

Minutes of the Special meeting of the Syracuse City Council held on September 9, 2016 at 9:00 a.m., in the Council Chambers, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Andrea Anderson (participated via Skype)  
Corinne N. Bolduc  
Mike Gailey  
Karianne Lisonbee  
Dave Maughan (participated via Skype)

Mayor Terry Palmer  
City Manager Brody Bovero  
City Recorder Cassie Z. Brown

City Employees Present:  
City Attorney Paul Roberts  
Finance Director Steve Marshall  
Information Technologies (IT) Director TJ Peace

[9:16:13 AM](#)

1. Meeting Called to Order/Adopt Agenda

Mayor Palmer called the meeting to order at [9:16:38 AM](#) p.m. as a regularly scheduled meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Councilmember.

[9:16:52 AM](#)

COUNCILMEMBER GAILEY MOVED TO ADD PUBLIC COMMENTS TO THE AGENDA AND ADOPT THE AGENDA WITH THAT CHANGE. COUNCILMEMBER LISONBEE SECONDED THE MOTION; ALL VOTED IN FAVOR.

[9:17:13 AM](#)

2. Public comments

Kevin Homer asked if the proposed amendments include expanding the use of Community Development Block Grant (CDBG) funds to allow for low income housing or will the status quo be maintained. City Manager Bovero noted that Davis County already uses the funds to offer low income housing loans and the City and other cities in Davis County participated in the program through the County. He noted the amended agreement does not put any requirement on the City to offer anything different than what has been offered in the past and if the City were not a participant, the County would still participate in the program. Mr. Homer indicated he has 19 trillion reasons why the City, County, and State of Utah should not be participating in the program; he would prefer the City not participate because there is a deficit at the federal level that is \$19 trillion and the City and County participates in that debt. At some point the City needs to “put our foot down” and refuse to participate in the program. He understands the funds are available, but the City needs to stop that kind of spending that will be harmful to future generations. The City should not participate in deficit spending and government is a bad way to provide funding for low income people; the free market options are much better options. He noted that Fannie Mae and Freddie Mac in conjunction with the Department of Housing and Urban Development (HUD) – all government agencies – do not know how to manage home loan programs for the poor. Such programs should be offered by the private sector. Mr. Homer concluded he will remember how the Council votes on this issue as it will be a good indicator of their principles.

[9:21:30 AM](#)

3. Resolution authorizing the Mayor to execute an amendment to an Interlocal Agreement with Davis County regarding the conduct of the Community Development Block Grant program.

A staff memo from the City Attorney explained the attached amendment to a previous agreement with the County is required for the County to continue administering the Community Development Block Grant (CDBG) program, as well as the HOME and ESG program. The amendment makes the following changes:

- Changes to effective date to match the federal fiscal year, with some correlated text amendments
- Adds HOME Investment Partnership and Emergency Solutions Grants (ESG) Program to the list of programs which the County will exclusively administer, should the City seek access to those funds for projects within the City:
  - HOME makes federal grants available for strategies to increase home ownership and affordable housing for low-income and very low-income families
  - The Emergency Solutions Grant Program provides services for those struggling with homelessness

- The City may apply to the County for these funds as sub-recipients due to the County's designation as an "Urban County." The City would not be eligible to apply for these funds by itself, because it does not meet the definition of a "Metropolitan City."
- Prohibits the City from trading or transferring any CDBG, HOME, or ESG funds to another city or unit of local government. Any funds provided must be spent on eligible activities.
- Both City and County will comply with the provisions of the United States Housing and Community Development Act, Civil Rights Act, Fair Housing Act (including the Rehabilitation Act and Age Discrimination Act).
- Other technical amendments

City Administration has been informed that any delays in providing written amendments to the Agreement will stall the County's distribution of nearly \$1 Million of funding for these programs. The County has therefore requested that the City hold a Special Session to approve the amendment and take immediate action.

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Mr. Bovero reviewed the staff memo.

[9:23:04 AM](#)

The Council engaged in discussion regarding the grant reporting requirements the City would be required to adhere to if the City continues to participate in the CDBG program, after which Councilmember Lisonbee indicated she feels CDBG money could be best used in other areas of the County. Syracuse is a fairly unique City and residents have said they want it to stay that way; she has voted for every other grant that does not have egregious strings attached to it, but she is unsure whether this grant is worthwhile for the City.

[9:26:25 AM](#)

Discussion centered on the projects the City has completed with CDBG funding in the past, with Mr. Bovero noting the most the City has ever received in a program year is \$200,000. Councilmember Maughan stated there are several projects – such as the Ranchette's utility infrastructure project – that need to be completed in the City, but there is a lack of funding for those projects. He wondered how accepting money to fund those programs could be a bad thing for the City. Councilmember Lisonbee stated that Public Works Director Whiteley has indicated that the City does have sufficient funding this year or next year to complete the Ranchette's project. Councilmember Maughan stated that the information provided to the Council regarding capital projects indicated that there would not be funding for the Ranchette's project for several years. Councilmember Lisonbee stated she personally spoke to Mr. Whiteley and he felt that the project should have a higher priority and that funding will be available for it. Mr. Bovero stated that if Ranchette's is deemed to be of greater priority there will be funding available for it, but other projects will be delayed.

