



City of Avondale

City Council Online Meeting

Monday, July 27, 2020

Summary of Council Actions

Mayor and Council

Kenn Weise, Mayor

Pat Dennis, Vice Mayor

Tina Conde, Council Member | Bryan Kilgore, Council Member

Veronica Malone, Council Member | Curtis Nielson, Council Member

Mike Pineda, Council Member

Administration

Charles A. Montoya, City Manager

Gina Montes, Assistant City Manager

Tracy Stevens, Deputy City Manager

Nicholle Harris, Interim City Attorney

Marcella Carrillo, City Clerk

Online Meeting

Join the meeting and view presentations: <https://avondaleaz.zoom.us/j/3083557784>

Using a Mobile Device? Download the Zoom Cloud Meeting App

Join the meeting with audio only: Call 301-715-8592 (meeting ID: 308 355 7784)



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WORK SESSION

6:30 PM

CALL TO ORDER BY MAYOR

1. ROLL CALL BY THE CITY CLERK

2. COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT FUNDING

City Council **received** an update from staff on the Community Development Block Grant Cares Act (CDBG-CV) funding and communicate recommended program activities.

3. ADJOURNMENT

Scheduled Recess

**The City Council will adjourn for approximately 15 minutes
prior to the start of the 7:00 p.m. Regular Meeting.**

Council Members of the City of Avondale will attend either in person or by telephone conference call. Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1200 or TDD 623-333-0010 at least two business days prior to the Council Meeting.

Los miembros del Concejo de la Ciudad de Avondale participaran ya sea en persona o por medio de llamada telefonica. Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oido, o con necesidad de impresion grande o interprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos dias habiles antes de la junta del Concejo.

MINUTES OF THE AVONDALE CITY COUNCIL
CITY OF AVONDALE, ARIZONA
ONLINE MEETING
July 27, 2020

The July 27, 2020 Work Session meeting was hosted online using the Zoom Cloud Meeting platform. All participants attended by phone or video.

A **Work Session** of the City Council of the City of Avondale, Arizona was convened using the Zoom Cloud Meeting platform in open and public session at 6:31 p.m.

Members Present: Mayor Kenn Weise; Vice Mayor Pat Dennis; Council Members Tina Conde, Bryan Kilgore, Veronica Malone, Curtis Nielson, and Mike Pineda.

Members Absent: None.

Other Municipal Officials Present: Charles Montoya, City Manager; Gina Montes, Assistant City Manager; Tracy Stevens, Deputy City Manager; Marcella Carrillo, City Clerk; Cindy Blackmore, Public Works Director; Jessica Blazina, Intergovernmental Affairs Administrator; Jeff Case, Fire Chief; Ken Chapa, Economic Development Services Director; Lindsey Duncan, Finance and Budget Director; Nicholle Harris, Interim City Attorney; Bryan Hughes, Parks and Recreation Director; Chris Lopez, Neighborhood and Family Services Director; Kevin Murphy, Development and Engineering Services Director; Dale Nannenga, Police Chief; Cherlene Penilla, Human Resources Director; Jeffrey Scheetz, Chief Information Officer; and Pier Simeri, Marketing and Public Relations Director.

Audience: Two members of the public were present.

1. ROLL CALL BY THE CITY CLERK

2. COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT FUNDING

Sandy Lopez, Neighborhood Revitalization Manager, provided an update on the Community Development Block Grant Cares Act (CDBGCV) funding and communicated the recommended program activities.

Ms. Lopez stated that \$2 billion was authorized for community development block grants for entitlement communities. Distribution is based on the 2020 CDBG formula grant. Avondale anticipates an allocation of \$426,811, which will be subject to CDBG eligible activities in accordance with existing regulations.

Eligible expenses must be in response to COVID-19 and must meet national objectives for CDBG, which include:

- Benefit low to moderate income persons
- Aid in the prevention or elimination of slum or blight

- Meet a need having a particular urgency

Allowable activities per CDBG regulations include:

- Assistance to businesses
- Manufacturers of medical supplies
- Prevent job loss
- Financial support for stabilization
- Buildings and improvements (related to testing, treatment, or quarantine)
- Increase public services (programs for community members)

Outreach was conducted to determine the best fund uses, primarily for businesses in revitalization areas. Business owners have expressed that their main concern is financial losses due to decreased business income.

