

SEPTEMBER 7, 2011
WAYNESBORO, PA 17268
PUBLIC HEARING (2011 CDBG PROGRAM)

Council President C. Harold Mumma called the public hearing of the Waynesboro Borough Council to order at 7:00 p.m. with the following in attendance:

Borough Council Members – Benjamin Greenawalt, Craig Newcomer, C. Harold Mumma, Wayne Driscoll and Ronald Martin (Jason Stains was absent)

Mayor Richard Starliper

Borough Staff – Lloyd R. Hamberger, II, Borough Manager
Mike Benshoff, Maintenance Foreman
Dan Sheffler, Zoning-Code Enforcement Officer
Kevin Grubbs, Head of Engineering Services
Jason Cohen, Assistant Borough Manager
Sam Wiser, Borough Solicitor (Salzmann Hughes, PC)

Others – Karen Parish, Mullin & Lonergan Associates, Inc.

Mr. Mumma noted that the hearing had been advertised in accordance with rules and regulations of the CDBG Program. The Borough held a public hearing on February 2, 2011 to solicit the view of citizens on the types of projects which should be carried out with the 2011 CDBG Program funds. The Borough anticipates receiving a grant of \$146,059 in FY 2011 CDBG funds. This amount is slightly lower than initially advertised based on our “best guess” of the allocation, and is nearly 20% less than in 2010. Another cut is expected in 2012. The Borough has determined that the best use of these funds would be for the following activities:

- | | | |
|----|---------------------|-----------|
| 1. | Street Improvements | \$119,769 |
| 2. | Administration | \$ 26,290 |

Typically the Borough uses the grant funds to improve streets in low income areas of the community. We expect HUD to announce new low income area designations in April 2012, so the areas in the Borough that are eligible may change.

Karen Parish of Mullin and Lonergan Associates (our community development block grant consultants) was present to explain the program and proposed projects, and to answer any questions. She noted that the 2010 census did not include income information, so HUD is looking at methodology options for determining census tracts for eligible activities (their methodology will be announced in April). Accordingly, she suggested that street projects be chosen (based on the 2000 census), bid and awarded before that time ... because the methodology cannot be changed once the projects have been awarded.

Ms. Parish noted that a request was also submitted for modification of previous CDBG years' budgets to allow funding to be committed to the senior housing project known as “Wayne Gardens” with remaining monies. Correspondence was forwarded to Council members explaining the project; and Ed Nunemaker of the Valley Community Housing Corporation, was present to answer any questions.

Mr. Hamberger added that this same project was previously endorsed by the Borough during several other funding attempts. Mr. Nunemaker explained that the Valley Community Housing Corporation had

requested support from Council for their proposed affordable elderly housing complex located off of Eighth and Tenth Streets (behind the Mt. Vernon Terrace complex) when they applied for funding (twice) through the PHFA ... for which they were twice denied. They were advised that their application was “strong”, but local commitment would be needed to “strengthen” it. In preparation for the upcoming application due October 12th, they have received a commitment from Franklin County (through the Affordable Housing Trust Fund), and are seeking local commitment from the Borough in CDBG funds. Mr. Nunemaker reminded Council that all the site planning paperwork is in place, with the exception of the infiltration testing. He also commented on the need for this type of housing in the Waynesboro community. Ms. Parish reiterated their request to utilize “leftover” monies from the “older” years as a commitment, contingent that all other funding is in place ... it would be the “last money in”; so if it is not needed, it would remain and be available in several years for another project.

Discussion followed regarding reduced property taxes for these buildings. Mr. Nunemaker explained that a State program implemented several years ago permits taxes for affordable housing to be based on the income generated at a particular property (which would be an approximate total of \$16,000/year for the combined entities).

Councilman Martin asked if Waynesboro residents would have “preference” when there are units available? Mr. Nunemaker noted he is not aware of such, but there *is* an income requirement.

Mr. Hamberger noted that, several years ago, funding was provided for a housing unit on W. North Street. He added that there are “leftover” funds that could be utilized – he and Ms. Parish will review the matter further.

Councilman Martin stated that he would be willing to make an affirmative motion regarding this matter at the Council meeting to follow.

Hearing no further questions or comments, the hearing adjourned at 7:22 p.m.

Respectfully Submitted,

Melinda S. Knott
Administrative Assistant