



**CENTRAL  
ARIZONA  
ASSOCIATION OF  
GOVERNMENTS**

**HISTORIC BELMONT BUILDING**

**271 MAIN STREET**

**SUPERIOR, AZ 85273**

*Serving Gila & Pinal Counties since 1970!*

September 1, 2006

Town of Payson  
Kevin Krogulski  
303 North Beeline Highway  
Payson, Arizona 85541

Re: Request to be placed on Council Agendas

Dear Mr. Krogulski:

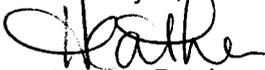
This letter is to advise in advance the days that CAAG would like to be placed on your Council Agendas for the Public Participation process for the FY 2007 CDBG Application process.

Enclosed you will find an information sheet that you may include in your council packets. This information sheet identifies the dates and procedures for the public participation process. In addition, there are information flyers for public use and a sample of the presentation CAAG will present at the first public hearing identified below.

October 5, 2006	Public Hearing to discuss possible projects for the FY 2007 CDBG application
January 4, 2007	Council discussion and action item to select the project (s)
March 1, 2007	Public Hearing to adopt pertinent resolutions for the FY 2007 CDBG application(s)

Should there be a problem with the above dates, please advise CAAG at your earliest convenience so that our schedules may be corrected. Please take note of Council Meetings that are held on holidays and advise if the meeting will be cancelled or postponed. Please feel free to contact me at 520-689-5004, ext. 28.

Thank you,

  
Heather Patel  
CDBG Director

cc: Bethany Beck

**GILA COUNTY:** GLOBE, HAYDEN, MIAMI, PAYSON, WINKELMAN  
**PINAL COUNTY:** APACHE JUNCTION, CASA GRANDE, COOLIDGE, ELOY, FLORENCE, KEARNY, MAMMOTH, MARICOPA, QUEEN CREEK, SUPERIOR

LOCAL: (520) 689-5004 • TOLL-FREE & V/TTY: 1-800-782-1445 • TDD: (520) 689-5009 • FAX (520) 689-5020

OCT 05 2006 F.I.L.

**COUNCIL PACKET INFORMATION INSERT**  
**SUBJECT: FY 2007 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**FROM:** Heather Patel, Central Arizona Association of Governments (CAAG)

**DISCUSSION:** The Town of Payson is conducting the public participation process for the FY 2007 Community Development Block Grant (CDBG) Program. This process includes several required steps to determine the project (s) that will be submitted to the Arizona Department of Housing (ADOH) on July 1 for funding.

Step 1: An advertisement was placed in the local paper advising the community of the scheduled public hearing. Technical Assistance is provided by CAAG to assist the public with presenting an eligible project to the Town Council for consideration.

**ADVERTISEMENT PLACED ON: September 19, 2006**

Step 2: Hold a public hearing to obtain input from the public, Town Council and Town staff regarding the use of CDBG funds equaling the projected amount of \$140,000 and the possibility of State Special Project (SSP) funds with a maximum funding amount of \$300,000. SSP is a competitive grant whereas CDBG is an amount that is provided to your community and allocated based on the Central Arizona Association of Governments Regional Council and Method of Distribution. Both grants are submitted to ADOH and are awarded based on eligibility and funding availability.

**PUBLIC HEARING SCHEDULED FOR: October 5, 2006**

**ACTION REQUIRED: No**

Step 3: Council shall decide on a project for CAAG to continue with the application process. The SSP program allows for up to as many projects as you would like, however due to the competitive nature, funding availability and the process of consideration, generally only one community project is considered and fundable.

**PUBLIC HEARING SCHEDULED FOR: January 4, 2007**

**ACTION REQUIRED: Yes**

Step 4: An advertisement will be placed in the local paper advising the community of the scheduled public hearing/meeting.

**ADVERTISEMENT PLACED ON: February 13, 2007**

Step 5: Hold a public hearing to obtain input from the public, Town Council and Town staff regarding the use of CDBG funds. The Town Council shall adopt any pertinent resolutions required by ADOH for submittal of the CDBG and SSP applications

**PUBLIC MEETING SCHEDULED FOR: March 1, 2007**

**ACTION REQUIRED: Yes**

During the public hearings, CAAG will present to the Town Council the following items:

- a. Total amount of CDBG funds available from both the Regional and State Special Project Accounts for FY07
- b. The types of activities that may be funded with CDBG funds and the three CDBG national objectives.
- c. The estimated amount of funds that will be used to benefit low to moderate income persons
- d. The community's previously funded CDBG programs and projects.
- e. The community's complaint and grievance.
- f. Technical assistance for any person, to present potential CDBG projects to the public and officials for funding consideration.
- g. Identifying projects proposed by local elected officials or community members and staff for FY 2007 CDBG funding from the Regional and/or State Special Project Accounts. Identifying potential projects that may result in displacement and the local governments intention to minimize displacement.