Staff recommend the funds be used for residential eviction prevention at \$192,065, which is estimated to sustain a minimum of 42 households and small business assistance will be offered at a total of \$234,746 for a minimum of 23 businesses. The purpose of the Small Business Relief Program (CDBG-CV) is to assist and support the continued viability of small businesses experiencing financial hardship due to the pandemic. The program will be provided through grants to eligible businesses, not to exceed \$10,000. The funding is to be used for lease or mortgage payments for commercial locations. Payments would be made directly to the lease or lien holder and may include electricity or gas utility expenses.

For eligibility, the business must be for-profit and located within Avondale's CDBG eligible census tracts. Businesses with more than one location are only eligible for a location within Avondale's CDBG eligible census tracts. Businesses must be located in a commercial property and operational as of the date of the March 23, 2020 Executive Order. Food trucks are not eligible and only businesses with a brick and mortar location may qualify. The business must be able demonstrate that revenue loss did not occur because the business is seasonal and would normally be closed on a seasonal basis. Businesses that closed without being required to are not eligible. They must certify that gross revenues have declined by 25 percent or more due to the pandemic. They must certify and demonstrate that they have not received other governmental or federal financial assistance. They must employ 25 or fewer full-time equivalent employees. Ineligible business types include adult-oriented, cannabis-related, and businesses owned in whole or in part by City of Avondale officials or employees.

Mayor Weise asked for the location of CDBG eligible census tracts in Avondale. Ms. Lopez identified them as revitalization areas, such as Las Ligas, Cashion and Rio Vista. Mayor Weise asked whether the industrial buildings along I-10 are within the eligible area. Ms. Lopez stated that some businesses along Eliseo C. Felix may be eligible, but those along I-10 are not. Mayor Weise inquired as to the length of the process for determining whether the businesses have received PPP or other assistance and the overall

application timeline. Ms. Lopez stated that the intent is to move the process as quickly as possible. Much of this depends upon the completeness and accuracy of the application packet.

Council Member Nielson asked about the process for getting assistance to the families in need. Ms. Lopez stated that the City has a robust community action program with competent staff in providing rental assistance to residents and this program will be used to relay information. The resource center and CAP office have other funding sources that will be used for the same purpose.

Charles Montoya, City Manager, added that community outreach will include social media and through the Rave magazine to promote the Resource Center.

Council Member Conde asked whether assistance funds must be used by a specified date. Ms. Lopez stated that the same CDBG rules apply as customary and are included in the 2021 annual action plan. She is unaware of any additional time restrictions; however, she can get back to Council with any discrepancies. Council Member Conde noted that the funds are permitted to be used for programs. The community includes many seniors who are caring for grandchildren and there is a need for mental health supportive services for seniors. She asked whether such programs are currently in place and whether funds can be allocated for this purpose. Ms. Lopez stated her belief that through the resource center and CAP office, staff works with grandparents who are raising grandchildren. Staff is reaching out to these families to let them know about available assistance.

Council Member Kilgore echoed the comments from Council Member Nielson, stating he had some concern that the funds were more focused on businesses and not the residents. He asked whether assistance for the 42 households is dependent upon the number of people in the household. Ms. Lopez stated that income guidelines are adjusted per household size. Council Member Kilgore inquired if the City has an existing list of families in need. Ms. Lopez stated that the Resource Center has much of this information on file. In response to a question from Council Member Kilgore, Ms. Lopez stated that Council Members are welcome to provide NFS staff with the contact information of families who are experiencing hardships. Residents can also contact the Resource Center. Council Member Kilgore asked whether the money allocated to Avondale will be spent only for Avondale residents. He noted that the Care First Center assists residents in Tolleson, Phoenix and Goodyear. Ms. Lopez confirmed that the assistance is specifically for Avondale residents. Council Member Kilgore inquired what happens with any unused funds. Ms. Lopez surmised that unused funding would have to be returned to the federal government; however, given the level of need in the community, staff are hopeful that the funds will be disbursed quickly. In response to a question from Council Member Kilgore, Ms. Lopez stated that since the funding is being given directly to the entitlement communities, Avondale would not be able to use unspent funds from other cities. Each city is responsible for administering and spending dollars within its own city. Council Member Kilgore thanked Ms. Lopez for the information.

