

**CITY OF GLENDALE
COMMUNITY DEVELOPMENT ADVISORY COMMITTEE
GLENDALE CITY HALL – ROOM B-3
5850 W. GLENDALE AVENUE
MINUTES**

**Thursday, October 18th, 2012
6:30 p.m.**

MEMBERS PRESENT: Arthur Swander Jr., Vice-Chair
Gina Schmitz
Chuck Jared
Sharon Wixon
John Torres
Cherie Hudson
Shirley Wong
Randy Miller

MEMBERS ABSENT: Marcia Garland
Vickie Loya

STAFF PRESENT: Gilbert Lopez, Revitalization Administrator
Rebecca Daniel, Community Action Program
Elaine Adamczyk, Community Housing
Administrator
Marcheta Strunk, Public Information Officer
Sherry Schurhammer, Financial Services Executive
Director

I. Call to Order

Vice-Chair Swander called the meeting to order at 6:36 p.m.

II. Roll Call

Vice-Chair Swander conducted roll call and welcomed everyone to the meeting. New Committee-member Jared was sworn in by Vice-Chair Swander.

III. Approval of Meeting Minutes – July 19, 2012

Committee-member Miller motioned to approve the July 19, 2012 meeting minutes as written. Committee-member Wixon made the second. The motion passed 8 – 0.

IV. Business from the Floor

None.

V. Information on City Sales Tax

Ms. Schurhammer presented information on the proposed City Sales Tax, which included the following from her PowerPoint presentation:

Know the Facts:

- History
 - Growth Since 1993 – New Infrastructure
 - 1 Library
 - 32 Parks
 - 1 Recreation and Aquatic Center
 - 5 Fire Stations
 - 1 Police Precinct
 - 1 Adult Center
 - Miles of streets, sewer lines, water lines and other infrastructure was necessary
- What Has Glendale Reduced Already to the General Fund?
 - Since 2009
 - 25% decrease to departmental budgets (\$40.20 million)
 - 22% decrease to city workforce – 307
 - Saving approximately \$5.5 million with 3 years of mandatory employee furloughs
 - Minimal service impact
- Current Economic Conditions
 - Lingering effects of the recession
 - Less revenue from all sources of city revenue – sales taxes, licenses, development services
 - Less revenue from the State of Arizona – “state shared revenue” – 33% drop from \$66 million in FY2007-2008 to \$44 million in FY 2011-12
 - Planned private developments went into bankruptcy, housing market collapse, foreclosures, high unemployment – includes Westgate and Main Street Development
- General Fund Examples
 - Police and fire protection and city court
 - Libraries and pools
 - Books and the operation of the city’s libraries
 - Code compliance
 - Planning and economic development
 - Festivals

- Paint to cover up graffiti
- Operations of the city's facilities and parks – mowing and irrigation
- Sales Tax History
 - Population 1993: 160,155
 - Population 2012: 116,721
 - The last time the city increased the general sales tax rate across most categories was in 1993
 - Voters approved tax increases for police, fire and transportation initiatives in 1994, 2001 and 2007 – which were dedicated only to those specific services
- Total Sales Tax on Purchases
 - Glendale's share is 2.9%
 - State, county and others receive 7.3%
- How Much is the Difference?
 - 35 cents on a \$50 item
 - The temporary sales tax sunsets after 5 years
 - Began on August 1, 2012 and automatically ends August 1, 2017
- Background
 - June 2012 Glendale City Council approved:
 - Temporary increase to city sales tax
 - Tiered system with single-purchase, large ticket items of \$5,000 or more taxed at the previous rate
- Is Glendale Alone?
 - During the economic downturn, 30 Arizona cities and towns have increased their sales tax, including:
 - Phoenix, Mesa, Tempe, Peoria, Paradise Valley, Buckeye, Cave Creek, Goodyear, Litchfield Park, Queen Creek, Tolleson, Wickenburg, Youngtown, Sierra Vista, Flagstaff and more
 - The State of Arizona as well
- City Obligations
 - Required to provide core services
 - Public safety, water, sewer and sanitation
 - 63% of the city's general fund is for public safety
 - Legally required to balance the budget
 - Legally required to pay debt services
 - Must operate and maintain city-owned Arena:
 - With or without a tenant
 - Costs to operate and maintain facility
 - Sales tax increase needed with or without city obligations to Jobing.com Arena
- What Could be Eliminated if There is No Temporary Sales Tax
 - \$20 million in proposed cuts:
 - Closure of 2 libraries and a pool (Rose Lane)

