

***PLEASE NOTE: Since the Glendale City Council does not take formal action at the Workshops, Workshop minutes are not approved by the City Council.**



**MINUTES OF THE
GLENDALE CITY COUNCIL WORKSHOP SESSION
Council Chambers – Room B-3
5850 West Glendale Avenue
September 3, 2013
1:30 p.m.**

PRESENT: Mayor Jerry P. Weiers, Vice Mayor Yvonne J. Knaack and Councilmembers Norma S. Alvarez (appeared telephonically), Ian Hugh, Manuel D. Martinez, Gary D. Sherwood, and Samuel U. Chavira

ALSO PRESENT: Brenda Fischer, City Manager; Julie Frisoni, Interim Assistant City Manager; Deborah Robberson, Deputy City Attorney; and Pamela Hanna, City Clerk

CALL TO ORDER

PLEDGE OF ALLEGIANCE

WORKSHOP SESSION

1. FISCAL YEAR 2014-15 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING PRIORITIES

PRESENTED BY: Sam McAllen, Executive Director, Neighborhood and Human Services and Gilbert Lopez, Revitalization Administrator

Staff is seeking guidance on the funding priorities for the FY 2014-15 Community Development Block Grant and other programs, as the Community Development Advisory Committee (CDAC) begins its annual grants process to formulate funding recommendations to the City Council.

Mr. McAllen introduced Cherie Hudson, the Vice Chairperson of the Community Development Advisory Committee and Mr. Lopez. He said they were looking for direction for funding in the Home Investment Partners and Community Development Block Grant Program.

Mr. Lopez provided information about the CDAC and the funding recommendation process. He said the CAP office gets some of their funding from the Community Development Block Grant Program (CDBG). He said 70 percent of the funds go into bricks and mortar type projects, such

as street improvements, park improvements, housing rehab and grant oversight and risk analysis. He said the HOME program is used for housing-related projects such as housing replacement and rehabilitation. He said HOME funding is the only funding that can be used for housing replacement. CDBG funds cannot be used for housing replacement. He next explained Emergency Solutions Grants (ESG). He said their emphasis has changed from shelter operations to prevention, and the CAP office uses most of that money to help people stay in their homes.

Mr. Lopez said next year's allocation for these programs is \$2.72 million. He said they will be watching this carefully as the federal government may be cutting those funds. He said these programs help about 37,000 Glendale residents annually. He said these funds create jobs as private companies do the work for these programs.

Councilmember Sherwood asked about the possible cut in the \$2.72 million in funding. Mr. Lopez they are monitoring the potential cuts at the federal level. He said a lot of these funds are lumped into transportation funds, so there are a lot of entities competing for the same money. Councilmember Sherwood asked if \$300,000 was allotted last year for the CDBG program. Mr. Lopez said the \$300,000 was used for public services programs. Councilmember Sherwood asked Mr. Lopez to break down the \$2.72 million between CDBG, HOME Investment and ESG. Mr. Lopez said about \$2,090,000 went to CDBG, \$451,000 in HOME and \$151,000 in ESG monies. Councilmember Sherwood asked how the outside agencies budget their money while these programs wait to see what funds will be allotted to them. Mr. Lopez said the funds are already allocated in the contracts they are signing now. They are looking forward to the next fiscal year. He explained the allocation process, which takes place a year in advance.

Mr. Lopez discussed funding priorities for last year, which included keeping people in their homes, assisting with food, utilities and shelter and support of meal delivery and shelter service programs. He said these programs are addressing core needs due to the economy.

Ms. Hudson presented some of CDAC's process to come up with recommendations for the Council's priorities. She said the CDAC works with Glendale staff and staff from the United Way to enhance the process. She said the committee considers the applicant's track record, leverage, duplication of effort, budget, target area and many other factors before making a recommendation.

Councilmember Martinez thanked the CDAC committee members for the difficult job they do. He recommended they stay with the current priorities.

Vice Mayor Knaack looked at last year's projects and agreed with Councilmember Martinez that they should stay the course.

