

**CITY COUNCIL WORK SESSION  
CITY OF WATERTOWN  
February 12, 2024  
7:00 p.m.**

**Mayor Sarah V.C. Pierce Presiding**

**Present:** Council Member Robert O. Kimball  
Council Member Clifford G. Olney III  
Council Member Lisa A. Ruggiero  
Council Member Benjamin P. Shoen  
Mayor Sarah V.C. Pierce

**Also Present:** Eric F. Wagenaar, City Manager

**City staff present:** Michael Lumbis, Jennifer Voss

**DISCUSSION**

**Community Development Block Grant (CDBG) Annual Action Plan – Overview and Discussion**

Planning and Community Development Director Michael Lumbis and Senior Planner Jennifer Voss, offered Council a PowerPoint presentation (printed copy on file at the City Clerk's Office) detailing the Community Development Block Grant (CDBG.)

Mr. Lumbis began by explaining that this is the time of year to give Council an overview of the CDBG program and to lay out what needs to be accomplished. He drew Council's attention to the presentation which began with CDBG National Objectives. He explained that all CDBG funds must benefit low- to moderate-income persons and noted funds could aid in the prevention or elimination of slums or blight and could also be used in the event of a natural disaster. He listed the five program requirements which are: a five-year consolidated plan, an annual action plan, a consolidated annual performance evaluation report (CAPER), a requirement to administer the program according to federal regulations and to spend the money in a timely manner. Mr. Lumbis said the annual action plan is due every year on May 15th and the CAPER is due in September. He advised that, as an entitlement community, the City automatically gets a grant if they take these steps. He informed Council that last year's grant was for \$900,000.

Referring to the provided a zoned City map (on file in the City Clerk's Office) which displays the target areas where at least 51% of the residents qualify as low- to middle-income, Mr. Lumbis listed some eligible CDBG activities. He noted that housing rehabilitation can be done anywhere in the City, as it is based on the homeowner's income. He pointed out that 15% of CDBG funding can be used for public services, and this is how they have been able to support programs dealing with homelessness in the past. He added that the school backpack program is also funded with public service funds. Mr. Lumbis then explained that administration is limited to 20% of the funding and those funds pay for approximately one and a quarter of his staff's salaries. He noted the map shows the various CDBG projects begun or completed since 2014.

Mr. Lumbis indicated that his department estimates they will receive approximately \$925,000 in CDBG funds this year. He then provided a list of the proposed distribution of the 2024 funds. He noted the largest expenditure – \$675,000 for the Black River Trail – is a way to fund that project without burdening the taxpayer, noting it qualifies as an improvement to a recreational facility. He also explained that using these funds on the trail will depend on whether the funds can be spent in a timely manner. He noted that several expenditures – fair housing, WCSD backpack program and program administration – are all annual expenses.

Council Member Kimball inquired as to what qualified as low- to moderate income.

Ms. Voss replied that it depended on family size, and, although she did not have the numbers available in front of her, she believed the income limit for a single person was \$34,000.

Council Member Kimball expressed concern that a significant number of residents, even in the higher income areas, were considered low- to moderate-income households. He asked what the \$625,000 for the Black River Trail was covering and wondered whether it was for engineering.

Mr. Lumbis replied that those funds would be for actual construction costs, noting that 80% of engineering costs had been paid for by a different grant.

Council Member Ruggiero asked about using CDBG funds for smoke detectors as had been previously discussed.

Ms. Voss explained that she had been in discussions with the Fire Chief and the difficulty they find with using CDBG funds for smoke detector distribution is that the recipients must meet income eligibility. She added this is further complicated by the educational component required, noting the fire department cannot just give the detectors away but must take the time to provide education.

Council Member Olney inquired if there was a process to determine how the funds spent will provide a financial return to the City. Mentioning he was thinking about landlords, Council Member Olney asked if there was a formula to strategically look at an area.

Mr. Lumbis indicated that the work is primarily residential in nature.

Council Member Olney asked if the CDBG housing funds were administered by Neighbors of Watertown and, if so, whether they charged the City.

Mr. Lumbis confirmed that they are the sub-recipient of the grant money and charge 7-8% of the cost. He noted the City used to administer the funds but had stopped due to staffing cuts.

Ms. Voss added that the grants were \$25,000 per unit and Neighbors of Watertown assesses the work scope for the homeowner. She noted they were considering raising that number as \$25,000 does not go as far as it used to.

Council Member Shoen agreed that raising that number will be helpful to contractors. He mentioned contractor frustration with lead abatement rules. He also asked if the City ever did rental rehabilitation.

Ms. Voss replied that a rental rehab had not been done since 2018, and at that time, there had been a 50/50 match by the landlord. She noted there are complications with this because the landlord is then required to rent to low- to moderate-income tenants for at least five years. She indicated it had been difficult to find landlords willing to participate.

