

MEETING MINUTES  
City of Hot Springs  
Community Development Advisory Committee (CDAC)  
Thursday, April 17, 1:00pm  
City of Hot Springs Board Chambers, 133 Convention Blvd, Hot Springs, AR 71901

**1. Meeting Called to Order at 1:00pm by Vivian Gran**

**In Attendance:**

- Vivian Grant, CDAC Chair
- Erin Holliday, CDAC Position 1
- Leslie Ramsey, CDAC Position 4
- Terry Kent, CDAC Position 5
  
- Kathy Sellman, City of Hot Springs, Planning & Development Director
- Mike Scott, City of Hot Springs, Chief Building Official
- Michelle Sestili, CDBG Administrator for the City of Hot Springs
  
- Mary Beth Valencia, Hot Springs Housing Authority
- Sonja Powell, Park Avenue Community Association
- Barbara Cooper, Union Missionary Baptist Church
- Gladys Jones, Union Missionary Baptist Church
- Dennis Powell, Quapaw Prospect Area Preservation
- John Mark Lewis, Whittington Valley Neighborhood Association & Gateway Community Association
- Dave T. Reagan, Park Avenue Garland County District 1
- Mark Toth, Whittington Valley Neighborhood Association & Gateway Community Association
- Cheryl L. Batts, P.H.O.E.B.E.
- Sherry Daves, Habitat for Humanity
- Jean Lacefield, Gateway Community Association
- Verna Linder, Whittington Valley Neighborhood Association
- Cindy Rogers, Park Avenue Community Association
- Lance Spicer, City of Hot Springs, Clerk
- Al Carney, Hot Springs Housing Authority
- Gary Carnahan, City of Hot Springs, Engineering
- Nicole Good, Habitat for Humanity
- Patricia Perrin
- Albert Harris

Copies of the meeting agenda, public comment sheet, CDBG application list with project descriptions and requested funding amounts, one-page funding and source description document and CDBG potential funding options guide based on scoring were made available to all in attendance.

**2. March 6, 2014 meeting minutes approved (4 0)**

**3. New Business**

Kathy Sellman summarized funding objectives that were discussed in a public meeting held by the Board of Directors & CDAC on April 8, 2014, and how criteria was used as a guide by City Departments to score applications.

Michelle Sestili reviewed the March 18, 2014 HUD allocation of \$355,404 for FY2014, and \$258,750 in projects previously recommended by CDAC on September 15, 2013, and approved by the City Board of Directors on November 5, 2013 as part of the preliminary 2014 Annual Action Plan. \$96,654 available.

Michelle Sestili provided information on approximately \$404,471 reallocated from Fiscal Years 2011, 2012 and 2013 via a Significant Amendment approved by the Board of Directors February 18, 2014, and \$12,407 program income received. \$416,879.54 available.

Michelle Sestili explained procedures for presenting applications, Q&A and public comment.

Vivian Grant called applicants in the order in which they signed in to present their application(s). CDAC then had the opportunity to ask applicants questions before the floor was opened for public comment.

Dennis Powell presented the Quapaw-Prospect Area Preservation request for sidewalk repairs in 3 categories severe, moderate and minor repairs totaling \$106,000 noting frequent use by Levi Hospital, Quapaw Community Center, several running clubs, residents and during 2 neighborhood annual events. Residential area comprised of mature occupants on fixed incomes.

- Q: Sonja Powell asked if there was a city program to assist homeowners with sidewalk repair costs.
- A: Kathy Sellman explained that per City ordinance sidewalk maintenance is the responsibility of the adjacent property owners.

Sherry Daves and Nicole Good presented 4 Habitat for Humanity applications for new affordable home building, noting Habitat homes are sold for \$58,000 to eligible low-income residents with interest free 20 year loans.

