

# **City of Glendale**

*5850 West Glendale Avenue  
Glendale, AZ 85301*



## **Meeting Minutes - Final**

**Tuesday, August 16, 2016**

**1:30 PM**

**Workshop**

**Council Chambers**

## **City Council Workshop**

*Mayor Jerry Weiers*

*Vice Mayor Ian Hugh*

*Councilmember Jamie Aldama*

*Councilmember Samuel Chavira*

*Councilmember Ray Malnar*

*Councilmember Lauren Tolmachoff*

*Councilmember Bart Turner*

**CALL TO ORDER**

- Present** 6 - Mayor Jerry Weiers, Councilmember Jamie Aldama, Councilmember Samuel Chavira, Councilmember Ray Malnar, Councilmember Lauren Tolmachoff, and Councilmember Bart Turner
- Absent** 1 - Vice Mayor Ian Hugh

Also present were Kevin Phelps, City Manager; Michael Bailey, City Attorney; and Julie Bower, City Clerk.

**WORKSHOP SESSION**

1. [16-387](#) FISCAL YEAR 2017-18 COMMUNITY DEVELOPMENT ADVISORY COMMITTEE (CDAC) UPDATES AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING PRIORITIES  
Staff Contact and Presented By: Elaine Adamczyk, Interim Director, Community Services  
Staff Presenter: Erik Strunk, Director, Public Facilities. Recreation and Special Events  
Staff Presenter: Gilbert Lopez, Community Revitalization Administrator, Community Services  
Staff Presenter: Stephanie Miller, Program Manager, Community Services  
Guest Presenter: Mr. Matthew Versluis, Chairperson, CDAC

Ms. Adamczyk said staff was seeking guidance on Council's priorities for use of the fiscal year 2017-18 funding. Staff had met with the Community Development Advisory Committee (CDAC) and developed items for Council consideration. She requested Council consideration of project-based vouchers (PBV), a homeless strategy and funding priorities for Community Development Block Grants (CDBG) and HOME funds.

Ms. Adamczyk explained CDAC participation was crucial to guide funding recommendations. The main priorities of the CDAC were to make sure the City complied with federal regulations and Council funding priorities.

Ms. Adamczyk said Glendale had 1,054 federally-funded housing choice vouchers (HCV) with an annual subsidy from (housing assistance payments) HAP valued at \$7.7 million. HCV vouchers were used to assist approximately 3,400 persons with long-term rental assistance for safe, decent and sanitary living conditions and provision of affordable housing. The geographic location of affordable housing varied throughout Glendale.

Participant rent in the program was based on 30% of the family's annual adjusted income and the federal HAP subsidy paid the remainder. If approved, up to 20% of the HCV rental assistance funds could be used to guarantee revenue to developers and property owners for long-term, monthly rental subsidy payments for construction of affordable multi-family housing, existing affordable multi-family housing and rehabilitation of affordable multi-family housing. This represented up to \$1.5 million in rental subsidy to incent new Centerline development/redevelopment through PBV.

Ms. Adamczyk said developers could use PBV as a financial tool to create affordable and

mixed-use housing to designate specific apartments for eligible families in the Centerline area. The next steps included the City modifying its current Section 8 administrative plan to include policies for PBV, CDAC review and recommendation and Council approval on March 2017. Once approved, it would be forwarded to HUD for final review and approval by July 2017. Staff would collaborate with Economic Development on the RFP process to notify prospective Centerline developers.

Councilmember Malnar asked if the amount for new development was limited to a specific geographic area of the City.

Ms. Adamczyk said it was not. She said the PBV could be used to incent development anywhere in the City. The policy change would allow the City to use it as a future tool to incent affordable and mixed-use housing anywhere in the City.

Councilmember Tolmachoff asked if this was a one-time option.

Ms. Adamczyk said no, the \$1.5 million was the total available to the PBV. Staff recommended that the vouchers not be concentrated in a project. She explained HUD had a limit on how many vouchers could be used in any given project which allowed the City to have a broader base of affordable housing.