Mayor Weise noted that the Governor has extended the eviction protection and asked how this would impact the eviction assistance funding. Ms. Lopez stated that even with the protections, rent is still due. The moratorium on evictions simply keeps residents who are unable to make their rent payments from being evicted; however, rent will still need to be paid at some point. If those families can keep up with rent payments, this will be of great assistance when the moratorium ends.

Council Member Pineda echoed the comments by Council Member Nielson with respect to getting the program information to the residents. He commented on the need to reach out to individuals who may not be accustomed to seeking assistance. He would like to see a formalized outreach process. Ms. Lopez stated that residents seeking assistance through the eviction program would begin the process through the Resource Center. She noted that small businesses should be sent to her directly. She agreed with Council Member Pineda that there are individuals who may not be savvy enough to complete the larger processes. She noted that these funds were created specifically for the smaller businesses who may be intimidated by the processes. Staff will be directly reaching out to small businesses in revitalization areas.

Council Member Malone noted that Sipping Sisters Café had a grand opening just as the shutdown commenced and asked whether they qualify for a grant. Ms. Lopez stated that Sipping Sisters was in mind as the program was being developed. They may likely be one of the newest businesses eligible. Council Member Malone asked about another business, which is not fully functioning at this time, but trying to get going and whether they would be eligible for funding. Ms. Lopez said that as long as they meet the eligibility requirements, they would be a candidate for assistance. Council Member Malone referenced the residential eviction prevention program and asked whether residents who have received other forms of help in recent months would still be eligible for assistance under this program. Ms. Lopez stated that generally, CAP assistance is for a one in a 12-month period. She said this question would have to go to staff who is more familiar with the residential program.

Ms. Montes explained that staff are unable to answer specific scenarios at this time. Mayor Weise encouraged Council Members to forward specific referrals for assistance to the appropriate staff. Funding will be available once HUD approves the City's fund plan and annual action plan, which should occur mid to late August.

Vice Mayor Dennis referred to legislation last year to allow owners of rental property to not accept secondary types of funding. Ms. Lopez said she is not familiar with the legislation. The landlord would need to be willing with the City in agreeing to not evict the tenant while the funding process proceeds. Mayor Weise asked staff to research a definite answer and include it in the weekly update.

Vice Mayor Dennis asked about the total funding available through the initial CAP funding. Ms. Lopez stated that she would have to get back to Council with an answer. Vice Mayor

Dennis stated those who did not utilize the maximum amount of assistance initially should have access to additional funding up to the maximum available. In response to a question from Vice Mayor Dennis, Ms. Lopez stated she was unsure regarding the earning threshold for eligibility of CAP funding; however, the CDBG threshold is higher than the CAP threshold. In response to a question from Vice Mayor Dennis, Ms. Lopez confirmed that assistance is on a first-come, first-served basis.

Vice Mayor Dennis asked whether nonprofit businesses would be eligible for assistance if they had not received support from other sources. Ms. Lopez stated that the focus has been on for-profit business, which typically generate revenue through sales and services. At this time, the City had not considered nonprofits, but the City does offer the contributions assistance program. Should City Council direct it, staff would consider applications from nonprofits. Mayor Weise asked for Vice Mayor Dennis' thoughts on the City first assisting residents and for-profit businesses first. Then, if all dollars are not utilized, the City could open the opportunity for nonprofits. Vice Mayor Dennis agreed that the Mayor's suggestion would be appropriate. Mr. Montoya clarified that there are still eligibility requirements for the funds, even if they are nonprofits. Mayor Weise requested an update once funding is received and the process begins.

3. ADJOURNMENT

There being no further business before the Council, Vice Mayor Dennis moved to adjourn the Work Session meeting; Council Member Nielson seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Meeting adjourned at 7:15 p.m.

Kenn Weise, Mayor

CERTIFICATION AND ATTESTATION