



Sierra Vista City Council
Work Session Minutes
March 10, 2020

1. Mayor Mueller called the March 10, 2020 City Council Work Session to order at 3:00 p.m., Council Chambers, City Hall, 1011 N. Coronado Drive, Sierra Vista, AZ

Roll Call:

Mayor Rick Mueller – present
Mayor Pro Tem Rachel Gray – absent
Council Member William Benning – present
Council Member Gwen Calhoun – present
Council Member Sarah Pacheco – present (arrived at 3:02 p.m.)
Council Member Carolyn Umphrey - absent
Council Member Kristine Wolfe – present

Others Present:

Chuck Potucek, City Manager
Jon Kosmider, Deputy Police Chief
Brian Jones, Fire Chief
Laura Wilson, Leisure and Library Services Director
Matt McLachlan, Community Development Director
Judy Hector, Marketing and Public Affairs Manager
Adam Curtis, PIO
Tony Boone, Economic Development Manager
Jennifer Osburn, Interim Budget Officer
Jill Adams, City Clerk

Mayor Mueller announced that Mayor Pro Tem Gray, Council Member Umphrey and Assistant City Manager Yarbrough are at the National League of Cities Conference in Washington, D.C.

2. Presentation and Discussion:

- A. March 12, 2020 Council Meeting Agenda Items ([agenda attached](#))

Mayor Mueller stated that the Council Meeting for March 12, 2020 starts at 5:00 p.m. with Roll Call, invocation, Pledge of Allegiance and the acceptance of the agenda followed by the City Manager's report.

In response to Mayor Mueller, Mr. Potucek stated that he will be attending the Joint Powers Authority Meeting on Thursday, March 12, 2020 and will report on it at the Council Meeting on Thursday, March 12, 2020.

There was no discussion on the Consent Agenda consists of the Regular Meeting Minutes of

February 27, 2020 and a resolution appointing Joseph Nelson to the Environmental Affairs Commission.

Item 3, Public Hearing, consideration of funding applications for FY 2020-2021 Community Development Block Grant (CDBG) Annual Action Plan – Mr. McLachlan stated that Council has all been through the process before and noted that this is the first step in the Annual Action Planning Process for CDBG, where the City invites applications for funding consideration.

The Department has an email distribution list of all the area nonprofits that they have dealt with over the years to contact them directly in addition to the normal out quest using announcements on social media, City's web site and the local newspaper. A public meeting was held on the grant following last month's Continuum of Care Meeting to try and boost attendance. There was a handful that showed interest, but they did not follow through with an application by the deadline, Friday, March 6, 2020.

The expected grant amount for the upcoming program year is \$271,810.00, which is approximately the same amount that was received last year, and 70 percent must go to a low to moderate income benefit/households. Program services are capped at 15 percent and administration at 20 percent.

The City is at its second year of the consolidated planning period, guided by the goals and priorities that Council established last year with 2/3 projected to go towards public infrastructure and facilities followed by housing rehabilitation and services and then neighborhood stabilization.

Mr. McLachlan reported that the demolition of the former Public Works' complex on North Avenue was predicated on the City turning that property into a community beneficial use as part of a larger redevelopment project. The property is an integral part of the Eddie Cyr Master Plan. The plan illustrates the potential for additional parking and park areas for volleyball and basketball courts along with a walkway that fills in the missing segment in the trail system with linking Eddie Cyr to Soldier Creek Park through the property.

The City's management team recommends that 100 percent of next year's CDBG allocation go towards the construction of the parking lot, trail connection and some basic maintenance and landscaping on that property. The number of paved parking spaces will be determined by the construction budget and the new artificial turf fields are expected to generate more use and the need for parking. The project is in a low to moderate income neighborhood and will provide area benefit consistent with the City's consolidated plan goals.

Mr. McLachlan stated that isolating the focus on a single project will reduce the administration staff burden, especially with federal projects as well as the engineering support that will be needed to carry them out. This project would be third in line behind Soldier Creek Park and Landwehr Plaza, which are scheduled for design this coming year.

Based on the survey that was conducted last year within the target areas, there are about 22 miles of sidewalk needed, 139 ADA ramps, and 182 streetlights. Based on current funding levels, it would take a quarter of a century for the City to address all the infrastructure needs assuming current construction costs. The Department priorities on annual basis what can be afforded to address.