Councilmember Tolmachoff asked if that reduced the amount of the ongoing HCV by the amount that was going to this program.

Ms. Adamczyk said it did reduce the HCV, but those vouchers were still in use for families on the waiting list. After 12 months on the waiting list, families could move into the HCV program.

Councilmember Tolmachoff clarified it would be available under the PBV and not the HCV. She said the City was taking \$7.7 million and reducing that by \$1.5 million, with the other \$1.5 million available as a PBV and it would be ongoing.

Ms. Adamczyk said that was correct.

Councilmember Aldama said the program allowed affordable housing to be in any district in Glendale, not just the Ocotillo district. He asked in what parts of the City public housing and affordable housing were located.

Ms. Adamczyk said currently public housing was located south of Glendale Avenue. HUD no longer allowed additional public housing units to be built. She explained PBV would allow assigned units in complexes to receive voucher assistance. This guaranteed rents for owners to incent affordable housing to come into the City.

Councilmember Aldama asked where affordable housing was located in Glendale.

Ms. Adamczyk said the Section 8 HCV program vouchers had mobility which meant participants in the program could find suitable housing anywhere in the City as long as the rent amount was reasonable and did not exceed HUD fair market rent.

Mayor Weiers asked if the City had a program to assist homeless veterans.

Ms. Adamczyk said Glendale did not have the VASH program and was unable to get it. She explained the program was run by the local Veterans Administration (VA) and the VA had not assigned any veterans to the City through the program. The VA determined

which communities would get the vouchers.

Mayor Weiers said there had been discussion in the past to try and get unused vouchers from Phoenix and Mesa. He wanted to make sure any veterans who needed the assistance received it.

Ms. Adamczyk said staff continued to work with Phoenix and the VA on a regular basis to try and get those vouchers into Glendale.

Mr. Strunk said the Community Action Agency assisted 1,033 individuals with \$785,000 in funds. Community Revitalization provided funding in the amount of \$269,500 to 813 persons and Community Housing assisted and housed 3,800 persons. The City was a member of the regional MAG Continuum on Homelessness, which funded \$26 million in regional homeless assistance.

Ms. Miller explained in the last 12 months, the City partnered with Morrison Institute to assess efforts and identify best practices and potential stakeholders and developed a new quarterly team consisting of Glendale Police Department, City Court, Fire Department and Community Services. City staff also met with the Chamber of Commerce and surveyed Centerline business owners and met with faith-based organizations via the Neighborhood Alliance. Interviews were also conducted with the Glendale Elementary School District and Glendale High School District. Three public presentations/discussions were held with the CDAC.

Mr. Strunk said CDAC reviewed this issue and made recommendations to identify funds for a dedicated homeless liaison and create a unified team with the City and with City partners. Additional recommendations included improved communication and data collection, reevaluating enforcement capabilities and an annual review of efforts with CDAC and Council. He explained the MAG Continuum also had funding for additional homeless programs.

Mr. Lopez discussed FY17-18 CDBG prioritization. He said Glendale currently received an annual federal allocation from HUD to fund CDBG, HOME Investment Partnerships (HOME), and Emergency Solutions Grants (ESG) Programs. He said this year, the City was allocated \$2.9 million in federal funding for these programs and the programs assisted over 114,108 Glendale residents annually.

Mr. Lopez said current funding priorities included keeping people in their homes, assisting with core needs such as food, utilities and shelter and supporting home delivery of meals and shelter services. Additional priorities included providing emergency home repair, housing rehabilitation programs, demolishing and clearing blighted structures and emphasizing revitalization of Centerline/redevelopment area. He said CDAC proposed a new priority for Council consideration, which was workforce training.

Mr. Versluis, a CDAC member, discussed Council priorities for the upcoming year. He explained there was an extensive review process each year to meet Council priorities. He said CDAC members had discussed the need to add job training as a priority. He explained CDAC had worked with staff and the United Way to enhance the grant application process. He said CDAC welcomed and looked forward to Council comments and suggestions.

