



TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE
HUACHUCA CITY TOWN PUBLIC HEARING ON CGBD
DECEMBER 12, 2019 AT 5:30 PM
HUACHUCA CITY TOWN HALL
500 N. GONZALES BLVD.
HUACHUCA CITY, AZ 85616**

AGENDA

A. Call to Order – Mayor

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum

Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.

The meeting was called to order at: 5:30 pm
The Pledge of Allegiance was led by: Mayor Wallace

Roll Call

Individual	Position	Present	Absent
Johann Wallace	Mayor	X	
Donna Johnson	Mayor Pro-Tem	X	
Debra Trate	Councilor		X 5:45
Christy Hirshberg	Councilor	X	
Joy Banks	Councilor	X	
Cynthia Butterworth	Councilor	X	
Matthew Williams	Town Manager	X	

Janine Rustine	Town Clerk	X	
Thomas Benavidez	Town Attorney	X	

B. Call to the Public – Mayor

A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

Call to Public: none

C. New Business Before Council - Mayor

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

C.1 Discussion only [Kelth Dennis]: Discussion of 2020 Community Development Block Grant (CDBG)

Motion C.1: Open Item for discussion	Action: Open
Moved by: Mayor Wallace	Seconded by: Councilor Hirschberg

Kelth Dennis:

What is CDBG:

The Community Development Block Grant program (CDBG) enacted in 1974 by President Gerald Ford through the Housing and Community Development Act of 1974. Funded by the U.S. Department of Housing and Urban Development (HUD).

Purpose:

To help communities provide decent housing, a suitable living environment and expand economic opportunities, principally for persons of low and moderate (LM) income.

The Arizona Department of Housing (ADOH) oversees the CDBG program in the "non-entitlement" cities, counties and towns.

Arizona receives over \$10.5 million in CDBG funds annually.

ADOH divides 85% of that amount between 4 rural COG Regional Accounts: SEAGO, CAAG, NACOG, & WACOG. distribution is based on a formula of population and poverty statistics.

3 POTS OF GOLD: REGIONAL ACCOUNT (RA) rotation through SEAGO's Method of Distribution (MOD), Annual competitive STATE SPECIAL PROJECTS account (SSP), Bi-annual competitive Colonias account.

THE REGIONAL ACCOUNT: The SEAGO region received approximately \$1,204,704 in 2019. We expect next year to be similar.

With these Regional Account funds, SEAGO:

Selects RA applicants from the rotation schedule established in the Method of Distribution (MOD), and

Allocates the funds to our 4 counties (Cochise, Santa Cruz, Graham, Greenlee), based on: 70% poverty and 30% population.

THE STATE SPECIAL PROJECTS ACCOUNT (SSP):

Projects must be "shovel ready" to bid for construction or purchase equipment or services;

Examples: Purchase Fire Truck; "Planning Only" studies, provided project built with next round of RA funds;

Same National Objectives eligibility standards as the Regional Account;

Rated and ranked by State staff based on a very tough scoring criteria.

COLONIAS SET-ASIDE: Bi-annual competition for approximately \$2 million;

Can only be used for projects in neighborhoods deemed to be "Colonias;"

Project must correct water, sewer, drainage or housing issues;

Lower Huachuca City is a designated a Colonia per ADOH.

The 4 counties have established a rotation schedule to divide the RA funds to each of their cities and towns.

Cochise: every 6 years (except Sierra Vista and Douglas)

Santa Cruz: modified 3 years

Graham: every 4 years

Greenlee: every 2 years

The State has delegated to each COG the authority to annually recommend applications for the RA funds.

The COG is responsible for:

Ensuring applications are consistent with its approved MOD;

Ensuring applications are compliant with all state and federal CDBG requirements;

Providing Technical Assistance and Application Preparation (TAAP) to applicants.

Every community must publish, post and hold at least 1 public hearing to let residents identify possible projects. Project selection happens at a subsequent hearing

Only a city, town, or county is eligible. Funds cannot be used for regular gov't business, CANNOT build a City Hall or other gov't facilities except: CAN construct fire stations. CAN purchase fire trucks. CAN upgrade existing buildings for ADA compliance only. A special district or a nonprofit agency can receive the funds through the local govt.

Public Works: Street, water, drainage and wastewater improvements.

Housing: Housing rehabilitation (Emergency repair or full rehab), Buying land for new housing development or Habitat for Humanity; Down payment assistance.