- Q: Leslie Ramsey asked if the Highland Church acquisition would be used for housing. A: It will be purchased and razed for the construction of new homes.
- Q: Erin Holliday asked how these projects relate to the previously approved FY2014 project. A: These are separate projects in addition to the FY2014 request. 16 new homes to be built this year.
- Q: Erin Holliday asked for details on the clearance of a lot. A: A tree on Pleasant Valley lot has fallen and needs to be removed. Lots will not be stripped clear of trees.
- Q: Terry Kent asked if sidewalks were included in new home building. A: No, due to budget constraints, however they are providing culvert work.

Mark Toth presented Baseball Trail Park improvements on behalf of the Whittington Valley Neighborhood Association. CDBG funding has been used over several years in phases in conjunction with in-kind City Parks Dept labor and maintenance. This application represents the last phase to complete noting safety issues with asphalt walkway, concrete table trip hazards, uneven parking lot, non-level baseball field and fence lacking gates around children's play area. The neighborhood sees the park as an asset; use is increasing.

- Q: What was included in the FY2014 approved park improvements? A: FY2014 approved improvements include an asphalt accessibility ramp from the street crosswalk to the existing asphalt walkway, baseball dugout and infield repairs, and 4 handicapped accessible picnic tables with concrete pads.

Jean Lacefield presented 6 Gateway Community Association applications and provided a project map to each CDAC member. Neighborhood focused on safety, accessibility and pedestrian connection to goods and services. #1 priority – picnic area at Webb Community Center with concrete pad, vandalism resistant picnic tables and sun shade for public use – requested that CDAC recommend waiving the 1:1 matching funds requirement to the City Board of Directors. #2 priority – Visitor's Chapel 2 ADA accessibility ramps

from the street to the sidewalk for loading and unloading. #3 priority – Installation of sidewalks around Langston, Silver and Crescent to Grand; no existing sidewalks, people walking in the street. #4 priority – Sidewalk repair and accessibility on Malvern from Convention to E Grand for access to Restore, Greenway Trail, Transportation Depot and other goods & services. #5 priority – Wade Street park and Sarah’s Precious Daycare sidewalks. *<allotted time expired, priority #6 Vine St sidewalks was not presented>*

- Q: Erin Holliday asked if the Malvern sidewalk project could be broken into smaller projects. A: Gary Carnahan who prepared the sidewalk estimate said it was possible to reduce costs by doing one side of the street, but it would require frequent street crossings to get from place to place.
- Q: Leslie Ramsey asked about the use of the Webb Center. A: Jean Lacefield said the facility has a baseball league, and plans to include boyscout and all age programming. Public meetings are held there to engage residents.
- Q: Leslie Ramsey asked what other projects residents in the Webb Center area were considering. A: Better lighting, coordination with the Convention Center on properties they own in the neighborhood, economic development opportunities.
- Q: Erin Holliday asked why the Webb Center project was the #1 priority. A: Because of its importance to the community as the central hub.
- Public Comment: Albert Harris who lives across from the Webb Center spoke about the food things they are doing there such as math tutoring, community meetings and food distribution programs.
- Public Comment: Patricia Perrin, Pleasant St resident spoke about the personal significance of the Webb Center since she is restoring the Webb home, and it’s importance to the community.
- Public Comment: John Lewis commended Gateway on their near miraculous effort to revitalize membership and create a shared common vision for the community.
- Q: Sonja Powell asked if there was a RIF (Reading is Fundamental) book mobile program and recommended the Webb Center investigate that opportunity. A: Vivian Grant said that the schools have RIF programs.
- Public Comment: Mark Toth said he felt all 6 Gateway projects were worthy of funding and deserved consideration. He added that if the Majestic was not funded there would be enough money for all projects.
- Public Comment: Cheryl Batts stated that all projects are an advantage to the Gateway area and P.H.O.E.B.E. The neighborhood is historic and many residents are senior citizens. If one or two projects were funded it would empower the people and lead to further preservation.

