

**HOUSING AND NEIGHBORHOOD ECONOMIC
DEVELOPMENT FUND COMMITTEE
(UDAG)**

Tuesday, September 28, 2021

3:00pm to 4:30pm

Zoom/In Person Meeting

Members Present:	Members Absent:	City Staff:
Armijo, Frances (Chair) *Via Zoom	Sanchez, Pat	Chacon, Briana
Colonel, Gwen *Via Zoom	Vigil, Deacon Robert	Krantz, Yolanda *Via Zoom
Lopez, Jesse *Via Zoom		Lujan, Anna Marie *Via Zoom
Lopez, Margaret *Via Zoom		Montoya, Monica *Via Zoom
Nelson, Robert *Via Zoom		Padrino, Patricia *Via Zoom
Nordhaus, Richard *Via Zoom	HR&A Staff:	
Plaza, Andrea *Via Zoom	Kubaczyk, Mark	Guests:
Senye, Kelle *Via Zoom	Negrette, Michelle *Via Zoom	Dorn-Jones, Diana *Via Zoom
	Silvern, Paul *Via Zoom	Naranjo Lopez, Loretta *Via Zoom
	Stokes, Alex *Via Zoom	Vigil, Angela *Via Zoom

Quorum for today's meeting was met.

I. Welcome and Introductions

Introductions of committee members, City staff and guests were done.

II. Changes/Additions to the Agenda

There were no changes to the meeting agenda.

- ❖ A motion was made by Robert Nelson to approve the agenda. Kelly Senye moved to approve the agenda. Gwen Colonel seconded the motion and the agenda was unanimously approved.

III. Approval of Meeting Minutes

A review of the Minutes from the August 31, 2021 meeting was done. Margaret asked for clarification on Section V, letter C, iii. She stated the sentence is confusing and asked if the sentence could read "City staff stated Barelmas must be represented and any neighborhood can have more than one representative". City staff stated they would make that change.

- ❖ A motion was made by Robert Nelson to approve the minutes with that one correction. The motion was made by Gwen Colonel to approve the minutes and seconded by Andrea Plaza. Kelle Senye abstained from voting on the minutes because she was not present at the previous meeting. The minutes were approved with no oppositions and one member abstaining.

IV. Committee Business

a. Chair and Vice Chair Elections

- i. City staff mentioned that a new Chair and Vice Chair of the committee needs to be elected. City staff also mentioned that the Chair must be a representative from a neighborhood. City staff also stated the floor was open to entertain nominations.
- ii. Jesse Lopez was nominated and Jesse kindly stated he didn't want to be the Chair. Margret Lopez was nominated and stated she wasn't sure she could commit to being the Chair due to commitments she already had and being stretched thin. Frances Armijo was also nominated and she stated she would be ok serving as the Chair.
- iii. Loretta Naranjo Lopez asked why Robert couldn't be nominated again. City staff stated that he was not eligible because the ordinance states a member could only serve two years and he has already served as Committee Chair for longer than that.
- iv. Robert Nelson asked if Richard Nordhaus could serve as Chair. City staff stated that he could not because he is not a neighborhood representative.
- v. Margret Lopez stated she didn't mind serving as Vice Chair and maybe when it's time to have elections again she will have more time to devote to the committee and will be able to serve as the Chair.
- vi. Robert Nelson also mentioned that Deacon Robert Vigil is eligible to serve as a Chair or Vice Chair. Margret Lopez asked if he had expressed interest in being the Chair. Robert stated he had not spoken to him but stated he has served on the committee in the past and has knowledge of past projects. Margret stated that if he wanted to serve as Vice Chair that would be fine but felt it wasn't possible to nominate someone who is not in attendance.
- vii. Nominations for Frances Armijo to serve as the Chair and Margaret Lopez to serve as Vice Chair were made.
 - ❖ A motion was made by Margret for Frances to serve as committee Chair. Richard seconded the motion. Margret Lopez, Kelle Senye, Jesse Lopez, Richard Nordhaus, and Andrea Plaza voted yes to elect Frances as Chair. Robert Nelson and Gwen Colonel voted no. The majority vote was in favor of Frances becoming the Committee Chair. Frances Armijo was elected the new committee Chair.
 - ❖ A motion was made by Richard Nordhaus for Margret Lopez to serve as Committee Vice Chair. Jesse Lopez seconded the motion. Gwen Colonel, Frances Armijo, Kelle Senye, Jesse Lopez, Richard Nordhaus, Robert Nelson, and Andrea Plaza voted yes to make Margret the Vice Chair. The vote was unanimous in favor of Margret becoming the Committee Vice Chair and Margret is now the new committee Vice Chair.
- viii. To make things less confusing Frances decided that Robert would lead the meeting and she would lead the new meeting.

b. Fiscal Update

- i. City staff provided the committee with a quick financial update. City staff stated the fund balance is 6.2 million but there are appropriations for \$97,000 for HR&A and \$237,500. With those appropriations the fund balance is 5.8 million. Margret asked what the \$237,500 appropriation was for. City staff stated they thought it was for a project for El Encantio but weren't completely sure. City staff stated the funds haven't been committed just appropriated which means City council just appropriated the funding for a project in the El Encantio area in 2014 but there is no contract in place. This appropriation is tied to the funding set aside for the Barelas neighborhood.