- Reduction in response to park maintenance
 - Slower code compliance response
 - Police officers, jail staff, CAT teams, crime prevention programs
 - Firefighters, fire investigators, Crisis Response program
 - Eliminate all festivals: Glendale Glitters, Glitter & Glow, Chocolate Affaire, Jazz & Blues, Summer Band, downtown holiday lights
 - Substantial reduction in services and programs
- More City Financial Information
 - The city's website: www.glendaleaz.com
 - Budget information: www.glendaleaz.com/budget
 - Financial reports: www.glendaleaz.com/finance
 - "Follow Your Money" for daily transactions for any City of Glendale department on a line item basis: www.glendaleaz.com/FollowYourMoney
 - Know the Facts: www.glendaleaz.com/knowthefacts

Committee-member Miller wondered how festivals, such as Glendale Glitters, costs the city a large amount of money. Ms. Schurhammer explained that the large costs are for the support services such as police, parks and sanitation. Furthermore, these are weekend hours which cost overtime. Ms. Schurhammer stated that the city is looking into more sponsorship opportunities.

Committee-member Miller suggested the sale of a city Christmas ornament or Christmas trees in order to make money for the city at the Glendale Glitters. Vice-Chair Swander suggested a Glendale t-shirt comparable to the "I Love NY" t-shirts in order to boost city pride and raise revenue. Ms. Schurhammer will pass these ideas along to the appropriate city staff.

Vice-Chair Swander expressed concern that canceling the festivals would lead to loss of city sales tax. Ms. Schurhammer noted that a few days ago, Council announced that it would like to keep some festivals, but will look in-depth at eliminating those festivals that are more costly and have the least sponsorship possibilities, such as the Jazz & Blues event.

Committee-member Wixon felt that once some festivals were eliminated, it may be difficult to get them back during better times.

Vice-Chair Swander stressed that Glendale residents may know of the festivals, but more advertising is needed across the valley to bring others to the festivals to increase revenue to the city. Ms. Schurhammer commented that advertising is done in various ways, including spots and interviews on television shows, but commercial advertising on television is expensive. Ms. Schurhammer added that any television spots are usually done during the day. Vice-Chair Swander

commented that many families have two working parents, and if television spots or interviews are only during the day, a large segment of the population is being missed. Vice-Chair Swander added that the expense of advertising can be worth the revenue brought in.

Vice-Chair Swander and Committee-member Miller requested a response to their suggestions for revenue generating ideas.

Ms. Schurhammer thanked the Commissioners for their time and encouraged all Commissioners to read the informative city pamphlets on all of the ballot propositions and to vote on Election Day.

VI. Request to Amend Glendale's Neighborhood Stabilization Program (NSP) Substantial Amendment/Annual Action Plan and Funding Reallocation

Mr. Lopez explained that an amendment to NSP is required as two senior housing projects need to be converted to land banking until such time that additional financing becomes available. Mr. Lopez noted that this action also includes the reallocation of the unused funds from the senior housing projects to the acquisition, rehabilitation and resale category currently administered by Habitat for Humanity.

Mr. Lopez commented that of the \$6.1 million NSP funds that the City of Glendale was allocated, \$2.9 million was awarded to the two senior housing projects. Mr. Lopez explained that \$1.9 million has been used for purchasing land and other related development costs. The developers have applied for State of Arizona tax credits. Mr. Lopez noted that the developers have a very successful track record and plan to move forward with the project once financing is available. Until then, re-allocation of the remaining project funds to Habitat for Humanity is recommended. Mr. Lopez added that \$33,500 will be held for the budget for taxes and landscape maintenance.