Cindy Rogers presented 3 projects on behalf of the Park Avenue Community Association. Priority #1 - Continue sidewalk improvements on the West side of Park Avenue for full ADA access down one side of the street. Wheelchair users are in the street. This would be in addition to and connect to the approved FY2014 funding for pedestrian improvements on the north end of Park Avenue. Priority #2 – a sheltered bus stop on Mountain View near the Park Ave intersection to be used by school children and Intra-City transit bus riders. Priority #3 – Intersection improvements at Glade and Park where the street is overly wide, dangerous and heavily used by residents to access local businesses. She noted that elderly and wheelchair users had been killed in the past and fall out of chairs while traveling due to conditions in the area.

- Q: Leslie Ramsey asked for clarification on the approved FY2014 projects.
- Q: Leslie Ramsey asked for examples of ‘traffic calming methods’. A: Curb bump outs to make pedestrians visible and reduce street crossing distance, crosswalk lights, street narrowing, etc.
- Public Comment: Sonja Powell reiterated the need for improvements at the intersections of Mountain Valley and Glade streets, and supported the addition of a bus shelter.
- Q: Sonja Powell asked if the City’s Intra-City Transit had matching funds available for bus shelters. A: No.

Lance Spicer presented the Majestic demolition and clearance application noting that it had a high level of public visibility, and was an urgent and important health and safety issue. The City has been working in parallel with the property owner who is responsible for the demolition and clearance. The site was condemned effective April 18, but at the time of this meeting the owner had not responded. Arkansas Department of Environmental Quality (ADEQ) was conducting no cost Phase 1 and Phase 2 environmental assessments of the rubble to determine the level of pollution, which would then determine the cost of removal, proper disposal and as necessary, site remediation. The City and citizens want action since the site is blighted on one of the primary gateways into the community and visitor perception influences tourism.

- Q: Leslie Ramsey asked for clarification on the environmental assessment phases and results. A: Air and water quality tests had been satisfactorily completed and indicated no present danger. Tests being done by ADEQ focus on the debris. Phase 1 was submitted to ADEQ on April 14. Phase 2 sampling scheduled to occur the first week in May.
- Q: Vivian Grant asked if the property owner did not take responsibility and the City did not clean-up the property what other alternatives were available. A: The City could file lawsuits, which would take many years. CDBG funds were needed to help with clearance. If CDBG funds were used a lien would be placed against the property, and should it be sold the lien would be repaid to CDBG as program income.
- Q: Erin Holliday asked if the requested \$450,000 would be enough to complete clearance activities. A: It depends on the results of the environmental testing and how the waste is classified. If the test results show significant environmental contaminants the cost could be \$2,000,000 to remove the rubble and contaminated soil plus the cost of fill dirt. The City does not have a \$2 million fund so other municipal projects would be delayed.
- Public Comment: John Lewis acknowledged that it was an important situation that must be resolved and it was the owner's responsibility to do so.
- Q: John Lewis asked what would happen if CDBG funds were used for clearance and then the property is sold. A: The Lien would be repaid to CDBG. Before the lot could be sold it would need to be cleared, cleaned, and prepared for redevelopment.
- Public Comment: John Lewis stated that it made him angry that Whittington Valley Neighborhood Association, Gateway Community Association and Park Avenue Community Association are expecting CDBG funding to jump start neighborhood revitalization, and the Majestic property owner is being irresponsible.
- Public Comment: Cindy Rogers stated that it makes her angry that the Majestic is an eyesore in her neighborhood and gateway into the City. CDBG funding is vital to the neighborhood's revitalization efforts and east Park Avenue was 78% low/mod income.
- Public Comment: Jean Lacefield added that if CDBG funding was diverted to the Majestic clean-up it would be devastating to neighborhood residents who won't be able to see the result of their efforts to prepare applications.
- Public Comment: Mark Toth agreed that the Majestic is a tragedy as would be a lack of funding for neighborhood revitalization to the people who worked on neighborhood revitalization plans.
- Q: Mark Toth asked if CDBG would be the first lien to be repaid if the cleared site was sold. A: Lance Spicer specified that he was not speaking on behalf of the City Manager or Board of Directors, but there would be guidelines that required payback of federal funds first and would strive to repay CDBG funding if granted.
- Public Comment: Mark Toth stated that the Majestic is comprised of 3 lots. A lien would be placed against only the lot where CDBG funds were used for clearance of the burned portion.
- Q: Terry Kent asked if other funding sources were available. A: The City has applied for an EPA Brownfield grant for environmental assessment and revolving loan funds. Grant award may be