c. HR&A Update

- i. HR&A provided the committee with four primary recommendations regarding how the funding could be spent in the next 10 years.
- ii. One recommendation is for extra consideration to be given to neighborhoods that have not previously received funding. The second recommendation is for extra consideration to be given to neighborhoods that are more distressed. The third recommendation is to give more consideration to locally owned businesses or neighborhood associations. Also it's recommended that extra consideration be given to minority or women owned businesses.
- iii. Richard stated that he felt the recommendations were good but would also like to mention another consideration which would be long term impact. He stated he would like to go into more discussion on this when HR&A talks into more detail about that subject later.
- iv. Gwen stated that she didn't think the neighborhood associations should be able to apply for the funding. Frances asked why she felt that way. Gwen stated that she felt that most of the neighborhood associations don't follow the rules anyway and if they apply they might not know what to do. She also stated she felt anyone else could apply though.
- v. Diana Dorn Jones stated that typically to apply a 501c3 incorporation document is needed and if the agency has that then they could apply for the funding. She also stated that it's important to allow for the neighborhood to have a say in what happens in their area.
- vi. Frances asked if having a 501c3 would be a requirement for applying for the funding. Diana stated that typically that was how things were done in the past.
- vii. City staff stated that the ordinance does not state that the contractor have a 501c3 but did stated that the department typically requires a 501c3.
- viii. Richard asked if the committee could get clarification on what the requirements would be for agencies to receive the funding. Richard also mentioned that the committee also gave out funding for scholarships and asked how people could receive scholarships if they were required to have a 501c3. City staff stated they would have to follow the committee's ordinance and the City's Administrative Requirements to enter into an agreement with an agency and in those there are anti donation clauses that would make awarding scholarships difficult.
- ix. Richard asked if all the contracts will go through the Department of Family and Community Services. City staff stated that yes all of the contracts would go through the Department of Family and Community Services.
- x. Diana mentioned that the scholarships that were given out in the past were funded through fundraisers not from the overall fund.
- xi. Paul stated that they should mention in their plan that the City's ordinances and Administrative Requirements would need to be followed by any agency entering into an agreement with the City.
- xii. HR&A mentioned that in the past more than half of the allocations were made as loans or forgivable loans. These loans were made for larger construction projects. The smaller allocations were made as grants. They also stated that their recommendation is for grants to be considered first especially for smaller businesses or projects. Loans could also be considered for the larger high dollar projects or for projects like home repair where the homeowners could pay back the loan at a lower or no interest rate.
- xiii. HR&A mentioned that the committees ordinance would also need to be followed when determining what projects would be funded because it states that the funds be equally split between housing and economic development projects.
- xiv. HR&A stated the City would issue the RFP's for the projects but there could also be projects that might not fit into a specific topic area so the recommendation for the committee to be open to that was also made.

- xv. They also mentioned that the fund over time has decreased because of the nature of the type of funding. If the committee wants the fund to be sustainable their recommendation is to find a way to leverage other funding to help sustain it. Using just loans to help sustain the funds isn't feasible especially because of the type of projects that will need to be funded.
- xvi. Loretta stated she would like to see more information about the 2014 Encanto appropriation and asked if the Barelmas neighborhood was informed and in agreement to fund this project. She asked if the fifty-fifty split rule of funding housing and economic development projects could be changed because right now housing is desperately needed. Loretta also mentioned that based on the draft plan HR&A provided she didn't feel that expanding the boundaries was a good idea because the boundaries are already established and there is no reason to change it now especially with the needs of the neighborhoods in relation to the amount of funding available. HR&A stated that the fifty-fifty rule is part of the ordinance and that would be something that would need to be followed unless the ordinance was amended. HR&A also stated they would like to get more information about the Encanto appropriation.
- xvii. Robert asked if the committee needs to vote on the draft plan before HR&A can draft the plan. City staff stated that the committee could vote on a recommendation of the plan once it is fully complete and the City would have the final say in the plan.
- xviii. HR&A stated that they reviewed the economic status of the neighborhoods in the current Pocket of Poverty (POP) and it is evident that the neighborhoods are more economically behind compared to the rest of Albuquerque.
- xix. HR&A stated the POP boundary has not changed since the 1993 Plan. HR&A does suggest in their draft plan that more consideration is given to neighborhoods that are more distressed than others. They do not recommend that existing neighborhoods be removed from the POP boundary. They also mentioned that there are 2 census tracts that are not currently included in the POP boundary that are distressed and qualify to potentially be included in the boundary. HR&A wanted to get the committees input on this.
- xx. Margaret asked for confirmation on the current data for the current POP boundary not meeting the original poverty indicator percentages from the original ordinance and by including the two new neighborhoods those indicators would be met. HR&A stated that those indicators were used in the 80s and they believe that it isn't required for the boundaries to continue to meet those indicators necessarily because the socio-economic state of the City as a whole. However, the ordinance authorizes the City and City Council to update the boundary periodically.
- xxi. Loretta stated that the census data could be played with to look a certain way and this could be a political issue and she doesn't agree with adding new neighborhoods.
- xxii. Angela Vigil stated she agrees with Loretta and objects to adding more neighborhoods to the POP because Martineztown is in great need of assistance and they haven't received any so to expand the boundary when Martineztown is already in the POP and doesn't receive funding isn't right.
- xxiii. Diana asked what the two new neighborhoods would be. Robert stated it is the NE area of the current POP, the Edith and Candelaria area.
- xxiv. HR&A stated that it seems that most committee members are opposed to adding to the current POP boundary.

V. Announcements

No Announcements

VI. Summary of Decisions and Assignments

- The Committee will send any other thoughts or questions from the HR&A update to Yolanda if they have any.

VII. Public Comments

None

VIII. Next Meeting Date

The next meeting will be October 26, 2021 at 3:00pm; City staff will send out the Zoom link to the committee prior to the meeting and will also physically attend the meeting in person for those that would like to participate that way.

Chairperson's Signature: <u>Francis Armijo</u> <small>DocuSigned by: Francis Armijo 4482581849564E5...</small>	1/15/2022 10:14 AM MST
Prepared by: <u>Briana Chacon</u>	