtown is able to take advantage of the prices to pave more feet of alleyways.

Rep. Super expressed his wish that all the projects be funded at the level requested but noted that funding available would not allow that. He noted that the proposal presented is designed to provide the majority of health and safety funding while allowing some funding for other projects.

Chairman Painchaud requested clarification of the sizes of some of the waterlines shown on a revised map distributed by El Mirage. Rep. Super clarified the size of waterlines existing and those proposed.

Rep. Super moved that the proposal before the floor be accepted as the funding recommendation to be forwarded to the Board of Supervisors. Rep. Ontiveros seconded the motion.

The Recording Secretary requested that the vote on funding recommendations be conducted with either a roll call vote or a showing of hands. Chairman Painchaud determined a roll call vote would be appropriate.

Discussion continued on the proposal before the committee. Vice Chair Kientz expressed his opinion that as a health and safety issue, the El Recreo Waterlines Project proposed by Wickenburg represented a significant concern. He noted that while the El Mirage Waterline project involved the upgrading of 6" and 8" waterlines, the El Recreo area has 4" waterlines. He pointed out that the Town of Wickenburg has a significant fire protection problem and has also incurred expenses to undertake a HUD approved special survey to confirm the eligibility of the area for CDBG funding. He suggested that the following proposal be recommended by the committee:

CDBG Proposal - C APPLICATION	REQUESTED FUNDING	CDAC RECOM-MENDATIONS
CDBG		
Buckeye Alarcon Blvd Sidewalks	\$336,495	\$300,000
El Mirage Waterlines and Fire Protection	\$983,990	\$0
Goodyear Waterline Improvements/Slum & Blight	\$500,000	\$400,000
Goodyear Park Improvements/Slum & Blight	\$40,800	\$0
Guadalupe Gastelo Sidewalk Improvements	\$319,353	\$225,000
Wickenburg Sylvan Waterline Improvements	\$394,676	\$375,000
Wickenburg El Recreo Waterline Improvements	\$378,274	\$292,289
Youngtown Alley Paving	\$450,000	\$400,000

Rep. Stewart advised that the Town of Wickenburg engineer agrees that they can successfully complete the El Recreo Waterline project for \$292,289 by scaling back the scope of work.

Rep. Heisler commented that City of El Mirage was given the opportunity to present the details of their proposal at the February 18 public hearing. The City advised that the project was not feasible at less than the total requested amount. Subsequently, however, the City has at each of the last two meetings distributed a different proposal with alternate funding levels. She noted that the conflicting information received makes it difficult to determine what funding level is feasible for the project. She also noted that the committee has not addressed the issue that the Board of Supervisors may not approve allocation of CDBG funding to the City of El Mirage.

Chairman Painchaud advised the committee that it is not the responsibility of the committee to "second guess" the Board of Supervisors and instructed the members to keep the issue out of their deliberations and allow the Board of Supervisors to make their own decisions.

Frank Cavalier voiced his approval of CDBG proposal – C.

The Recording Secretary reminded the chair that a motion has been made, seconded and is before the committee that CDBG Proposal - B be accepted as the funding recommendation to be forwarded to the Board of Supervisors for their approval. The Chair inquired if the committee was ready for the question. A call was made for the question. The Recording Secretary took a roll call vote. The motion failed 4 Ayes to 10 Nays. Votes in favor were Reps. Super, Perez, Kraus and Ontiveros.

Vice Chair Kientz moved that Proposal – C be accepted as the funding recommendations to be forwarded to the Board of Supervisors for their approval with the caveat that if additional funds become available through ARRA, those stimulus funds be applied to Guadalupe Gastelo Sidewalks and Youngtown Alley Paving if the projects meet ARRA guidelines and that any funds made available through use of ARRA funds be made available for El Mirage Waterlines and Fire Protection. Rep. Cavalier seconded the motion. The Recording Secretary took a roll call vote. The motion passed 11 Ayes to 3 Nays. Votes in opposition were Reps. Super, Perez and Kraus.

Ms. Ayres-Benavidez requested direction from the committee regarding their wishes should the CDBG allocation exceed the funding levels the CDAC has approved. Rep. Super moved that should the CDBG allocation exceed funding levels by up to 5%, that Wickenburg Sylvan Waterline receive funding up to \$20,000 and that Guadalupe Gastelo Sidewalks receive funding, if any, in excess of \$20,000. Rep. Stewart seconded the motion. The motion passed by a voice vote with no opposition voiced.

Chairman Painchaud opened the floor for discussion of HOME Investment Partnerships funding. Rep. Super moved that the following recommendations be forwarded to the Board of Supervisors for their approval:

APPLICATION	REQUESTED FUNDING	CDAC RECOMMENDATIONS
HOME		
El Mirage Homebuyer Assistance	\$450,000	\$480,603
El Mirage Housing Rehabilitation (withdrawn)	\$100,000	\$0
Goodyear Housing Rehabilitation	\$100,000	\$100,000
Guadalupe Housing Program	\$360,000	\$360,000

Rep. Espinosa seconded the motion. The motion passed by voice vote with no opposition voiced. Rep. Heisler made a motion that should the HOME Program allocation exceed the amount of the above recommendations, up to \$60,000 would be distributed equally to Guadalupe Housing Program and Goodyear Housing Rehabilitation. Rep. Cavalier seconded the motion. The motion passed by a voice vote with no opposition voiced.

VII. STAFF REPORTS

- **FINANCIAL/PROGRESS REPORT**

Dan Marjanek reported as follows:

Youngtown Alley Paving is close to completion.

A letter has been sent to the Transportation Advisory Board (TAB) for Maricopa County Department of Transportation (MCDOT) reaffirming that Community Development still wants the TAB to allocate \$250,000 for the Small Cities Transportation Assistance Program (SCTAP). Additionally, the letter requested that approximately \$120,000 of the SCTAP funding be applied to the shortfall needed by MCDOT to complete the Gomper's Circle Street Improvements project. TAB will be taking action to approve the allocation of SCTAP funds at their next meeting on March 17.

Sharon Sanders reported that a pre-bid meeting for the Gila Bend Waterline Improvements Project was held Monday, March 9th. A bid opening is scheduled for March 16th.

VIII. FUTURE AGENDA ITEMS

Ms. Ayres-Benavidez noted that several questions, comments and suggestions have been raised at recent meetings which would impact the CDAC by-laws, rules and procedures. She asked if the committee desired to have an agenda item added to the April meeting to review the by-laws and policies.

IX. CALL TO THE PUBLIC

Mr. Richard Flaaen from El Mirage withdrew his written request to address the committee. There was no other response to the call to the public.

X. ADJOURNMENT

Chair Painchaud announced the next meeting would be the CDAC Regular Meeting and Public Hearing #2 to be held on Wednesday, April 8, 2009. Being no further business before the committee, Chair Painchaud adjourned the meeting at approximately 8:15 PM.

Respectfully submitted,

Sharon M. Sanders,
Recording Secretary