Committee-member Miller inquired as to who owned the land in regards to the two projects. Mr. Lopez stated that the non-profits have created LLC's for the ownership of the land, but the non-profits run the projects.

Vice-Chair Swander wondered what would happen with funding once the two senior projects were ready to begin. Mr. Lopez estimated that there would be enough program income to reimburse the two senior housing projects for the money diverted to Habitat for Humanity.

Committee-member Miller motioned to approve moving the funding from the two senior housing projects of Montebello Seniors and Landmark Senior Living into NSP Category C of Landbanking until financing becomes available and reallocating the unused NSP funds up to the amount of

\$915,434 to Habitat for Humanity. Committee-member Wixon made the second. The motion passed 8 – 0.

VII. Community Action Program (CAP) Update

Ms. Daniel, CAP Administrator, provided an overview of department activities for July through September, 2012. Highlights include the following:

- Low Income Home Energy Assistance Program (LIHEAP): The program received \$511,536 from DES through June 30, 2013. Last fiscal year \$1.2 million was received. Ms. Daniel is hoping for a mid-year amendment to the funding.
- The funding for Temporary Assistance to Needy Families is \$50,000 through June 30, 2013, which is very low.
- For the Homeless Prevention and Rapid Re-housing Program, the department will apply for CDBG funds in January for the next fiscal year. The funding for this program is very tight this fiscal year.
- Funding from the Arizona Community Action Association allows the department to operate another utility assistance program. Funding in the amount of \$70,657 for the period through June 30, 2013 was received.
- An Emergency Solutions Grant in the amount of \$99,067 was received to further help with the Homeless Prevention and Rapid Re-housing Program.
- The CAP appointment line has been extremely busy for the months of July, August and September:
 - 532 resident calls were received
 - 479 households were prescreened from these 532 calls
 - 402 households were served
 - \$218,575 in direct service funding was utilized
 - For the month of October to date, \$84,137 was spent in LIHEAP funding and hopefully demand for funds will decrease along with the decrease in hot temperatures
- The department is working hard to help as many people as possible with the funds available.
- The department has just begun outreach to senior retirement homes regarding the LIHEAP program. Many seniors have a difficult time maneuvering the phone lines and so this type of face-to-face outreach is beneficial.
- Fall outreach events include local churches and the Fall Market/Harvest Fair.
- On November 17th, a Health Fair will be held at the Civic Center. Representatives from the Maricopa County Health and Services department, APS, SRP, Southwest Gas and other agencies will be present. The event will be held from 9:00am to 2:00pm. Approximately 900 to 1,000 attendees are expected. On-site booths include health and dental screenings and WIC registrations as well as representatives from Head

Start, DES, Food Stamps, LIHEAP, the Utility Discount Program and more. An event sponsor is providing 150 free turkeys for distribution. 2,000 flyers will be passed out door-to-door and there will be advertising on the news and the radio. Maricopa County pays for the cost of advertising. All Committee-members are invited and encouraged to attend the event.

Committee-member Torres appreciated the proactive stance of the department but expressed concern for how more funding would be acquired with the increased need of local families. Ms. Daniel stated that the department is looking at other funding sources such as CDBG, ESG and the Arizona Community Action Association for assistance.

Committee-member Torres asked how the department ensures that people who are requesting assistance actually live in Glendale. Ms. Daniel confirmed the department does check to see those who are requesting assistance do live within the city limits; this is also dictated within the DES contract.

Committee-member Torres stated that he has visited some of the agencies within Glendale that have been funded with CDBG monies, but suggested that some of the agencies outside the city limits, such as CASS, be visited also.

Committee-member Miller commented that he has visited St. Vincent DePaul and A New Leaf.

Mr. Lopez noted that staff monitors and audits the non-profits ever two years to ensure proper services are provided and all required documents are prepared.

Committee-member Miller asked if those requesting assistance through the CAP office are tracked. Ms. Daniel explained that the Homeless Management Information System (HMIS) is utilized as well as CAP60 programming. Priors are checked for within these systems and Social Security Numbers of all household members are checked. Ms. Daniel added that these checks are tedious, but there is no room for error and in 29 years, the department has never failed an audit.

