

A G E N D A

SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, TO BE HELD NOVEMBER 16, 2010, AT 5:00 P.M., AT THE COTTONWOOD COUNCIL CHAMBERS BUILDING, LOCATED AT 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

I. CALL TO ORDER.

II. ROLL CALL.

Comments regarding items listed on the agenda are limited to a 5 minute time period per speaker.

III. PUBLIC HEARING REGARDING POTENTIAL PROJECTS FOR FISCAL YEAR 2011-2012 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM.

IV. ADJOURNMENT

Pursuant to A.R.S. § 38-431.02(B) the Council may vote to go into executive session on any agenda item pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney.

The Cottonwood Council Chambers is accessible to the disabled in accordance with Federal "504" and "ADA" laws. Those with needs for special typeface print or hearing devices may request these from the City Clerk (TDD 634-5526.) All requests must be made 24 hours prior to the meeting.

City of Cottonwood, Arizona
City Council Agenda Communication



Meeting Date: November 16, 2010

Subject: Public Hearing regarding Potential Projects for the Fiscal Year 2011-2012 CDBG (Community Development Block Grant) Program

Department: Community Development

From: Charlie Scully, AICP, Long-Range Planner

REQUESTED ACTION

Public Hearing regarding potential project activities for the FY 2011-2012 CDBG Program.

BACKGROUND

No action is required. The purpose of the Public Hearing is to gather preliminary input from the public and others regarding potential projects for consideration with the CDBG program. The evaluation of project eligibility and conformance with adopted goals will be conducted at a later time. Prior to the selection of a project or projects for the CDBG application, a second public hearing will be held regarding the prioritization of the potential project/s. Background information is provided concerning the criteria and general process for selecting project/s.

First Public Hearing Agenda Items:

The following agenda items are recommended to be covered in the first hearing:

- Discussion of CDBG National Objectives and the types of activities that can be funded by CDBG.
- Announcement of the amount of CDBG funds expected to be available in both the Regional Account (\$371,000) and the Special Projects Account (\$300,000)
- Discussion of the estimated amount of funds that will be used to benefit low-moderate income persons (as opposed to being Slum Blight or Urgent Need activities). (TBD)
- Discussion and citizen input regarding housing and community development needs in the community.

- Discussion and citizen input regarding possible projects to be funded with CDBG funds.
- Discussion of proposed CDBG activities likely to result in displacement of persons, families, businesses, non-profit organizations and farms and the local governments intention to minimize displacement pursuant to the City's Anti-Displacement Policy.
- Review of past performance of CDBG funded projects.

National Objectives:

Projects must fall into one of the three categories, summarized as follows:

1. Low Moderate Income categories.
 - a. Area-wide Benefit.
 - b. Limited Clientele.
2. Slum & Blight. (as per State Slum Clearance and Redevelopment Act or elimination of specific conditions of slum/blight)
 - a. Target Area
 - b. Spot Basis
3. Urgent Need. (Disaster areas)

Threshold Review:

Once a funding application is determined to be eligible for CDBG funding it must pass a nine-part application review, as per HUD and ADOH criteria:

1. The project must meet a National Objective.
2. The project must fall into a category explicitly authorized by CDBG statute as an eligible activity.
3. The applicant must be eligible.
4. Costs must be necessary and reasonable.
5. The project must result in "benefit".
6. The project must be ready to start. (Cannot be speculative.)
7. The recipient must have the capacity to complete the project in a timely manner.
8. The community and the project must comply with federal overlay statutes.
9. The project must comply with the priorities of the State as articulated in the State's Consolidated Plan.

Past CDBG Projects

- 2007 12th Street Improvements (Sidewalks Mingus Ave to Birch) (\$370,000.)
- 2003 - Housing Rehabilitation (request for 8 projects) \$118,000 (\$514,472)
- Verde Valley Senior Center \$251,472
- Transitional Housing Project (Catholic Charities) \$115,000
- Old Town Mission- Facilities (Truck?) \$30,000.
- 1999 - Street Improvements (Willard) \$334,000. (\$352,236)
- Removal of Architectural Barriers (Main St) \$13,236.

- 1995 - Street Improvements (Old Town Improvements) \$266,044 (\$371,044)
- Transitional Housing. \$35,000.
- Community & Supportive Housing Facilities. (Adult Day Care Center) \$35,000.
- Education/Job Training. (JTPA) \$35,000.

Low-Moderate Income by Area - 2000 Census

The "Service Area" for an Area-Wide Benefit category would need to be defined based on the particular activity and up-to-date data would need to be obtained through a Special Survey, which would likely involve a door-to-door survey to obtain personal information. This is because the 2000 Census data is out of date and the 2010 census does not include income data. As a starting point it would be advised to consider the 2000 Census Low-Moderate Income data for Cottonwood, which is organized from smallest to largest areas as: Blocks, Block Groups and Tracts. Block areas are typically defined by 2 or 3 actually neighborhood blocks; Block Groups may include 3-8 Blocks and usually define an expanded neighborhood area. The 2000 Census include two occupied Block Groups in Cottonwood with greater than 51% Low-Mod Income, defined as the Main & Mingus Area south of Mingus and north of SR 89A at 52.1% and the area east of Main Street from Coconino Street to Cottonwood Street shown as 53.9% Low-Mod Income. Some other generally non-residential areas along SR 260 also show up as Low-Mod but would have less opportunity for applying the Area-Wide Benefit based on income status.

2000 Census Low-Moderate Income by Block Groups

- Block Group 5 (south Main & Mingus) 52.1 %
- Block Group 4 (east of Main Street) 53.9%
- Block Group 2 (north Main & Mingus, Verde Heights) 43.8 %
- Block Group 3 (Old Town) 47.1 %
- Block Group 6 (Verde Palisades/VV8) 46.2%
- Block Group 1 (Cottonwood Ranch) 12.9%

Summary of key factors for selection of projects:

- **Conform to Plans:** Project needs to comply with approved City plans, such as General Plan priorities, Council Strategic Plan, CIP (Capital Improvement Plan) and other long-range planning programs.
- **Community Goals:** The project selected should address major community goal or goals.
- **Capacity to Administer:** A realistic assessment of the capacity to administer the grant program is a critical part of selecting an appropriate project to pursue.

REVIEWED BY

City Manager: 

City Attorney: 