

**MISSION STATEMENT**

*The mission of Community Development is to provide Community Development Block Grant (CDBG) and HOME Program funding to municipalities and other subrecipients not eligible for direct United States Department of Housing and Urban Development (HUD) funding so they can develop viable communities and to primarily benefit low and moderate income people.*

**COMMUNITY DEVELOPMENT ADVISORY COMMITTEE  
REGULAR MEETING  
NOVEMBER 4, 2015**

**MINUTES**

**MEMBER OR ALTERNATE**

**REPRESENTING**

**\*\*\*\*\*PRESENT\*\*\*\*\***

Jack Palladino	El Mirage
Tommy Lee Sikes	Gila Bend
Andrew Sanchez	Guadalupe
Albert Mendoza	Tolleson
Everett Sickles	Wickenburg
Dorena Mello	Youngtown
Neil Rifembark	District 3
Tony Gutowski	District 3
Barb Farrell	District 5

**\*\*\*\*\*ABSENT\*\*\*\*\***

Eric Orsborn	Buckeye
Sharolyn Hohman	Goodyear
Jacki Taylor	District 1
Nancy Marion	District 2
Ed Kientz	District 4
Corina Madruga	District 5

**\*\*CD STAFF PRESENT\*\***

Amy Jacobson  
Carl Morgan

1. **CALL TO ORDER**

Chair Dorena Mello called the meeting to order at approximately 6:30 PM.

2. **ROLL CALL AND ESTABLISHMENT OF QUORUM**

Carl Morgan took roll call. 9 members were present and a quorum was established.

3. **MINUTES OF OCTOBER 14, 2015 MEETING**

There was a motion by Fernando Fernandez with a second by Albert Mendoza to approve the October 14, 2015 meeting minutes. The motion passed unanimously by voice vote.

4. **CONFLICT OF INTEREST**

Amy Jacobson presented a summary of the conflict of interest regulations. The Conflict of Interest Law applies to all public officers and employees of the state or County and any of its departments, commissions, agencies, bodies, or boards. Title 38 states that a conflict of interest exists if the person, their business associates or relatives could make or lose money due to the action taken by that person.

Neil Rifembark stated that there are substantial conflicts, remote conflicts, and the appearance of a conflict. He asked where are the CDAC members with respect to these types of conflicts. Amy responded that it is on each person to declare a conflict of interest. If there are questions, then she would consult with the County Attorney for guidance regarding a specific situation. The County may have a form to be completed for this situation.

Everett Sickles stated that there is the possibility for both objectivity and bias when reviewing the applications. If CDAC members don't score applications from their own community, this may eliminate the potential for a conflict.

Amy read the definition of a substantial and remote interest. Under Arizona law "substantial interest" is any pecuniary or proprietary interest, either direct or indirect, other than a remote interest. "Remote interests" are:

- (a) That of a nonsalaried officer of a nonprofit corporation.
- (b) That of a landlord or tenant of the contracting party.
- (c) That of an attorney of a contracting party.
- (d) That of a member of a nonprofit cooperative marketing association.
- (e) The ownership of less than three per cent of the shares of a corporation for profit, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five per cent of the total annual income of such officer or employee and any other payments made to him by the corporation do not exceed five per cent of his total annual income.
- (f) That of a public officer or employee in being reimbursed for his actual and necessary expenses incurred in the performance of official duty.
- (g) That of a recipient of public services generally provided by the incorporated city or town, political subdivision or state department, commission, agency, body or board of which he is a public officer or employee, on the same terms and conditions as if he were not an officer or employee.
- (h) That of a public school board member when the relative involved is not a dependent, as defined in section 43-1001, or a spouse.
- (i) That of a public officer or employee, or that of a relative of a public officer or employee, unless the contract or decision involved would confer a direct

economic benefit or detriment upon the officer, employee or his relative, of any of the following:

- (i) Another political subdivision.
- (ii) A public agency of another political subdivision.
- (iii) A public agency except if it is the same governmental entity.
- (j) That of a member of a trade, business, occupation, profession or class of persons consisting of at least ten members which is no greater than the interest of the other members of that trade, business, occupation, profession or class of persons.

