

June 26, 2017

City Council

Proceedings by Authority

State of New York
City of Jamestown ss:
City Council Chambers

A Public Hearing of the Mayor of the City of Jamestown, New York was held on Monday, June 26, 2017 at 6:30 PM.

Present: Mayor Samuel Teresi

Others Present: Council President Greg Rabb, Councilwoman Vickye James, Councilwoman Marie Carrubba, Councilwoman Kim Ecklund, Planning and Research Specialist Jeff Hollern

Mayor Teresi called the public hearing to order and asked the Director of Financial Services/City Clerk to read the legal notice.

201706B00.01

LEGAL NOTICE

Notice is hereby given that a Public Hearing sponsored by the Mayor of the City of Jamestown will be held on **June 26th, 2017** at 6:30PM in the City Council Chambers, Second Floor, Municipal Building, 200 East Third Street Jamestown, New York.

The purpose of this public hearing is to propose an initial draft of the CDBG and HOME 2016 Annual Action Plan to City Council that was crafted after receiving public input regarding housing, neighborhood, and economic development needs that might be addressed through the City's Community Development Block Grant (CDBG) and HOME Program allocations for 2017.

Those who are unable to attend this Hearing are invited to submit their written comments to the Department of Development, Third Floor, Municipal Building, 200 East Third Street, Jamestown, New York, 14701, no later than July 24th, 2017.

The Jamestown City Council and the subsequent submission of the City's FY 2017 CDBG and HOME Annual Action Plan application to the U.S. Department of Housing and Urban Development will consider all comments received prior to the formal authorization of the applications.

Any person with a disability requiring reasonable accommodation in order to participate in the meeting should call (716) 483-7612 with their request prior to the meeting.

Samuel Teresi
Mayor
Publication Date: June 16, 2017

Mayor Teresi: I think that was correct, because the public comment period is until July 24th after tonight's hearing. It's a thirty day period. This begins the public input and public hearing process for the 2017 CDBG program. So, the public comment period will be left open until July 24th.

Before I open it up to the public, I'd like to introduce Mr. Jeffrey Hollern from the Department of Development. He's here representing Director of Development, Vince DeJoy tonight. Mr. DeJoy couldn't be here and Mr. Hollern, I'd ask that you walk us through the staff generated draft recommendation of the use of CDBG and HOME funds for the coming round.

Mr. Hollern: I've written a statement first and then we can go through each individual item. Hello Councilmembers, I'm Jeff Hollern. I'm the Planning and Research Specialist for the Department of Development. As the mayor said, I'm here today on behalf of Vince DeJoy to provide a brief update on the 2017 CDBG and HOME annual action plan; to present our proposed allocations for programming this year.

As you already know, HUD funding for CDBG and HOME programs have come into question with the new administration. And while we are pleased to say that we have now received our allocations for 2017, but it has not come without a significant delay in the planning process for how we typically submit this plan for approval. For example, we are given our allocations from HUD, something we typically receive in February or March, on June 14th this year. That's three days before our annual action plan is usually due. In order to compensate for these delays, HUD has made two large changes to this year's annual action plan submission process. First, once drafted, the public will only have 14 days, as opposed to the usual 30, to read and make comments to the plan, which will be posted at the Department of Development, in the Mayor's office and at Prendergast Library within the first week of July. As you said, the deadline will be the 24th to bring in comment.

Second, the final deadline for the plan has been moved to August 17th, which is two months after its typical deadline for the City of Jamestown. We have already met our requirements by HUD to provide two public input opportunities before drafting this plan. One in April, which drew no attention from the public and another this past Thursday night, which piggybacked on a meeting to discuss our city's Brownfield Opportunity Area in Chadakoin Park and Washington Street.

The next step will be to finalize the draft plan and open up a now 14-day public input period before bringing it back to you for a vote next month. I've provided you with a breakdown of this year's proposed allocations for the 2017 annual action plan as well as the comparison with previous years. This year, CDBG has received \$1,056,212.00; up about \$7,000.00 from last year. HOME will receive \$230,231.00, which is actually a \$25,000.00 cut from last year. We are pleased that not only we are receiving funding at all this year, but that it comes without drastic cuts, which allows us to keep a lot of the same programming in place. We firmly believe that the programs that help rehab rental properties, repair owner-occupied homes, demolish abandoned and irreparable structures and make business downtown more accessible are well within HUD's national goals; to benefit low to moderate income families while fighting the everlasting battle against slum and blighted neighborhoods. As always, public opinion on these programs are always considered, which is why I hope to hear from our residents this month about how they feel this money can better serve their neighborhoods and aid low to moderate income people

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with adequate housing. I look forward to hearing your comments about the proposed plan and discussing it with you further next month before putting it up for a vote. Thank you.