announced in mid-June. The City is working with FEMA because it was classified as a disaster. State funds through ADEQ may be available for clean-up, matching funds are needed to qualify.

- Q: Leslie Ramsey asked about flood plain concerns in redeveloping the site. A: It is in a flood plain, but after being razed architects can develop plans that include flood walls, raised buildings on stilts such as Fat Jacks, and other techniques to build structures on the site.

Gary Carnahan presented an application to improve accessibility into the Garland County Courthouse. The existing curb bump-outs do not meet radius code and curbs are frequently run over by motorists. This project would meet code by fixing the 25' radius, reduce street crossing distance making it safer for pedestrians, and install ADA accessibility curb cut ramps.

- CDAC Comment: Leslie Ramsey commented that the existing intersection was hazardous for pedestrians and motorists because of the current radius.

Michelle Sestili presented an application to increase FY2014 CDBG Planning & Administration budget by \$9,400 to \$36,000 due to increased advertising and other costs associated with preparing the Significant Amendment to 2011, 2012 and 2013 Annual Action Plans.

- Public Comment: Mark Toth added that unspent Planning & Administration funds are reprogrammed to neighborhood revitalization at the end of the year per the 2014-2018 Consolidated Plan.
- Michelle Sestili clarified that consulting costs for program administration were determined by an annual contract, which had recently been renewed.

Mike Scott presented an application for nuisance abatement activities to eliminate spot blight by demolishing and clearing 10 condemned structures presenting health and safety issues.

- Public Comment: Nicole Good stated that Habitat for Humanity works with the City to acquire such cleared lots for new affordable home building.
- Public Comment: Mark Toth remarked that the City budgeted \$40,000 in general funds for such activities, yet the total cost to complete all work is \$80,000. He recalled that in a prior year CDBG funding was approved for nuisance abatement as a one-time request.
- Public Comment: John Lewis stated that he remembered the nuisance abatement funding as a single request and that if additional funds for these activities are continually needed the money should come from the City budget instead of CDBG.
- Kathy Sellman clarified that this was not an ongoing commitment – the application request is an entirely different request that stands on its own. Residents expect the City to abate derelict property nuisances such as condemnations.

Al Carney presented 3 of 4 requests submitted by the Hot Springs Housing Authority noting that the Park View project was better suited to be postponed for CDBG FY2015 funding due to spending timeliness requirements. Priority #1 - a Community Center on Spring St that requires renovations in order to provide a summer food program for school children and adult education programs in the evening including National Park Community College extension classes. Renovations would include asbestos and lead based paint abatement, WIFI installation, computer lab and upgrades for a commercial kitchen. Priority #2 – playground equipment improvements. One on Illinois street near City Wade Park for Housing Authority families; Parents do not allow or accompany young children to Wade Park due to concerns about criminal activity. The other playground would be a new installation on Spring St serving Housing Authority families.

- Q: Sonja Powell asked if donated playground equipment could be obtained. A: The playground equipment had not gone out to RFP yet. Specific equipment had been identified on the internet. Donated equipment would be considered.

- Public Comment: Mark Toth read a portion of the front page article appearing in the Sentinel Record newspaper dated April 17, 2014, which included a statement from the HUD Regional Director advising the Hot Springs Housing Authority against seeking additional funding until after the federal investigation of finances was resolved.

Having heard all presentations and public comments CDAC closed the floor and began discussions regarding project funding recommendations.