Facilities: Construction of or improvements to parks, libraries, senior centers, health clinics, fire and police buildings, shelters for victims of domestic violence, or the homeless

Public Services: Child care, job training, new equipment, or salaries of people who provide public services (non profits)

Above must be new or increase by 25%

Economic Development: Loans and other kinds of assistance so businesses can hire employees.

A public works project...

A housing project....

A new or improved facility project...

A public service project...

An economic development project...

CAN ONLY BE DONE IF THE PROJECT MEETS ONE OF 3 NATIONAL OBJECTIVES

CDBG NATIONAL OBJECTIVES: Primarily benefit Low & Moderate (LM) income persons:

51% of beneficiaries are LM

Specific Target Groups are automatically considered LM

Prevent or eliminate slum & blight conditions:

Statutory hearing process required

Meet other urgent needs related to health & safety issues:

Disaster Relief & Human Health Hazard

Demonstrate project benefits LOW/MOD income people: Show that at least 51% of the residents where the project will take place are of LM income;

Show that the building (such as a health clinic) will serve primarily people who are of LM income;

Show that the houses to be rehabilitated are owned by LM income persons; or

Show that jobs will be offered to LM income people.

Demonstrate project will prevent or reduce slums or blight: Show that many of the buildings or public infrastructure are in poor condition. Demonstrate project meets an urgent need: Show the problem happened recently

Show the problem is the result of a natural disaster

Show the problem poses a serious threat to public health

Show that no other funding is available

WHAT CONSTITUTES "LOW-TO-MODERATE INCOME"?

"Low-to-moderate income" (LM) refers to total annual family income that is less than 80% of the average income for same size families in that area.

These averages vary in different parts of the State.

In Huachuca City a four-member family with a total annual income of less than \$48,000 qualifies as "low to moderate income."

Currently HUD considers Huachuca City to be 53.47% low mod.
Amounts change annually to reflect any cost of living changes.

HOW DO YOU DETERMINE BENEFIT?

Area wide Benefit: Available to and meets the needs of LM individuals residing in service areas where at least 51% residents are LM determined by:

Census Data

Special Income Survey

Service Area (determined by who will benefit)

Could be a whole town, or just a neighborhood

Income Qualified Benefit:

Each recipient is income qualified to determine that they are low or moderate.

Limited Clientele Benefit:

Specific Target Groups considered LM:

Abused Children

Elderly Persons (62+)

Battered Spouses

Homeless Persons

Persons with Disabilities

Illiterate Persons

Migrant Farm Workers

Huachuca is expected to receive an estimated \$480,000 next year. No match is required, unless needed for the budget.

Other funds can be combined.

CDBG can be matched with other federal funds.

Should any project displace people, the community has a policy with provisions for assistance.

SEAGO will assist community staff with:

After the first hearing, reviewing suggested projects for eligibility & meeting a National Objective

Research project feasibility: Determine type of ERR, or if any income surveys required

Cost estimates for design & construction

Narrow down recommendations to the elected officials who decide which project to select (only one is allowed)

Advertise another hearing when Council will adopt appropriate resolutions for the application.

Staff will submit the application to SEAGO by July 1.
SEAGO will review the application, modify if necessary.
SEAGO will submit the application to ADOH by August 1.

Jeffrey Ferro: We do need road improvements/ repaving our water systems are old and crumbling, we recently had a pathway that the school kids used to get from lower to upper was washed away and deems unsafe.

Stuart Jantzen: Water lines, roads, the wash out that Jeffrey mentioned I agree

Bob Spahle: Do we need to use all the money on one project?

Mayor Wallace: Yes it needs to be one project but we could do several under one "project"

Jean Post: A lot of people who live on Apache have their yards flooded when there are heavy rains. Maybe there could be something done with the drainage.

D. Adjournment

Motion: to Adjourn		Action: Approved
Moved by: Mayor Wallace	Seconded by: Mayor ProTem Johnson	

Meeting Adjourned: 6:06 pm

Approved by Mayor Johann R. Wallace on January 9th, 2020.


Mr. Johann R. Wallace
Mayor

Attest: 
Ms. Janine Rustine,
Town Clerk



Certification

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on December 12, 2019. I further certify that the meeting was duly called and a quorum was present.



Ms. Janine Rustine,
Town Clerk