Eligible Projects must address one of the three national objectives:

1. **LOW MOD BENEFIT:** Must benefit low and moderate-income persons. LM activities fall into one of the following four categories:

Area wide Benefit – benefits low to moderate income persons residing in an area in which 51% of the residents are considered Low to Moderate Income (LM).

Example projects – street paving, youth center, fire station and/or equipment, new water lines, drilling of new water wells, parks, libraries

Limited Clientele Benefit – provides benefits to a target group (as identified by CDBG) that is assumed to be 51% LM.

These target groups are abused children, elderly persons (age 62+), battered spouses, homeless persons (an adult without children or a youth not accompanied by an adult), adults with severe disabilities (age 16+), illiterate persons, persons living with AIDS, and migrant farm workers.

Example projects - senior center, removal of architectural barriers, social service center, literacy training.

LM Housing – assistance to improve residential structures or assistance to purchase homes for qualified persons who individually meet the low to moderate-income requirements.

Example projects – Housing Rehab, homeowner assistance, mobile home replace (if consistent with Town Code), new construction of homes by non-profit for LM homebuyers.

LM Job Creation or Retention – economic development assistance, in which the end result creates or retains permanent jobs, at least 51% of which are held by or will be made available to LM persons.

Example projects – Job training and placement for LM income persons for specific jobs.

2. **SLUM/BLIGHT-** the grant activity must aid in the prevention or elimination of slums or blight.

Example projects – Demolition and clearance, downtown redevelopment plan, code enforcement, commercial rehabilitation.

3. **URGENT NEED** – the grant activity meets other community development needs having particular urgency, which pose a serious and immediate threat to the health or welfare of the community.

Example projects – Demolition and clearance, commercial rehabilitation, housing rehabilitation.

TO: Fred Carpenter, Payson Town Manager  
FROM: Kevin Krogulski, Payson Grants Coordinator *KMK*  
DATE: September 25<sup>th</sup>, 2006

Heather Patel, with Central Arizona Association of Governments will be attending the council meetings on Thursday, October 5<sup>th</sup>, 2006, Thursday, January 4<sup>th</sup>, 2007, and Thursday, March 1<sup>st</sup>, 2007 to conduct the public hearings in preparation for the Town of Payson 2007 Community Development Block Grant application. The October 5<sup>th</sup> meeting will be a public hearing to discuss possible projects for the 2007 application. The January 4<sup>th</sup> meeting will be a council discussion and action item to select the project(s). The March 1<sup>st</sup> meeting will consist of a public hearing to adopt pertinent resolutions for the FY 2007 CDBG application. An advertisement is scheduled to run in the September 19<sup>th</sup> issue of the Payson Roundup advising the community of these dates. Due to the requirement of proving that a targeted area is comprised of at least 51% of residents who meet the low income definition, projects should target specific direct eligible beneficiaries rather than general areas or neighborhoods. I will be placing brochures in the Town Hall Lobby and public library at Rumsey Park to get citizen feedback; attached is a copy for your review. I also have these brochures available in my office. Please feel free to refer anyone to my extension should they have any questions.

**AGENDA**

1. CDBG FY 07 Information:
  - a. Total amount of CDBG funds available from both the Regional and State Special Project Accounts for FY 2007
  - b. The types of activities that may be funded with CDBG funds and the three CDBG national objectives.
  - c. The estimated amount of funds that will be used to benefit low to moderate income persons
  - d. The community's previously funded CDBG programs and projects.
  - e. The community's complaint and grievance.
  - f. Technical assistance for any person, to present potential CDBG projects to the public and officials for funding consideration.

2. Identifying projects proposed by local elected officials or community members and staff for FY 2007 CDBG funding from the Regional and/or State Special Project Accounts. Identifying potential projects that may result in displacement and the local governments intention to minimize displacement.

**FY 2007 FUNDING LEVELS**

TOTAL GRANTEE FUNDS		\$12,143,585
REGIONAL ACCOUNT	85%	\$9,927,387
NACOG	23.2%	\$2,300,600
WACOG	29.9%	\$2,956,683
CAAG	22.6%	\$2,279,674
SEAGO	24.3%	\$2,390,430
STATE SPECIAL PROJECTS (SSP)	15%	\$1,751,892
TOTAL CAAG FUNDS		\$2,279,674
SINGLE FUNDED		\$134,000
DOUBLE FUNDED		\$268,000

The MOD, Management and Regional Council decided that Miami would receive any remaining funds after an even division of the CAAG Region allocation. All communities listed above provided CAAG with a letter of intent/non-intent.

The funding amounts are estimated figures based on FY 2006 funding. The FY 2007 funding amounts will be released in 2007.

**ELIGIBLE GRANT ACTIVITIES**

Please note that the components are examples ONLY and are not all-inclusive. It is recommended that applicants contact the Arizona Department of Housing or their respective COG with any questions concerning eligibility. All Grant Activities must be eligible and meet a **National Objective:**

1. **LOW MOD BENEFIT:** Must benefit low and moderate-income persons. LM activities fall into one of the following four categories:

**Area wide Benefit** – benefits low to moderate income persons residing in an area in which 51% of the residents are considered Low to Moderate Income (LM).