One of the linkages that staff looked at this year is along South Carmichael adjoining the Mountain Vista Mobile Home Park, where the City received a sidewalk easement as part of the development agreement that Council approved last month. The estimated construction cost came in at \$258,000 for about 900 feet of curb, gutter and sidewalk as well as a streetlight. The staff also looked at reactivating an emergency home repair program as well as demolition of blighted structures. However, given the anticipated construction cost of the items at Cyr Center, the full year allocation

will be needed to accomplish a significant percentage of that scope of work.

At the public hearing, there would normally be presentations from the nonprofit community on proposals, but in this case, staff will be looking for feedback and direction on staff's recommendation for allocating next year's CDBG funding towards the development of the former Public Work's yard to become a part of Cyr Center Park.

Mayor Mueller asked about the other projects listed before the Cyr Center Park. Mr. McLachlan stated that during last year's CDBG entailed \$200,000 worth funding towards Soldier Creek Park and Landwehr Plaza improvements and since that time, staff has developed a concept plan that has been turned over to Engineering, which is now in their cue to do the construction documents that will take approximately eight to twelve months.

Mayor Mueller stated that he would like to look at both projects, especially Landwehr Plaza.

Council Member Benning stated that Council is being asked to spend 100 percent of CDBG funds for next year on the project and wonders if there is any percentage left for possible applicants. He added that he knows that this year, the City gave some of the funding away. Mr. McLachlan stated that the Department did a notice of funding availability, advertised the grant application and noted that the deadline was on Friday, March 6, 2020. He added that they also contacted nonprofits and past applicants directly and nobody applied. This may be due to some of the federal funding requirements, administration and a relatively small amount that historically the City has given out in the past. He added that the City is capped at 15 percent of the overall grant amount for program services and they have to show a quantifiable increase and some nonprofits do not have the capacity to do more than what they are currently doing.

Council Member Benning noted that he likes seeing the funds going to one place instead of bidding it out because this way a project will get done. This year Soldier Creek Park and Landwehr Plaza will be complete and that is something to see as to where the money is going.

Council Member Wolfe agreed with Council Member Benning and noted that she believes that this is a good way to do it and focus the funds, especially since no one has applied.

Council Member Pacheco stated that she does not disagree in that park improvements are needed and it would be great to have more parking available, but she thinks that the funding is intended for improving the lives of the low income citizens. She added that spending the funding on a park is not meeting that use/need because the intent of CDBG funding is to specifically address the need for low income housing, improving the livelihood, removing slum and blight, and doing a project that is wanted, which needs to be done, is not what the funding should be used for.

Mayor Mueller explained that there are not enough funds available to build a park out in the low-income area completely in one shot and this is a way to do it. Last year, the City cleaned out the eye sore, which did not motivate anyone to improve the area. This year, the parking is first because that appears to be what is needed, but there are also future plans and these funds or other funds can be used to do the basketball/tennis courts or the other amenities, i.e., the pavilion or whatever else is planned on the park phase that would improve recreation in the low-income area. He added that he understands that this is for recreation and is not taking care of the homeless, but it is a matter of doing it piece by piece rather than having the funds to do the whole thing at once.

Mr. Potucek stated that originally the recommendation would have been to put half of the funding towards a project that the City was working on for a number of months with the Good Neighbor Alliance to expand the capacity that is needed for the homeless. Unfortunately, because of administrative issues and problems at Good Neighbor Alliance, they were not able to put that project

together and put a grant application together at this time. This recommendation came at the last minute and staff was going to recommend putting some funding towards this, but not the amount indicated and staff is aware of people's concerns about that as the City certainly wanted to work with Good Neighbor Alliance, but it could not happen this year.

Council Member Calhoun asked Council Member Pacheco if she was aware of the Good Neighbor Alliance's activity, which might have been helpful. She added that she agrees with Council Member Pacheco and proposed discussing what each Council Member sees and putting a list of the issues that Council believes are important to the needy folks in the community. There is some awareness of all of that because there are many groups working on a lot of those issues, but around housing and low-income area, the Council should talk about that some more and see what is out there and what Mr. McLachlan is hearing and what some of the groups are talking about and fit that into next year's CDBG funding and the 15 percent. Mayor Mueller stated that this is a great topic for strategic planning sessions to discuss issues on low income housing, homeless, whatever else there may be, and then talk about what the City can do and see what is available and where there can be the most impact. Then this can all be integrated into the two-year strategic plan so that other funding can be brought up as well.