Would you like to just go down the list?

Mayor Teresi: Yes, won't you just, Jeff, please walk us through. One point that I'd like to make in addition to your comments; Mr. Hollern indicated that there were two official public input opportunities to date. That is true. But, on top of that, I also want to make note of the fact that the opportunity to get input from the general public is a year-long effort on the part of the city staff. The staff is constantly meeting with groups, business representatives and individuals and receiving continual input and insight from them as the year goes on, as well as the interest and the insight and the input that's provided by councilmembers throughout the course of the year that they take into consideration with drafting the – determining what the needs are; the pressing needs of the community and ultimately drafting a program that they're bringing forth tonight in public to begin the review and the consideration process. With that, Jeff please walk us through the staff generated and recommended activities.

Mr. Hollern: A lot of these programs; there are no new programs this year. A lot of this might look familiar to you. The first one here is ADA improvements for public facilities. That will be receiving \$180,212.00. The Neighborhood Target Area Infrastructure Improvement Program will be receiving \$296,000.00. The Neighborhood Target Area Demolition Program will be receiving \$150,000.00. The Owner-Occupied Emergency Repair Program will be receiving \$30,000.00. Downtown Handicap Accessibility Improvement Program will be receiving \$120,000.00. The Neighborhood Target Area Rental Rehabilitation Program will be receiving \$90,000.00. The Target Area Code Enforcement Officer will be receiving \$55,000.00. The Target Area Greenlining Façade Improvement Program \$130,000.00. And for planning and technical assistance, \$5,000.00. That means that there will be about 87.22% going towards benefitting low to moderate income families and a 12.78% of the program funding will be going towards fighting slum and blight.

As for HOME, the only program there is – that we run – is the City-Wide Owner-Occupied Rehabilitation Program. That will be receiving \$172,666.00. The CHDO set aside will be receiving \$34,533.00. And \$23,022.00 for admin costs.

Councilwoman James: What is CHDO? What is that?

Mr. Hollern: CHDO? I don't run a lot of these programs so I might not have all the details squared down, but I do know that usually a lot of those funds are directed towards CHRIC I believe.

Mayor Teresi: CHDO is a Community Housing and Development Organization.

Mr. Hollern: So, they would be a sub-recipient of those funds.

Mayor Teresi: It's typically a not-for-profit housing and community development organization. It receives a certification to become a CHDO. There are two functioning in the City of Jamestown right now; CODE and CHRIC. They have to go through a process of receiving that designation through the Department of Housing and Urban Development. That then makes them

eligible to receive a portion of the city's HOME Program allocation every year and under the regulations for the HOME Program, the Home Investment Partnership Program, a whole recipient has to share a minimum of 15% of its HOME allocation every year to activities that are being sponsored by certified, designated CHDOs within the community. So, every year, a minimum, of 15% of our HOME allocation has to be spent in conjunction with activities operated by either CHRIC or CODE.

Councilwoman James: Thank you.

Mayor Teresi: One thing that I'd like to note, before I turn it over for public input, is that the activities included in this year's annual action plan for both of these programs are part of an overall five-year master plan that the city has to put together once every five years. And Jeff, this is year what of that?

Mr. Hollern: This would be year three. It was in 2015.