Mr. Lopez said staff was looking for Council direction on current funding priorities.

Councilmember Aldama asked for clarification of the priority of keeping people in their

homes.

Mr. Lopez said this priority meant trying to keep people from becoming homeless.

Councilmember Turner asked if workforce training had been done in Glendale in the past.

Mr. Lopez said it had been many years since this type of program had been in place.

Councilmember Turner said it was an opportunity to strike at the root causes of homelessness to get people trained for new jobs. He said this concept was worth exploring.

Councilmember Aldama referenced an article about job training in another city. He asked how staff could implement these programs quickly.

Mr. Lopez was familiar with the article and said that the city in the article partnered with a nonprofit to assist in cleaning up city parks and streets. He said the program paid a competitive wage and was successful in getting some people off the street. He said staff would look into that and see if funds were available for that type of a program.

Councilmember Aldama commented that CDBG grants were available to most residents in Glendale, but not to the Sonorita community. He asked if the City could offset that, possibly through the general fund, so those homeowners would have options.

Councilmember Turner agreed with Councilmember Aldama on the points he made. He said connecting homeless with opportunities is very important. He would like to see staff explore the possibility of hiring the homeless to do work in the City parks and neighborhoods. He also expressed his concern that the Sonorita neighborhood was unable to utilize the CDBG funds, and asked for staff to come up with ways to get those residents assistance if they need it.

Councilmember Malnar asked about the funding priority to emphasize revitalization of the Centerline/redevelopment area, and wanted to know if the funds could be used in other areas of the City.

Mr. Lopez said there was flexibility. He said rehab projects were citywide and based on income.

Councilmember Turner said Council needed to remember there were other areas in the City besides the downtown area which experienced poverty and substandard housing.

Mr. Lopez said that was correct and houses have been rehabbed in every district in the City.

Ms. Adamczyk said if there were no more questions, staff would proceed with implementing the changes.

## 2. [15-017](#)

### PROPOSED AMENDMENTS TO CHAPTER 33 - WATER, SEWERS AND SEWAGE DISPOSAL IN ITS ENTIRETY AND CHAPTER 2 - ADMINISTRATION, ARTICLES I AND V

Staff Contact and Presenter: Vicki Rios, Director, Budget and Finance

Staff Contact and Presenter: Craig Johnson, P.E., Director, Water Services

Ms. Rios said staff had performed a comprehensive review of Chapter 33 and Chapter 2, which hadn't been done for many years. Participants in the review included Budget and Finance, Water Services and the City Attorney's Office. The purpose of the review was to comply with changes to state and federal law and to adopt practices commonly employed by other municipalities, as well as to improve customer service.

Ms. Rios explained the proposed revisions included identifying information to be collected on new customer accounts, allowing for proration of customer accounts for partial billing periods, and providing a timeline for final bill disputes. Additional proposed revisions included using generic references to the City instead of specific job titles and consolidating all rates and fees in one location for user convenience.

Ms. Rios said other substantive proposed revisions from the Budget and Finance Department included updating provisions for turning services on and off so that the Code complied with state law for residential customers, requiring commercial customer balances be paid prior to the restoration of services to that property, and provisions for hardships. Ms. Rios explained options for this provision, which included leaving the provision as it was, doing away with the practice entirely, or enforcing the provision at the discretion of the City Manager or Finance Director, according to established guidelines. She asked Council for feedback.

Mayor Weiers asked if a new business was unable to open its doors due to a previous owner's unpaid water bill, at what point did the City make the decision to turn the water off.

Ms. Rios said policies and procedures were in place for disconnecting water, generally when the business was two bills overdue. In cases of hardship, the City did not have the discretion to not turn off the water or turn it back on.

Mayor Weiers asked if the City would place a lien on the property if the water bill was not paid.

Ms. Rios said the City might place liens on the property but there were exceptions. The City would not lien the owner for the tenant's water bill. It would be a policy decision, and some balances might not be collected.