Example projects – street paving, youth center, fire station and/or equipment, new water lines, drilling of new water wells, parks, libraries

**Limited Clientele Benefit** – provides benefits to a target group (as identified by CDBG) that is assumed to be 51% LM.

These target groups are abused children, elderly persons (age 62+), battered spouses, homeless persons (an adult without children or a youth not accompanied by an adult), adults with severe disabilities (age 16+), illiterate persons, persons living with AIDS, and migrant farm workers.

Example projects - senior center, removal of architectural barriers, social service center, literacy training.

**LM Housing** – assistance to improve residential structures or assistance to purchase homes for qualified persons who individually meet the low to moderate-income requirements.

Example projects – Housing Rehab, homeowner assistance, mobile home replace (if consistent with Town Code), new construction of homes by non-profit for LM homebuyers.

**LM Job Creation or Retention** – economic development assistance, in which the end result creates or retains permanent jobs, at least 51% of which are held by or will be made available to LM persons.

Example projects – Job training and placement for LM income persons for specific jobs.

**Qualifying Low and Moderate Income** - The activity must benefit low and moderate-income persons but such activities cannot benefit moderate-income persons to the exclusion of low-income persons. At least 51% of the Service Area, Limited Clientele, or Jobs Created must be Low to Moderate Income. See chart on next page...

2. **SLUMBLIGHT** – the grant activity must aid in the prevention or elimination of slums or blight.

Example projects – Demolition and clearance, downtown redevelopment plan, code enforcement, commercial rehabilitation.

3. **URGENT NEED** – the grant activity meets other community development needs having particular urgency, which pose a serious and immediate threat to the health or welfare of the community.

Example projects – Demolition and clearance, commercial rehabilitation, housing rehabilitation.

**Previous CDBG activities**

- 2006 RA – OOHRR
- 2004 RA – OOHRR, Commercial Rehab
- 2002 RA – OOHRR, Commercial Rehab
- 2002 RA – Senior Center Improvements
- 2002 RA – Literacy Program

**Complaint and Grievance Procedure**

Contact Town Clerk at the Town Hall  
 Time for submittal - within 15 days  
 Response time - within 15 days  
 Appeal process - through the Town Clerk to the Town Council.  
 Copies of procedures are available at Town Hall.

**Technical Assistance**

Groups representing low and moderate income persons in the community that desire technical assistance in developing proposals for CDBG funds may obtain such assistance by contacting: Heather Patel, CDBG Director, Central Arizona Association of Governments, 271 Main Street, Superior, AZ 85273, (520) 689-5004, TDD (520) 689-5009 between the hours of 8 am and 5 pm, Monday through Friday.

Please note that the local elected officials retain the authority to determine the CDBG activity or activities for which the community will submit an application.

**2006 HUD LOW & MODERATE INCOME LIMITS**

Prepared by HUD Received 02/03

COUNTY	1 # of persons in household	2 # of persons in household	3 # of persons in household	4 # of persons in household	5 # of persons in household	6 # of persons in household	7 # of persons in household	8 # of persons in household
GILA Very Low	14,950	17,100	19,200	21,350	23,050	24,750	26,450	28,200
Low & Moderate	23,900	27,300	30,750	34,150	36,900	39,600	42,350	45,100
PINAL Very Low	21,050	24,050	27,050	30,050	32,450	34,850	37,250	39,650
Low & Moderate	33,650	36,500	43,300	48,100	51,950	55,800	59,650	63,500

**CDBG NEEDS IDENTIFICATION FORM**

1. Name:
2. Address:
3. Phone:
4. Group, Agency or Organization represented:
5. Briefly describe the community development or housing need that you have identified. Please include information such as how the need was identified, location, how long the problem has been present.
6. Describe the project or program that you feel would meet the identified need.
7. Describe who would benefit from this project or program, about how many people would benefit and the basis for this information.
8. Indicate the approximate cost of this project or program would, and the basis for this estimate.

PLEASE RETURN TO KEN KROGULSKI AT TOWN HALL BY: October 4, 2006

**TOWN OF PAYSON**

**FY 2007**

**COMMUNITY DEVELOPMENT  
BLOCK GRANTS  
PUBLIC HEARINGS**

**Public Hearing #1**

**Thursday, October 5, 2006 at 5:30 PM**

**Public Hearing #2**

**Thursday, January 4, 2007 at 5:30 PM**

**PAYSON TOWN HALL**

**303 N. BEELINE HWY**

**PAYSON, ARIZONA 85541**

CDBG Presentation by:  
Central Arizona Association  
of Governments

271 Main Street  
Superior, Arizona 85273  
(520) 689-5004  
fax: (520) 689-5020

