



City of Apache Junction

Development Services Department



DATE: June 14, 2021

TO: The Honorable Mayor and City Council

THROUGH: Bryant Powell, City Manager
Larry Kirch, Development Services Director

FROM: Misty Moseley-Helber, Grants & Community Development Administrator

SUBJECT: Resolution No. 21-24 authorizing the submission of the city's FY21 CDBG and FY21 SSP applications

REQUEST

Presentation, discussion, and action on:

1. Conduct a public hearing to receive input and discuss potential projects for the utilization of Community Development Block Grant ("CDBG") Regional Account ("RA") funds for Fiscal Year 2021 ("FY21") and State Special Project ("SSP") funds for Fiscal Year 2021;
2. Select the project(s) to be submitted and designate which project will be submitted for CDBG for FY21 funding and which will be submitted for SSP for FY21 funding; and
3. Review, discuss, and approve Resolution No. 21-24, authorizing the submission of the city's FY21 CDBG and FY21 SSP applications.

Both programs are federal grant programs administered by the Arizona Department of Housing ("ADOH"). The CDBG RA funding is allocated to the community as long as a viable project is submitted, whereas the SSP funding is a statewide competitive application process.

BACKGROUND

Since 1974, the Department of Housing and Urban Development has provided assistance to local communities to address the following national objectives:

- 1) Meet the needs of low and moderate income citizens;
- 2) Prevent/eliminate slums and blight in a community; and/or
- 3) Address urgent needs to the health/welfare of a community.

Apache Junction has participated in the CDBG program since 1982. To participate in the programs and receive funds, a community must be able to document that citizens and officials have been given the opportunity to discuss community needs and suggest possible projects.

Ultimately, the decision on which CDBG and SSP projects will be submitted rests with the elected officials in a community.

During the public meetings the city is required to discuss the following:

1) Objectives of the CDBG Program

A. Project benefits the low to moderate income population

1. Will benefit the entire community. [The city currently does not have a community wide low income percentage greater than 51% and therefore this option is not eligible];
2. Will benefit a limited clientele as defined by the CDBG program; or
3. Will benefit a specific area of the community proven to be at least 51% low to moderate income.

B. Project addresses slum and blight

1. Within an approved redevelopment area per ARS and ADOH. [Eligible Redevelopment Areas include Crossroads and Apache Trail.]

C. Project addresses an urgent need

1. This is classified under natural disasters and is traditionally not eligible for the City of Apache Junction.

2) Type of Eligible Activities

Although many projects are considered eligible under the CDBG program, the proposed project must be reflected in the ADOH's Consolidated Plan and Action Plan. Likewise, there are restrictions for projects being submitted under the SSP program including projects considered ready to go which means the environmental review and project design has been completed. Other projects shown preference include housing rehabilitation and equipment purchases.

3) The city's previous use of CDBG funds

For a complete list of past projects visit www.apachejunctionaz.gov/927/Past-Projects.

4) Amount of funds available

The City of Apache Junction is anticipating receiving \$59,079 in CDBG RA funds. These funds are guaranteed to the community as long as a viable project is submitted for funding to ADOH. This application is due August 1, 2021.

In years past, the city partnered with the Town of Payson to receive double funding every other year. The city chose to end that partnership in 2011.

The city was approached by Gila County in April 2021 with a partnership proposal. The City of Apache Junction will receive Gila County's portion of funding in FY21, effectively doubling the amount to \$118,158. In return, Gila County will receive Apache Junction's portion of funding in FY22.

The City of Apache Junction is anticipating submitting an application for SSP funds in which the city may request up to \$300,000 to be used over a two year period of time.

5) Implementation Schedule

04/13/2021	Public Notice #1
04/29/2021	End of Technical Assistance
04/29/2021	Public Meeting #1
05/20/2021	Leadership Team meeting - staff discussion
05/25/2021	Public Notice #2
06/15/2021	Public Hearing #2
06/15/2021	End of public comment period
08/01/2021	CDBG RA application due to CAG
09/01/2021	CDBG RA application due to ADOH
12/2021	Anticipated CDBG RA award notification and contract signing
01/2022	Anticipated CDBG RA project start date

DISCUSSION

Based upon the city's current low to moderate income status, the city must focus their CDBG and SSP efforts on projects that meet one of the following criteria:

- 1) Is within a designated and approved redevelopment area, e.g. Apache Trail Redevelopment Area;
- 2) Assist persons within a limited clientele category, e.g. seniors, disabled, etc.;
- 3) Assist homeowners who are proven to be low income, e.g. housing rehabilitation; and
- 4) Assist neighborhoods that are proven to be low income.

On May 20, 2021, the Leadership team discussed potential projects and recommends the following to the city council: Infrastructure improvements to Grand View neighborhood (both CDBG and SSP eligible)

A resolution is required that authorizes the city to submit applications to ADOH for funding. Resolution No. 21-24 authorizes the mayor to sign the applications, contracts and grant documents, and take all actions necessary to implement and complete the activities submitted within the applications.

RECOMMENDATION/ACTION REQUIRED

Staff respectfully recommends the city council:

1. Conduct a public hearing and review the proposed project(s);
2. Select the project(s) to be submitted for FY21 CDBG funding and FY21 SSP funding.
The following project is recommended by the leadership team:
 - a. Infrastructure improvements to Grand View neighborhood (both CDBG and SSP eligible)
3. Approve Resolution No. 21-24.

ATTACHMENTS

Attachment One: Resolution No. 21-24