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Discussion refocused on the purpose of CDBG funding and whether the City would be required to increase the amount of low income housing in the City in order to gain access to the funds. Councilmember Lisonbee indicated that CDBG grants are meant to equalize wealth and assist the underprivileged members of society; those funds can be used elsewhere in the County as the City is the least needful of all cities in the County. Mayor Palmer stated the City would not be using CDBG funds for low income housing; rather, the funds would be used to complete utility projects. Councilmember Lisonbee agreed, but noted she is thinking of how the funding could be more helpful elsewhere in Davis County. Mayor Palmer echoed Councilmember Maughan's comments that there are utility projects the City needs to complete, but there is a lack of funding. Councilmember Lisonbee stated the Council can prioritize funding of such projects; she is not willing to tie CDBG funds to the Ranchette's project as she has spoken with Mr. Whiteley and indicated to him that the project should be funded in the next year or two. Mayor Palmer stated he is concerned about the projects that will not be funded over the next couple of years if the Ranchette's project is ranked higher than others. This led Finance Director Marshall to provide an overview of the City's five-year capital plan to identify the projects that will not be funded if the Ranchette's project is ranked higher than others; currently the City has the ability to fund \$1.2 million of a \$7.4 million five-year plan. If the Ranchette's project is moved to the top of the priority list, four other projects will be delayed until future years.

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The Council then participated in high level philosophical discussion and debate regarding the appropriateness of the City accepting CDBG funding; there was also a focus on other grant programs that may provide funding for utility or street projects without 'attached strings' relating to low income housing.

[9:42:54 AM](#)

COUNCILMEMBER MAUGHAN MOVED TO TABLE CONSIDERATION OF RESOLUTION R16-40 AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO AN INTERLOCAL AGREEMENT WITH DAVIS

COUNTY REGARDING THE CONDUCT OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, RESERVING THE OPPORTUNITY TO DISCUSS THE ENTIRITY OF THE CDBG PROGRAM DURING A FUTURE COUNCIL MEETING.

[9:43:31 AM](#)

Mr. Bovero noted Davis County representatives have indicated they need the City to vote on the agreement prior to September 13 due to a HUD deadline. Councilmember Lisonbee asked if the City would still be engaged in the original CDBG agreement if the decision were made to not approve the amendment. City Attorney Roberts answered yes; however, Mr. Bovero indicated that HUD may not accept the City's participation in the original agreement if the Council refuses to agree to the amendments. Mr. Roberts stated that the County's designation as a recipient of grant funds may be jeopardized if certain jurisdictions are not compliant with the new contract terms. Councilmember Lisonbee stated the Council needs to understand the exact implications of not approving the amendments to the interlocal agreement. Mr. Bovero contacted CDBG Program Coordinator Tony Zambrana, who provided input by phone regarding the implications of failure to execute the agreement. He noted that federal funding provided to the County would be reduced because the funding is based upon population size for all participating entities. If Syracuse City pulls out of the contract, the total population of participating entities will be reduced. This will impact other recipients of grant funding as well; these include shelters and food pantries that provide services to residents throughout the entire County, including Syracuse residents. If Syracuse is not able to meet the September 13 deadline the funding calculation for the next program year will reflect a reduction in total population.

Councilmember Gailey left the meeting at 9:45 a.m.

[9:54:17 AM](#)

Councilmember Lisonbee inquired as to the percentage of the grant funds that is dedicated to services like food pantries and shelters. Mr. Zambrana stated 30 to 40 percent of the funding allocation is dedicated to those service entities each year.

[9:55:29 AM](#)

Mr. Bovero inquired as to the percentage of the total County population that Syracuse represents. Mr. Zambrana stated he cannot answer that question at this time. He noted South Weber, Layton, and Clearfield are the three cities in the County that do not participate in the program, but all other cities participate. Mr. Bovero stated that he would estimate that Syracuse City represents 10 to 15 percent of the total population considered for the purpose of funding allocation.

[9:58:27 AM](#)

Council discussion of the CDBG program continued, with Councilmember Lisonbee stating she feels the Council has two choices; they can decide to continue to be engaged in the CDBG program through the County or withdraw altogether. Councilmember Anderson stated she would like to remain involved in the program and have future discussions regarding any application the City may make to receive any portion of CDBG funds. Mr. Bovero stated the Council can have oversight regarding any such grant application.

[10:07:47 AM](#)

Councilmember Lisonbee addressed Mr. Homer and stated she feels that denying the resolution before the Council would not address his larger concerns; the Council needs to understand the distribution of funding throughout the entire County and she would like for the Council to have continued discussion with County representatives at a future meeting to understand how the program is administered.

[10:08:57 AM](#)

COUNCILMEMBER ANDERSON MOVED TO ADOPT RESOLUTION R16-40 AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO AN INTERLOCAL AGREEMENT WITH DAVIS COUNTY REGARDING THE CONDUCT OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, RESERVING THE OPPORTUNITY TO DISCUSS THE ENTIRITY OF THE CDBG PROGRAM DURING A FUTURE COUNCIL MEETING. COUNCILMEMBER MAUGHAN SECONDED THE MOTION; ALL VOTED IN FAVOR. Councilmember Gailey was not present when this vote was taken.

[10:10:28 AM](#)

Mayor Palmer provided brief reports regarding various items of City business.

[10:12:05 AM](#)

City Council Regular Meeting  
September 9, 2016

At 10:12 a.m. COUNCILMEMBER LISONBEE MADE A MOTION TO ADJOURN. COUNCILMEMBER BOLDUC SECONDED THE MOTION; ALL VOTED IN FAVOR. Councilmember Gailey was not present when this vote was taken.

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Terry Palmer  
Mayor

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Cassie Z. Brown, CMC  
City Recorder

Date approved: October 11, 2016