

## 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 November 12, 2008

### MINUTES

#### MEMBER OR ALTERNATE

#### REPRESENTING

#### \*\*\*\*\*PRESENT\*\*\*\*\*

Robert Doster  
Adam Super  
Armida Gonzales  
Frank Cavalier  
Roy Perez  
Shirley Oglesby  
James Warner  
Horst Kraus  
Richard Painchaud  
Doris Heisler  
Carlos Ontiveros

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

#### \*\*\*\*\*ABSENT\*\*\*\*\*

Jose Diego Espinoza  
John Zerby  
Edward Kientz

Tolleson  
Wickenburg  
District 4

#### CD STAFF PRESENT

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

**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, 10 members were present. A quorum was established. Total attendance for the meeting was 10 of the 14 CDAC representatives.

**III. MINUTES OF OCTOBER 8, 2008 MEETING**

Chair Painchaud asked for approval of the minutes of October 8, 2008 meeting as submitted.

Rep. Super made a motion to accept the minutes of October 8, 2008 as presented. Rep. Ontiveros seconded the motion. The motion passed unanimously by a showing of hands.

**IV. PUBLIC HEARING - NEIGHBORHOOD STABILIZATION PROGRAM (NSP)**

Chair Painchaud opened a public hearing to obtain citizen input and comment regarding the draft annual action plan amendment and proposed uses for the NSP funding. The amount of NSP funds expected to be made available to the Urban County is approximately \$9,974,267. NSP funds have been made available to address the issue of abandoned and foreclosed houses and residential properties in the Urban County. In accordance with the NSP regulations, funds must be targeted to the areas of greatest need based on the criteria identified in the NSP regulations. Activities must be targeted to the households at or below 120% Area Median Income. At least 25% of the funds must be used for public housing for households at or below 50% of the Area Median Income. 10% of the funding may be used for administrative costs. The County has no plans to displace anyone, but if displacement is necessary, the types and levels of assistance required by the Uniform Relocation Assistance Act will apply. Chair Painchaud yielded the floor to Ms. Ayres-Benavidez who presented an overview of the draft Annual Action Plan (AAP) amendment. The draft plan amendment provides for the following activities and funding levels:

Financial Mechanisms for Homeownership	\$ 250,000
Acquisition and Rehabilitation for Homeownership	\$6,233,274
Purchase and Rehabilitation - single and/or multi-family rental	\$2,493,567
Administration and Planning Costs	\$ 997,426

A copy of that presentation is incorporated as part of these minutes.

Chair Painchaud solicited comments from the public. No comments were received. It was noted that this item is included as an item for discussion and possible action on today's agenda. With no further comments from the public, the Public Hearing was closed by Chair Painchaud.

**V. FY2009-2010 APPLICATION CYCLE**

Chair Painchaud yielded the floor to Ms. Ayres-Benavidez. She noted that Community Development opened the application process for the 2009-2010 CDBG and HOME Program grants on October 31, 2008. A technical assistance orientation presentation for potential applicants was held on November 6<sup>th</sup>. Applications are due in the Community Development office on December 15<sup>th</sup>. Ms. Ayres-Benavidez advised the committee that Congress has not determined the exact funding levels for CDBG and HOME for the 2009-2010 Fiscal Year. It is not anticipated that funding levels will be known until probably late Spring 2009. She informed the committee that CD will be moving forward with the 2009-2010 application cycle with estimates of funding amounts for CDBG and HOME Program grants. She also stated that Mr. Marjanek is working with Maricopa County Department of Transportation (MCDOT) to determine if funding will be provided from the Small Cities Transportation Assistance Program (SCTAP) for street projects and advised the committee that he would update them at a future date.

**VI. NEIGHBORHOOD STABILIZATION PROGRAM**

Chair Painchaud yielded the floor to Ms. Ayres-Benavidez. She requested the committee approve the Annual Action Plan Substantial Amendment for the National Stabilization Program and (the committee) recommend to the Board of Supervisors that the Board approve the Amendment as submitted.

Rep. Kraus moved to approve the Substantial Amendment to the 2008 Annual Action Plan as presented. Rep. Cavalier seconded the motion. The motion was approved unanimously by a voice vote.

Rep. Super moved to make a formal recommendation to the Board of Supervisors to approve the Substantial Amendment to the 2008 Annual Action Plan and forward the plan to the U.S. Department of Housing and Urban Development. Rep. Kraus seconded the motion.

Discussion ensued concerning the specifics of the Neighborhood Stabilization Plan and the proposed activities.

Rep. Warner asked for definitions of the terms “soft seconds” and “shared equity loans”. Ms. Ayres Benavidez advised that these terms referred to loans which are a second mortgage which does not need to be repaid as long as the homeowner retains the home as their primary residence for a pre-determined period of time. She also noted that these terms also refer to funding being provided as a grant that reduces the mortgage amount owed by the homebuyer in order to make the home affordable.

Rep. Super requested clarification on the way funding would be targeted to areas of greatest need. Ms. Ayres-Benavidez pointed out that the activities proposed must be targeted to areas of greatest need which after analysis of HUD provided

data were determined to be areas within the Town of Buckeye and the Cities of El Mirage and Goodyear. Although these areas will be targeted specifically for acquisition/rehabilitation for homebuyer activities; funding mechanisms and acquisition/rehabilitation for rental activities may be undertaken in other areas of the Urban County.

The motion on the floor passed unanimously by a show of hands.

## **VII. STAFF REPORTS**

- **FINANCIAL/PROGRESS REPORT**

Sharon Sanders – The CDBG portion of the Gila Bend Water Tank project has been completely expended and is, therefore, no longer on the Project Status Report.

Dan Marjanek – Queen Creek has requested a schedule extension for their sidewalk project. SRP has work that needs to be done in the area where the sidewalks will be installed. To avoid the possibility of having to disturb the new sidewalks and repair them after SRP activities, the Town is requesting that installation of the sidewalks be postponed until SRP work has been completed. Rep. Super moved to accept the extension as presented. Rep. Ontiveros seconded the motion. The motion passed unanimously.

Mr. Marjanek also reported that the McDOT Gomper Street Improvements activity has become stalled. McDOT has advised him that drainage is a bigger issue than originally thought and the McDOT engineer has determined that the project may cost as much as \$100,000 more than the original cost estimate. He noted that the project figures discussed are only cost estimates and has asked McDOT to move forward with the bid process to determine the actual cost for the construction contract. Once bids have been received, a more accurate determination can be made of what will be needed to complete this project.

- **LEGISLATIVE UPDATE**

Ms. Ayres-Benavidez advised that Congress is working on stimulus and stabilization bills but are not yet working on the FY2009 budget. Exact funding figures are not anticipated to be available until well into our application process.

## **VIII. FUTURE AGENDA ITEMS**

There was no response to the call for future agenda items.

## **IX. CALL TO THE PUBLIC**

There was no response to the call to the public.

**X. ADJOURNMENT**

Being no further business before the committee, Chair Painchaud adjourned the meeting.

Respectfully submitted,

Sharon M. Sanders,  
Recording Secretary

Approved by CDAC 02/11/2009