Vice-Chair Swander wondered how often a resident was eligible for assistance. Ms. Daniel explained that for LIHEAP it was every 12 months and for the Emergency Supplement Program, it was for a past due utility bill up to a maximum of \$500, which has to be confirmed with a utility disconnect and loss of income. Ms. Daniel stated that rent assistance was available once in every 12-month period.

VIII. Agency Plan Review and Timeline of Requirements

Ms. Adamczyk, Community Housing Administrator, updated the Committee on the Agency Plan review process.

Ms. Adamczyk announced that yesterday she received word that HUD has designated Glendale's Section 8 Housing Program as a High Performer Status for the period ending June 30, 2012. Ms. Adamczyk was very proud to be associated with the housing team, the City's programs, and all of the people who dedicate themselves to their jobs in the department. Ms. Adamczyk was honored to be a part of the City's housing program.

Ms. Adamczyk provided highlights of the Agency Plan Review, which included the following details:

- The Agency Plan Review is updated once a year.
- The Community Development Advisory Committee will review the plan for approval.
- The City Council will review the plan for approval.
- On April 17, 2013, the plan is due to HUD.
- The plan includes Public Housing, Section 8 Voucher Program, the Five Year Capital Fund Plan and the Local Plan such as VAWA of 2005.
- The Plan is effective as of July 1, 2013.
- The Plan is an arduous process but necessary.
- It will be presented to Council in March. There will be a 45-day notice of Public Hearing, which will be held during the February 2013 CDAC meeting.
- If the HUD date is missed, there will be a freeze on funds and the department's performance ratings will be impacted.

Ms. Adamczyk noted that last fiscal year, within the Section 8 Voucher Program, 1,400 families were assisted and \$11.8 million was paid in rent to Glendale landlords. Committee-member Miller asked where the \$11.8 million came from. Ms. Adamczyk explained that the funds come from the federal government. Ms. Adamczyk noted that Glendale owns 1,054 vouchers for approximately \$7.8 million but due to the portability factors, there are 400-500 families who have moved to Glendale bringing in an additional \$3 million in rents and so Glendale is a net winner in the portability program. Ms. Adamczyk stated that only 40 families leave the City of Glendale to go to other cities with their Section 8 vouchers.

Committee-member Torres stated that he was a product of the housing projects and praised Ms. Adamczyk on the High Performing Status. Ms. Adamczyk noted that at the end of each fiscal year, the department provides a report to HUD. The department is rated on 14 different indicators such as financials, the wait list and the inspection process. For the Section 8 Voucher Program, the department

received a 99% rating with 143 out of 145 available points awarded. Ms. Adamczyk also announced that the physical inspection for public housing received a 99.6% score, which was the highest rating received. Ms. Adamczyk gave all of the credit to the maintenance team and staff who do a great job.

Ms. Adamczyk commented on recent graffiti activity in the public housing projects and noted that \$2,000 to \$3,000 worth of damage was done. Vice-Chair Swander thanked Ms. Adamczyk for her report.

IX. Committee Comments and Suggestions

Committee-member Miller wondered if the Committee-members should print out the packet of material before each meeting or if it were to be provided by staff as clarification would avoid duplication of efforts. Ms. Adamczyk stated that it would be appreciated if the Committee-members would print out the documents, but a few extra copies would be available at the meeting.

Vice-Chair Swander opened the public hearing portion of the meeting in regards to the NSP Amendment and Funding Reallocation.

No comments were made.

Vice-Chair Swander closed the public hearing portion of the meeting.

Vice-Chair Swander suggested that the Committee review a list of various agency facilities for visiting. Mr. Lopez will provide information in regards to this request.

It was agreed that a meeting quorum would be called at noon on the day of the scheduled Committee meeting.

X. Adjournment

Committee-member Miller motioned to adjourn at 8:12 p.m. Committee-member Swander made the second. The motion passed 8 – 0.

Respectfully submitted,

Recording Secretary
Denise Kazmierczak