Councilmember Malnar said there should be a strict rule of holding the owner accountable for the bill. He also liked the idea of staff having discretion, pursuant to guidelines provided.

Councilmember Turner agreed that if a business was sold, any outstanding water fees should be paid by the new owner. He asked if the City obtained a personal guarantee from a business owner.

Ms. Rios said typically the City did not obtain a personal guarantee. The City would go after the legal entity that contracted for the services.

Mr. Bailey said Ms. Rios was correct and the City would go after the legal entity contracting for services.

Mayor Weiers said the deposit amounts seemed reasonable but asked if a new deposit amount could be two months of the average bill over the last two years. It could solve some of those types of problems.

Ms. Rios said there was a provision in the City Code to increase the deposit if a customer had been disconnected repeatedly. Staff could increase the overall deposit for commercial accounts but new customers usually had no history with the City. She said new customers did not think it was fair to base their deposit on the history of a prior customer.

Councilmember Tolmachoff didn't think it was a good idea to make the landlord responsible if a tenant didn't pay their bills. She liked the idea of giving staff discretion in negotiating the past due bills with landlords and tenants.

Ms. Rios said that was what was meant with the third option offered for Council consideration. She said in that situation, guidelines would be provided to staff to make those decisions.

Councilmember Malnar liked the idea of staff having discretion but said a landlord was involved because a tenant might not rent if they knew they would be responsible for a large past due bill. Landlords needed to have some responsibility.

Ms. Rios said the amount of past due bills for commercial accounts currently totaled \$21,000.

Councilmember Aldama said they were talking commercial and he agreed with the other Councilmembers. He asked if the City had a collection agency to collect the delinquencies.

Ms. Rios said the City did in-house collections and also worked with a third-party collection agency.

Councilmember Aldama was uncomfortable with new tenants having to pay delinquent balances from prior tenants.

Councilmember Tolmachoff preference was to give staff discretion because if these accounts were turned over to a collection agency, the City wouldn't get all the money back anyway.

Mr. Phelps reminded the Council that Water Services' revenue was about \$80 million and the amount being talked about was only \$21,000. He said the problem was very small in terms of bad debt. He asked Council to think of the fairness issue for any new customers being asked to pay delinquent amounts from prior tenants. He said this was an enterprise fund and what couldn't be collected was built into the rate structure. He said giving staff discretion would be beneficial to the City.

Ms. Rios said it looked like there was consensus to give staff some discretion.

Ms. Rios said staff was also asking for direction on staff discretion for turning water back on if a hardship exists. She explained if water has been turned off, service was not restored until the full balance had been paid. She said water service would be restored if there was a safety issue. These situations occurred only occasionally.

There was Council consensus.

Ms. Rios asked for Council direction on allowing discretion on adjusting fees and amounts billed. She explained this occurred during a leak or some other unexplained usage. Customers knew they would pay a higher rate for higher water usage, but the

customer with unexplained usage didn't know they were going to pay the higher rate. Staff currently did this as a matter of practice, but the Code had not been updated to reflect that.

Council concurred.

Mr. Johnson said Chapter 33 covered operations and maintenance. One proposed revision included clearly identifying unlawful utility activities such as meter tampering and unauthorized usage.

The next proposed revision would grant the City Manager the authority to implement the drought management plan. He said the provision was not clear who would manage the overall plan.

The last proposed revision would clarify responsibility for sewer blockages and/or damage. The City would take responsibility and repair any sewer issues in the City's right-of-way.

Councilmember Aldama asked if there was any cost to the citizens for the truck to come out in the case of sewer blockages.

Mr. Johnson said there was no cost to the citizens.

Councilmember Tolmachoff was under the impression that repairs to sewer lines were the responsibility of the property owner all the way out to the main.

Mr. Johnson said the property owners were responsible to the main, which could mean a cost to the property owner. It was better customer service to use the truck to determine where the blockage was so the property owner didn't have to incur the expense.