Mayor Teresi: Correct. So, we're about halfway through. This puts us over the halfway mark on a five-year plan that CDBG entitlement communities and HOME entitlement communities have to put together once every five years and then every year, put together an annual action plan that allocates the funding for that particular federal fiscal year. As you probably will recall, as Jeff indicated also, that these are activities that were funded in the previous year and the decisions were made to include funding for these activities and previous annual action plans, it was with anticipation that there would be multi-year funding commitments to them. I think it was the intention of the staff and the administration, given the tremendous uncertainty as to the future of the Community Development Block Grant program and the HOME investment partnership program as the administration at the federal level has proposed its outright elimination next year, that the opportunity needed to be taken to continue our multi-year commitment, not knowing what the future may hold for these activities and to make sure that there was another round of funding out of the 2017 program to keep these activities going. As Jeff indicated we, of course, are all hoping that the funding at the federal level will continue for CDBG and HOME, but not knowing for sure that it will or at what level, I think it was the determination of the staff and the administration that we better keep our focus on the activities that we began over the past two years in the event that the program is either eliminated or severely gutted by the administration; before we were introducing any new trial-type activities into the mix. The dollar amounts have been adjusted, but the commitment to funding for the coming year was maintained to make sure that what we put in our five-year comprehensive plan had the opportunity to continue moving forward. So, I think that's kind of a backstory as to why you're not seeing a lot of new activities being introduced or radical changes because nobody knows for sure what the future holds.

Mr. Hollern: Another note too is that I did see that there is one program that is different from last year. We've had the program before, but it is a Downtown Greenlining Façade Improvement program in 2016. It is now considered a Target Area Greenlining Façade Improvement Program. I think it will still go towards commercial buildings, but it won't be so focused to the downtown area.

Mayor Teresi: But, in all reality, probably largely focused in the downtown area because that's where most of the commercial buildings are located. And our target areas, while there are commercial areas within them, most of the commercial activity is in the central business district. So, we'll still see a focus on the downtown area although a commercial project in one of the targeted areas of the city, the gateways along North Main Street, East Second Street would qualify under this definition.

Mr. Hollern: As I've mentioned in some of our public meetings; it just that sometimes we don't have the luxury of picking and choosing where we put the money specifically, so if there's someone who's willing to go the distance with the program, we're not going to exclude them because they're not in our area.

Mayor Teresi: And one last point that I'll make, before I turn it over for the public portion of the meeting is that this program has been cut nearly in half in the past six to seven years for what the city was receiving at its peak. That has spanned administrations. And it's too bad because this is an extremely valuable tool, not only for the City of Jamestown, but for hundreds of municipalities across the country. So, with that I will open it up for public comment. I believe that both microphones are working. I would ask that anybody who would like to speak to the subject of the public hearing, please step forward now, introduce yourself by your name, your residential address. If you're representing a group or an organization, please let us know that as well and keep your comments to roughly five minutes.

Mr. Champ: Good evening. Doug Champ, 225 Bowen Street, Jamestown, New York. In my previous history, I put together twelve of those Community Development Block Grant programs and I know they're not easy to assemble and put together, but some of the questions I have are related, I guess, to fulfillment and carry out of where you're at with prior year block grant allocations as to how many of these are actually open as active projects in terms of the previous years.

In addition to that, of course, one can argue or agree or disagree with the admin line item, which is the second highest combined line item in the whole program. So, I mean, it's about 18%. Many years ago, we never went anyone near that. The dollar amount is relevant, I understand that, but the next highest dollar value is going in a neighborhood targeted area infrastructure programs. And then when you add the two admin costs, that's the second highest item of the whole program. I also wonder why we haven't thought about some type of investment approach to recruitment of funding. So that as we roll into the coming future, where there's a good possibility with this administration is going to eliminate the block grant completely, so we are going to go from an allocation available to you of \$1.2 million perhaps to zero. Where are you going to go with this type of format in terms of these projects? I would like to see some type of sustaining application at least on the eligibility part as to whether or not you could actually use some of these funds and maybe perpetuate an extra partial year out of what might be available coming to you this coming year under the federal fiscal year. Basically, this is a spend down program. You're spending the money down and I think approach might be valued, this time, of seeing whether or not you can recover some of those funds in some form of a no interest loan arrangement, much like the Urban Development Action Grants that were put in position years ago where a user paid back into a program to some extent. That would perpetuate some of the activity on a longer cycle.

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I also don't see anything at all in regards to maybe throwing some money into the Riverwalk theme; directly toward the infrastructure associated with that in some form of allocation. As you know, there are sources of funding for that, but I see nothing here at all relating to that whatsoever. And that would be increasingly important that that type of thing be looked at in the future. So, maybe this is the year, if you're not going to have any more money, to take a look at that possibility.