Council Member Calhoun noted that some of it does fit because there is always discussion about the quality of life in the City. Mayor Mueller noted that quality of life is not defined. Council Member Pacheco stated that it is a hard thing, and there is no magic solution. Mayor Mueller stated that he appreciates the conversation, but the City has been successful in identifying issues and breaking it down into pieces and working on it year after year to do it. He added that he recently made a comment to the Rotary about how 20 years ago, the West End was looked at by Mayor Hessler, County Board of Supervisors Call and newly promoted Lieutenant McDaniels, who were on a task force for the West End. At that time the West End was in a much worse condition than it is currently and nibbles out of the apple were taken in order to get to where it is now. This was done every year and he thinks that these are the kind of things that Council needs to talk about during strategic planning because he believes that the City can take that nip off the apple every could of years and make improvements on the West End. Lastly, he stated that he wishes that there were funds to do it all at once, but he does not see that occurring.

Council Member Pacheco noted that the CDBG funding is not a ton of money either. Council Member Calhoun stated that she wonders how much of that too can be put towards some other project that may come along, things that the Council may open their eyes to and added that Mr. McLachlan looks far and wide for those opportunities for the grant for projects in the community, but it could be that CDBG funds could offset and supplement to other funding that may be available to the City.

Mayor Mueller stated that Council could adopt a change to the Five-Year Plan if the proper process is taken. Mr. McLachlan stated that a step back can be taken to re-review what was approved last year in terms of the goals and priorities and what the projected funding allocations were in that Plan to see if adjustments are needed/warranted. A lot of good ground work was done in terms of identifying what deficiencies are physically within the target areas, but socially there is still work that needs to be done through the reformed coalition on homelessness and figuring out what the gaps are within the community, and that is something that will be worked on over the next year. Mr. Potucek added that part of the problem has to do with the CDBG rules as they are because there is only a small percentage that can be carved for these other types of programs and the City has certainly done a number of those through the years. The City is at its best in terms of providing infrastructure and that is what the City probably does best with these funds. Other types of social related projects, the City really needs partners to be more effective in doing that. While searing for partners this year and for other opportunities there were none that came up. He further added that it is very difficult for them to meet the federal criteria, do all the reporting and everything that

surrounds a CDBG grant.

Council Member Benning noted that home repairs were not done this year and asked about the bottom line spent on the last home repairs done. Mr. McLachlan stated that applications amounted to \$50,000 towards that program and most of the repairs involved AC change outs, heaters, minor roof repairs and ADA.

Council Member Benning stated that he saw a 20 percent surplus in the budget for the \$258,000 on the proposed scope of work for the Cyr Center Project. Mr. McLachlan stated that 100 percent will go towards the project and explained that they are not budgeting anything for administration out of the Cyr Center's allocation.

Council Member Benning referred Council to page 22 that shows the breakdown of the scope of the work. Mr. McLachlan explained that this is for the South Carmichael Project, an alternate, if Council did not wish to proceed with the Cyr Center Project.

In response to Council Member Pacheco, Mr. McLachlan stated that staff's recommendation is to full fund the Cyr Center park improvements. Staff also looked at the cost of curb, gutter and sidewalk along South Carmichael and shared the amount with Council on the emergency home repair program if Council chose to do a housing project. The City would not be able to do much on Cyr Center if Council took away from that budget. The neighborhood stabilization means removing blighted structures by setting up a demo program and staff tried to identify projects on each category that were a part of the strategy under the Consolidated Plan for Council to consider. If Council wants to do housing and urban development, there was a housing component for Council's consideration.

In response to Mayor Mueller, Mr. McLachlan stated that staff would like feedback and direction. Mayor Mueller stated that the recommendation from staff is to use the funds for the Cyr Center, parking, pathway and landscaping.

Council Member Calhoun stated that it is a tough decision. Council Member Pacheco stated that the other recommendations meet the purpose of those funds more so than the Cyr Center improvements.