Councilmember Turner asked if water service was turned off to a residence and the owner turned the water back on without the City's permission, would that be considered meter tampering and unauthorized usage.

Mr. Johnson said that yes it would and a fee would be charged for unauthorized use.

Councilmember Tolmachoff asked if other cities granted the City Manager authority to implement the drought management plan.

Mr. Johnson would check and provide further information to Council. He said if a drought management plan needed to be implemented, the Council would be involved from the beginning.

Ms. Rios discussed proposed revisions to Chapter 2 that included definitions and authorizing staff to settle certain collection accounts.

Councilmember Aldama asked if staff would also be able to settle and negotiate for overdue balances.

Ms. Rios said that language could be added.

Council agreed to the proposed revisions.

Ms. Rios said the proposed revisions would be sent out as a draft for Council feedback and then presented at a future voting meeting.



**CITY MANAGER'S REPORT**

Mr. Phelps said nine members of the executive team attended training on strategic planning and all received the designation of a Balance Scorecard Professional. They will use those skills as the City moves forward with its strategic planning efforts.

Mr. Phelps said the City would be utilizing the services of a downtown manager who would be responsible for establishing an historic district program. This would include forming a merchant's association, identifying key stakeholder initiatives, establishing a business plan and working with staff on implementation. The manager would be selected through the RFP process which would begin in September.

Mr. Phelps announced that Conair had broken ground on an expansion of an additional one million square feet at their Glendale campus. This would be the second largest facility in Maricopa County and about 300 new jobs would be created as a result.

Mr. Phelps said an RFP was done for design and construction consultants for the Heroes Park Library. Several departments were involved in the process and three applicants had submitted proposals. The item would come before Council in the next couple of months.

Mr. Phelps reported on two recent fires. Several City departments worked together in both situations and provided very quick responses.

**CITY ATTORNEY'S REPORT**

Mr. Bailey had no items to report but said an Executive Session had been noticed.

**COUNCIL ITEMS OF SPECIAL INTEREST**

Councilmember Aldama asked staff to return with a draft ordinance regarding donation boxes.

Councilmember Aldama had noticed many dying trees specifically in the downtown area. He asked staff to look at a plan to replace those trees. He wanted to know the species of trees and if they were getting enough water.

Councilmember Aldama asked staff to research alternative funding to assist the Sonorita neighborhood for home improvements and other resources provided by CDBG grants. He wanted constituents to be aware that this community was exempt from using CDBG funds and wanted alternatives for those residents.

Councilmember Turner was also concerned about the trees in the downtown area. He said there were several trees that needed attention on 63rd Avenue near Sahuaro Ranch Park. He wanted to make sure the trees were getting enough water and to look at flood irrigation in some of those areas.

**MOTION TO GO INTO EXECUTIVE SESSION**

**A motion was made by Councilmember Aldama, seconded by Councilmember Chavira, to enter into Executive Session. The motion carried by the following vote:**

**Aye:** 6 - Mayor Weiers, Councilmember Aldama, Councilmember Chavira, Councilmember Malnar, Councilmember Tolmachoff, and Councilmember Turner

**Absent:** 1 - Vice Mayor Hugh

## **EXECUTIVE SESSION**

The City Council entered into Executive Session at 3:39 p.m.

**A motion was made by Councilmember Aldama, seconded by Councilmember Chavira, to adjourn from Executive Session. The motion carried by the following vote:**

**Aye:** 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Chavira, Councilmember Malnar, Councilmember Tolmachoff, and Councilmember Turner

## **ADJOURNMENT**

The City Council workshop meeting adjourned at 5:34 p.m.

**A motion was made by Councilmember Turner, seconded by Councilmember Chavira, to adjourn the City Council meeting. The motion carried by the following vote:**

**Aye:** 7 - Mayor Weiers, Vice Mayor Hugh, Councilmember Aldama, Councilmember Chavira, Councilmember Malnar, Councilmember Tolmachoff, and Councilmember Turner