In addition to that, I believe that we've concentrated for so long on rehab, that we haven't looked at the possibilities of some type of homeownership plan for low and moderate income. An actual purchase, in some format, that would allow someone at least to come up with the down payment funding and to try to buy a house and be able to do that. So, these are my suggestions. I know it's a difficult arena to play in, but at the same time, I think we have to be a little more creative this year than we've ever been before, with the fact that we might lose everything for 2019 and beyond. Thank you.

Mr. Hollern: Thank you.

Mayor Teresi: Thank you Mr. Champ. Just a couple of comments. You mentioned about the program delivery and performance from prior years; the program delivery and the performance is well within the drawdown expenditure requirements of the Department of Housing and Urban Development. We've officially received that notification and in fact if we were not within compliance with the program implementation drawdown and expenditures for previous years, they would not allow us to submit another CDBG entitlement program for the third year of our five-year plan. As far as the admin goes; the program regulations, as you know, allow for a 20% of the total project amount to be utilized for administration, planning and program delivery purposes. Of the roughly 19% that this program is at, it's well within that. And in fact, most cities across the country, including this city for many years; we don't anymore, but for many years this city along with most other recipients would take the 20% right off the top and book it and that's not the way that we construct our program here. We actually calculate what we're going to need for administrative cost, planning and program delivery purposes.

One thing I would remind folks, on the record here, is that this is a tool or two tools that we have to deal with community and economic development and housing and neighborhood improvement activities. We try to look across the spectrum and not utilize CDBG dollars where there would be other sources of funding to accomplish another purpose. One example is a home ownership program with assisting first-time homebuyers with the cost of a purchase down payment. The State of New York is rolling out a new initiative like that and as such, if there is another way to advance an initiative without utilizing CDBG dollars, we try to balance those sources and needs accordingly and only use CDBG dollars where there may not be other sources of funding to accomplish things such as that or Riverwalk development and so forth. I just wanted to make those comments and clarifications. Councilwoman Carrubba?

Councilwoman Carrubba: Actually, The Resource Center years ago did serve as a CHDO and they did assist a number of homeowners in purchasing a first-time home. Several of their employees were able to, as well as individuals with disabilities. At one point the CHDO that they offered did allow homeownership through their funding of the Community Development Block Grant funds.

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The other thing I'd like to comment as well is to continue to thank the city and the Department of Development for all they have done for the ADA improvements in the city as well as the handicapped accessibility. It's been vital I think as our population ages and I sound like a broken record, but as we age, everybody needs these kinds of developments and it helps everyone in the city. So, I appreciate and value the attention that's been paid and the things that have been accomplished in terms of improving accessibility. It's noted by people that come here. We are far ahead of places like Buffalo and other nearby cities who have really delayed in doing anything to promote accessibility and we really appreciate what's been done; it helps everyone in our community to make it more liveable and walkable and wheelchair accessible. So, thank you.

Mayor Teresi: And though, while the progress has been impressive and the efforts have been robust, we're not to the point where we need to be as a community for full ADA compliance and thus, the reason that the staff continues to recommend an annual allocation in this direction. Also, to be quite honest with you, it tends to be a target that is a moving goalpost. What was ADA compliant five or six years ago, as a primary example, the lowered curb ramps at intersections. That standard has changed several times and many of the curb ramps that we have built with CDBG funds or CHIPS funds in years past, are being removed and replaced with the new standard; the new style and new requirements. Things continue to change and there's a great need in this community and I think the staff recognizes and the administration does that we need to continue to focus energy in these areas. Also, back during the day when we had roughly twice the amount of CDBG funds to spend, there's other needs and issues that we could, if you will, experiment with or to launch new initiatives, but when the funding has literally been cut in half in the past five to six federal budget cycles, it kind of restricts your ability to delve into new areas.

I'd like to introduce the rest of the councilmembers that are here today. City Council President, Greg Rabb. Councilwoman at Large, Kimberly Ecklund. We've already heard from Fourth Ward Councilmember, Marie Carrubba and Third Ward Councilmember, Vickye James. Councilmembers, any comments or questions that you'd like to offer or ask at this point in time?

Mayor Teresi asked three times if there were any other comments to come before the public hearing.

There being no one who wished to speak, the Public Hearing was adjourned.

James N. Olson
Director of Financial Services/City Clerk