**Due to time constraints CDAC adjourned the meeting to be continued on April 22, 2014.**

CONTINUATION OF APRIL 17 MEETING & MINUTES  
 City of Hot Springs, Community Development Advisory Committee (CDAC)  
 Thursday, April 22, 1:00pm  
 City of Hot Springs Board Chambers, 133 Convention Blvd, Hot Springs, AR 71901

**Meeting Called to Order at 1:04pm by Vivian Grant**

**In Attendance:**

- Vivian Grant, CDAC Chair
- Erin Holliday, CDAC Position 1
- Leslie Ramsey, CDAC Position 4
- Terry Kent, CDAC Position 5
  
- Kathy Sellman, City of Hot Springs, Planning & Development Director
- Mike Scott, City of Hot Springs, Chief Building Official
- Michelle Sestili, CDBG Administrator for the City of Hot Springs
  
- Janice Jones, Park Avenue Community Association
- Sherry Daves, Habitat for Humanity
- Mark Toth, Whittington Valley Neighborhood Association
- Dick Antoine, KZNG Radio
- Lance Spicer, City of Hot Springs
- Jean Lacefield, Gateway Community Association
- Gary Carnahan, City of Hot Springs

Kathy Sellman and Lance Spicer shared the questions and answers addressed with individual CDAC members following adjournment on April 17, 2014 for public benefit.

- Public comment and application presentations had been finished before adjournment April 17, 2014. This meeting is a continuation and therefore begins on the agenda where it left off.
- Projects are to be assessed based on merit, HUD requirements and City Board criteria including low/moderate income resident benefit, public health & safety, readiness, alignment with other planned 2014 projects, influence on future development and investments, urgency and importance, public visibility and leverage of other sources of funding or in-kind to maximize CDBG investments.
- CDAC can make a recommendation to fund one element of an application without recommending full funding for the entire application.
- CDAC is making a recommendation to the Board of Directors, the Board then reviews and approves, but ultimately HUD must approve before any project is funded.

- CDAC should recommend projects totaling \$513,529.50, but also prioritize secondary projects as a contingency plan should funding become available.
- Demolition and clearance projects place a lien against the property. When the property is purchased the CDBG funds will be repaid as program income.
- There are a few existing liens attached to Majestic Hotel parcels for things such as environmental consultations and surveys.
- Examples of instances when CDBG clearance funds would not be paid back on the Majestic Hotel – if the parcel never changed hands. If there is no interest in the property the City would not realize funds for repayment. The City could foreclose on the property.

CDAC continued previous discussions regarding project funding recommendations.

- Q: Does the Webb Center have matching funds for the picnic area. A: Jean Lacefield indicated they would fundraise the match, but it would be a hardship, and again asked for a waiver of 1:1 matching funds recommendation from CDAC to the City Board of Directors.
- Q: What plans does the Webb Center have to maintain improvements. A: Jean Lacefield said the proposed picnic tables were zero maintenance and the master gardeners had agreed to maintain the green space surrounding the proposed concrete pad.

Regarding funding available through the Significant Amendment of 2011, 2012 and 2013 Annual Action Plans CDAC members voted on each project. Those projects with a majority vote were then unanimously approved by the committee as a recommendation to the City Board of Directors:

Two (2) ADA accessibility ramps from the street to the sidewalk 319 Church Street	\$10,000
ADA accessibility ramps, sidewalk repairs, new sidewalks where none exist Langston school to the Dodge store, Silver St to Crescent St to Grand Ave	\$73,949
ADA accessibility ramps, sidewalk repairs, new sidewalks, curb & gutter Malvern Ave from Convention Blvd to East Grand Ave	\$38,257
ADA accessibility ramps, sidewalk repairs, new sidewalks where none exist Around Sarah's Precious Daycare and Wade Park, Illinois and Montreal Streets	\$32,732
ADA accessibility ramps, sidewalk repairs, new sidewalks, curb & gutter Vine Street between Convention Blvd and Grand Ave	\$20,370
Intersection, curb and ADA accessibility improvements Hawthorn and Ouachita to access the Garland County Courthouse	\$ 7,407
Sidewalk and ADA accessibility improvements East side of Park Ave from Whittington north to Cove	\$74,428
Covered bus shelter for Intra-City Transit and school bus riders Intersection of Mountain Valley and Park Ave	\$ 8,000
Sidewalk, curb & gutter, ADA accessibility and crosswalk improvements Intersection of Glade at Park Ave	\$17,944
City of Hot Springs Demolition & Clearance of condemned structures	\$40,000

Nuisance abatement of 10 homes condemned on April 15, 2014

Concrete pad, picnic tables and sun shade Webb Community Center, 127 Pleasant Ave	\$17,500
Land acquisition and clearance on Oma, Pleasant Valley & Thornton Habitat for Humanity new affordable home building	\$14,600
Land acquisition and sewer extensions on Highland St Habitat for Humanity Highland Phase II new affordable home building	\$21,430
Land acquisition and related surveying in Dierks Hay 2 and Cones Resurvey Habitat for Humanity Banning Project new affordable home building	\$13,850
Lot acquisition Forrest Hill Habitat for Humanity Highland Church Project new affordable home building	\$26,000

Regarding available funding in the 2014 Annual Action Plan CDAC members agreed to the needed increase in Planning & Administration budget. Erin Holliday requested that the Majestic nuisance abatement project be funded with FY2014 income because it is a public emergency and neither additional funds nor the public emergency were planned for. CDAC then voted (3 – 1 Leslie Ramsey) to recommend funding to the City Board of Directors for a \$9,400 Planning & Administration increase, and \$87,254 of the requested \$450,000 in Majestic demolition and clearance.

Regarding a contingency list of projects should funding become available CDAC voted unanimously (4 0) to prioritize projects using scoring, as follows:

Quapaw Prospect	Sidewalk and ADA improvements on Market, Court and Quapaw	134	\$6,525.00
Quapaw Prospect	Sidewalk and ADA improvements on the SOUTH side of Prospect Ave	131	\$43,046.00
Whittington Valley Neighborhood Association	Baseball Trail Park (formerly Whittington City Park) baseball infield repairs	126	\$12,000.00
Hot Springs Housing Authority	New playground equipment installation on Spring St.	124	\$25,000.00
Whittington Valley Neighborhood Association	Baseball Trail Park (formerly Whittington City Park) concrete walkway over existing asphalt walkway	122	\$40,000.00
Hot Springs Housing Authority	Upgrade play equipment at Illinois St playground	112	\$25,000.00
Hot Springs Housing Authority	Community Center Restoration	110	\$200,000.00
Whittington Valley Neighborhood Association	Baseball Trail Park (Formerly Whittington City Park) replacement of 4 picnic tables and removal of 5 others	108	\$5,000.00

Whittington Valley Neighborhood Association	Baseball Trail Park (formerly Whittington City Park) parking lot paving	106	\$22,000.00
Quapaw Prospect	Sidewalk and ADA improvements on the NORTH side of Prospect Ave	106	\$57,226.00
Whittington Valley Neighborhood Association	Baseball Trail Park (formerly Whittington City Park) fence repairs	93	\$6,000.00

**4. New Business**

Michelle Sestili presented the results of the 2013 Consolidated Annual Performance and Evaluation Report (CAPER). No public comments were received.

**5. Old Business**

None

**6. Open Discussion / Announcements**

Next scheduled meeting: Thursday, May 1 at 1:00pm at City Hall Board Chambers.

Announcement: The CDBG sponsored first time home-buyers education class with down payment and closing cost assistance to be held April 26 9am-4pm at the Transportation Depot.

**7. Adjournment**

Having no further business Vivian Grant adjourned the meeting at 2:12pm