Mayor Mueller stated there are other options for Council to consider, one is to take the proposed project and cut it back to add the housing program, but the first and second options cannot be done because they would both take all of the money. The sidewalk on South Carmichael, although it is much needed, and he was the one that asked Mr. McLachlan to talk to the developer to get the seven and a half feet of right-of-way on the west side of the road for numerous reasons, has been in its present condition for a while, and it would probably not hurt to wait another year or two.

Council Member Benning asked if there are any requests for housing projects. Mr. McLachlan stated that there have not been any.

Council Member Pacheco asked if there have been properties identified that can be demolished. Mr. McLachlan stated that every year there are properties that are condemned by court order that would qualify for CDBG funding. This would supplement the normal abatement monies.

Council Member Calhoun asked if the normal abatement funds tend to cover the requests received. Mr. McLachlan stated that they can, but this would augment and maybe reduce the need for some of the General Fund money by using the federal money in its place.

Council Member Wolfe stated that she is in support of the staff's recommendation because a lot of money has been put into that area and this will help in what is being done in that area. Maybe next

year there will be more requests for emergency repairs that money could be applied to because that it currently not happening. The nonprofits did not come forward with wanting anything and she believes that staff has made a good recommendation.

Mr. McLachlan stated that the Consolidation Plan called for \$100,000 over the next five years and the City is in Year Two and \$100,000 over total allocation over the five years would go towards emergency home repairs, and perhaps in Years three and four, 50 and 50 can be done to meet the target.

Council Member Benning stated that in weighing everything, he agrees with Council Member Wolfe in that one good project is the best way to go. He also stated that the multi-use path currently stops going onto Soldier Creek Park and asked if there is a plan for integration along that same route as it goes forward. Mr. McLachlan stated that the budget will not be able to afford amenities along the multi-use path, but he hopes to get the basic parking and trail done with a minimal amount of landscaping for the budget that is available.

Mr. Potucek stated that \$271,000 is not a lot of money every year to allocate, but it was not that long ago that in that area, the City was dealing with a gravel pit and an old dilapidated Public Works Yard, no walking paths and just a lot of blight. Taking this step will get the City that much closer to completing all the improvements needed in that area and turning it into a fine recreational area.

In response to Mayor Mueller, Mr. McLachlan stated that the next step is for him to take Council's input and develop a draft Annual Action Plan, and by the System's Participation Plan, the City is obligated to carry out two public hearings. Thursday, March 12, 2020 will be the first public hearing and the second public hearing will be on the draft presented at the Council's first meeting in April. If that is acceptable, he will be asking Council for permission to submit to HUD for their consideration and approval. The annual Action Plan essentially serves as the funding application to HUD for next year's grant amount.

Mayor Mueller stated that he believes that this is a good proposal. He added that this week he received a report from HUD on the CDBG projects, which basically looks at the projects and gives a read back on the financial health to make sure that City has spent the money properly and that it is going to where it needs to be. The City is well within the parameters of the federal standards on all the categories in administering the five-year program.

B. Report on Recent Trips, Meetings and Future Meetings

There was nothing to report.

C. Board and Commission Liaison Update

There was nothing to report.

D. Future Discussion Items and Council Requests

Mayor Mueller stated that when the Council does their strategic planning, they need to make sure to get the CDBG projects into the strategic plan.

In response to Mayor Mueller, Mr. Potucek stated that staff was going to have a presentation on the development fees during the work session about the history, background and proposal of the development fees. Staff is working on the proposal and will be ready to bring that forth to Council to

begin discussion at the next Council Work Session. This will be an item that may take two or three work sessions to work through. Staff is in the process of refining a draft that was received from the consultant.

Council Member Pacheco asked about the change in administration directives regarding commissions. Mayor Mueller stated that he does not yet have a timeline and explained that he is waiting on staff to meet with him for an initial review before bringing before Council. The administrative directive must be done first and once that has been approved, the Council can go on and do the recession of the various resolutions. He noted that he and Council Member Pacheco need to meet to talk about the Youth Commission. Mr. Potucek stated that staff should be ready to bring that before Council in April.

2. Adjourn

Mueller adjourned the March 10, 2020 work session of the Sierra Vista City Council at 3:33 p.m.

Frederick W. Mueller, Mayor

Minutes prepared by:

Attest:

Maria G. Marsh, Deputy Clerk

Jill Adams, City Clerk