The County Attorney's opinion is that a CDAC members who is also

- - an officer or employee of a public entity applying for funding

- - a non-salaried officer of a nonprofit applying for funding

does not have a conflict of interest, as defined by Arizona law because such an interest is a 'remote interest' unless the decision would confer a direct economic benefit or detriment on the officer or employee.

Dorena Mello reminded the Committee that there was a conflict with the CDAC during the application process 2 years ago. Neil stated that the appearance of a conflict is an issue. Dorena recommended using the 'headline test'. If you don't want to see a description of the situation as a newspaper headline you may want to declare a conflict. Barb Farrell stated that it is good to discuss issues like this with the group. As a group we can help address the issue. Everett stated that not scoring the application from your community may solve the conflict. Carl Morgan reminded the CDAC that if a member has a conflict of interest that the member should not participate in the discussion of that agenda item.

Amy concluded the presentation by encouraging CDAC members to call or email her if they have any questions regarding a possible conflict of interest.

## **5. CDBG REALLOCATION REQUEST – FUNDING FOR SHELTER SERVICES**

Amy Jacobson presented the reallocation request. The men's overflow shelter is on property owned by the County and operated by CASS. In December 2013 the Fire Marshal declared the overflow shelter to be unfit for human habitation. It was closed on April 1, 2014. At the time 250 people were staying at the shelter.

A Funder's Collaborative that includes the Lodestar Day Resource Center and the St Vincent DePaul Society has been providing housing for the people that would have been in the overflow shelter. Additional funding is needed to provide these services. \$85,000 is requested for this year and \$115,000 is requested for 2016-17. If approved the \$115,000 for 2016-17 would limit the 2016-17 CDBG allocation for social services to approximately \$264,130.

Neil Rifenburg asked what activities would the CDAC be unable to fund if this were approved. Amy replied that there would be no impact on funding for this year. For 2016-17, the amount of CDBG funds available would be reduced by \$115,000.

Barb Farrell asked what other funding has this project received. Amy replied that the Valley of the Sun United Way has provided \$500,000 and the Maricopa County Industrial Development Authority has provided \$1,000,000 in funding for this project.

The CDAC discussed the CDBG program's 15% cap of the annual allocation for public service activities. This includes shelter services like Circle the City, Respite Shelter, and

this request. It also includes housing counseling, funding for food banks, and other social services. Using this year's allocation as an estimate for next year, a total of \$264,130 would be available to be allocated for all of these activities for 2016-17.

Discussion of the funding request continued.

- What would the funding be used for? Staff salaries to operate the shelter, plus mats, sheets, and utilities at the shelter.
- The shelter currently houses about 400 people per night.
- What is the plan after this funding ends in June 2017? There is ongoing discussion on this. Agencies are working to identify exactly who is using the shelter, what are their needs, and connecting them with needed resources including housing.

Barb Farrell made a motion to approve a recommendation to reallocate \$85,000 in returned CDBG funds during 2015-16 and allocate \$115,000 out of the 2016-17 CDBG allocation for homeless services. The motion received a second from Neil Rifenbark and was approved unanimously by voice vote.

Amy encouraged the CDAC to tour the Homeless Campus. Margaret Kilman is available to arrange a tour for any CDAC members that may be interested.

**6. QUARTERLY PROGRESS REPORTS**

Carl Morgan distributed the quarterly progress report for October 31, 2015. The report includes

- A summary of the County's progress towards the 1.5 rule expenditure deadline in April 2016.
- The status of each of the projects that are underway. The status includes a brief statement on the project's progress and reports that have been submitted.

**7. STAFF AND CDAC MEMBER ANNOUNCEMENTS**

The CDAC was reminded that CDBG applications are due Dec. 11, 2015. The CDAC's allocation process will start with applications being sent to the CDAC by January 11, 2016. The January 13 CDAC meeting will include a review of the funding requests. The December CDAC meeting may be canceled if there are no agenda items.

**8. OPEN CALL TO PUBLIC**

No members of the public asked to address the Committee.

**9. ADJOURNMENT**

Having no further business before the Committee, Chairperson Mello asked for a motion to adjourn the meeting. A motion was made by Fernando Fernandez with a second by Barb Farrell to adjourn the meeting. The motion passed unanimously at approximately 7:15 PM.

Respectfully submitted,  
Carl Morgan  
Recording Secretary