Mayor Weiers asked if a property is in disrepair and it is demolished by the city, would the city then resell the property. Mr. McAllen said for the CDBG program, those properties are usually voluntarily demolished. He referred questions regarding other funding sources, such as the Neighborhood Stabilization Program (NSP) to Mr. Lopez. Mr. Lopez said NSP had a category to deal with blighted structures, such as properties with title issues. He said those NSP funds were

used to deal with demolition of the property. The city does not take title to those properties, but does lien the property so if it is sold, the city could collect the money back for demolition costs. He also said if a property is purchased by Habitat for Humanity who is going to build a house on the property; the city will release the lien, which helps benefit the community.

Councilmember Sherwood asked if Habitat for Humanity if that would fall under their last priority. He also asked about housing rehabilitation. Mr. Lopez said it could fall under housing rehabilitation or it could also fall under demolition of structure because they can use the money to purchase properties no one else wanted. He said they let the market do its job and don't go against the market. Councilmember Sherwood asked if there is a 25 percent cut in funding for the coming fiscal year, would it be proportionate to those priorities, or would those priorities just drop off the bottom of the list. Mr. Lopez said depending how deep the cuts were; they might come back to Council to ask for guidance. He said usually the committee will look at what the priorities are. He said CDAC looks at the biggest needs of the community each year and evaluates what the priorities should be. Councilmember Sherwood asked if the priorities were weighted at all or is it just a list of what the priorities might be for any given year. Mr. Lopez said that was correct there was no weighting.

Mayor Weiers asked if the 25 percent estimate was just a guesstimate. Mr. Lopez said that was correct.

Councilmember Alvarez asked about demolishing and clearing blighted structures and if there were income guidelines as to who could apply for the program. Mr. Lopez said there are no income guidelines. He said on commercial properties, the owner shares 50 percent of the cost of demolition and on residential properties, the owner shares 25 percent of the cost of demolition. He said the city will have a lien on the property and will collect that money when the property is sold. He said it is a slum and blight reduction program so it does not have income guidelines with it and it is designed to help and clear neighborhoods, regardless of who owns it.

Councilmember Alvarez asked about revitalization of Centerline, what specifically they were trying to do there and who was it going to benefit. Mr. Lopez gave an example of two similar projects, one being in Centerline. He said CDAC would probably recommend funding the Centerline project because it was a priority of the city. Councilmember Alvarez asked why it was a priority of the city. Mr. Lopez said that was the guidance they received years ago. He said they do not have to make it a priority if Council decides not to. Councilmember Alvarez asked when Centerline was made a priority for CDAC funds. Mr. Lopez said shortly after Centerline was developed, it was added as a Council priority.

Councilmember Alvarez asked if there are income guidelines priorities for Centerline. Mr. Lopez said it depends on who applies for which program. He said it is specific to each program as they are applied for. Councilmember Alvarez said she thought the purpose of CDAC was for blighted and low income areas. Mr. Lopez said CDBG helps moderate to low income people, helps in economic development or to create jobs and urgent community needs. He gave several examples of the varying criteria used. Councilmember Alvarez said with the needs the

community has now, they should invest more in the first five bullet points Mr. Lopez listed. She said they need more park improvements and more services for the elderly, children and families.

Councilmember Chavira commented on the Clean and Lien program. He said after it occurred in his district, he did not realize the amount of legal attention and tenacity it required. He said not only are they removing blight, but also a potential public safety hazard. He said this doesn't happen all the time, but when it does, it improves neighborhoods.

Councilmember Martinez said there is not enough money for all the requests that come in and all the things they would like to do. He said the Council should keep their current priorities in place. He said Centerline continues to be a top priority with the Council and it should stay that way.

Mayor Weiers said the last Council did a good job in setting up the priorities. He said the direction is to keep the priorities as they are.

CITY MANAGER'S REPORT

None.

COUNCIL ITEMS OF SPECIAL INTEREST

None.

ADJOURNMENT

The meeting was adjourned at 2:00 p.m.