Council Member Shoen said he liked the 50/50 match and suggested applying that to homeowners as well. He asked if there was a residency requirement.

Ms. Voss advised the homeowner must stay for at least five years or they must pay the City back. She also noted first-time home buyers required a 10-year lien.

Council Member Shoen stated that he often hears residents suggest the City clean up blight or fix sidewalks, but he never hears anyone request a walking trail.

Mayor Pierce asked if the \$675,000 for the Black River Trail could be scaled back and asked what would happen if the City did not use CDBG funding for this project.

Ms. Voss replied that the City is under contract and, therefore, committed to coming up with the funds.

Mr. Lumbis added that this cost is a 20% match and, if CDBG funds are not used, the money would have to come from elsewhere.

Mayor Pierce noted she agreed with Council Member Shoen that she felt there were better ways to benefit low- to moderate- income households than building them a walking trail.

Mr. Lumbis clarified that the project fits in with the consolidated plan as the trail runs through the area with the highest percentage of low- to moderate-income residents and has very little in the way of recreation.

Mayor Pierce asked how much of the funding was going to owner-occupied rehabilitation.

Ms. Voss noted they had cut back on that funding this year because many of the projects from previous years are still in process or are not yet started. She suggested giving the program a year to catch up.

Council Member Olney suggested that Neighbors of Watertown are not getting the funds out in a timely manner.

Mr. Lumbis attributed delay to other causes including contractor availability. He also pointed out that Neighbors of Watertown has many projects in various degrees of completion. He further added that Neighbors of Watertown is applying for and expecting to receive a \$5 million grant themselves, so his department had opted to pause for a year and allow them to catch up.

Council Member Olney suggested the rules regarding asbestos and lead testing were obstructing progress.

Regarding sidewalks, Council Member Olney asked why brand-new sidewalks are ripped up when CDBG does street reconstruction. He cited an example he knew about on Flower Avenue East.

Mr. Lumbis noted the Flower Avenue East project was not done with CDBG funds and added that it sometimes does occur that newer sidewalks are removed when a project consists of widening streets or sidewalks. He further noted that CDBG funds cannot be used to repair individual sidewalks as it is considered maintenance which is an ineligible activity. He noted that a homeowner doing owner-occupied rehabilitation can include sidewalks but, with only \$25,000 to spend, that usually falls way down on the list of priorities.

Council Member Olney wondered if the City had a bulldozer and could do its own demolition.

Council Member Shoen offered his support of the City using its own equipment to demolish buildings noting that staff was capable of this. He commented that it would help if the City could do its own asbestos abatement, citing the high costs to contractors.

Council Member Olney noted he liked trails but maybe there were better ways of spending CDBG funds. He suggested using the grant writer more.

Mayor Pierce asked Mr. Lumbis if Council could have some time to digest the suggestions and, perhaps suggest ideas.

Mr. Lumbis agreed and noted his staff would keep Council apprised of changes after the public input period.

Council Member Shoen clarified that Neighbors of Watertown's distribution of funds is not an administrative issue but a lack of contractors. He again suggested changing the rules for asbestos and lead abatement, adding there used to be a waiver. He also suggested rehabbing empty properties to simplify the process. He further suggested relaxing the rules in a low-income City if you want to raise the quality of life and suggested asking our New York State representatives to look further into this.

Council Member Pierce agreed that the legislation could be reviewed.

Council Member Kimball commented that he was not comfortable with a different level of lead or asbestos testing depending on the income of the neighborhood.

Council Member Shoen clarified that he meant the City as a whole.

Council Member Olney commented that none of the roofs tested for asbestos had been found to have asbestos, suggesting that it was a badly crafted law.

Ms. Voss clarified that asbestos and lead testing is for all interiors, not just roofs, and the testing is required by New York State building code.

Council Member Olney said the Code is wrong and whoever wrote it is incorrect.

Council Member Kimball contradicted Council Member Olney's assertion, noting the YMCA had found asbestos in its floors and that it can be found in all sorts of unsuspected places.

Mayor Pierce suggested Council look into the legislation further and thanked Mr. Lumbis and Ms. Voss, adding Council would provide feedback soon.

### **City Manager Update**

City Manager Eric Wagenaar advised Council that there have been some recent hires in the City including four firefighters, currently in training, four operators in wastewater and one water district mechanic. He noted that he has received seven resumes for the Human Resources position.

He also mentioned that the deadline for applications for the City Engineer position has been extended to February 22 to afford candidates the opportunity to consider the increased salary of \$133,000.

City Manager Wagenaar informed Council that the City had received a report on the leaking reservoir that still offered no answers.

He advised that the City has tentatively accepted a bid from David Marconi for concessions at the Thompson Park Golf Course, contingent on whether Mr. Marconi meets the requirements of the RFP.

Noting that he had recently met with CSEA Union representatives to begin contract negotiations, he mentioned that all standard contracts were being sent to the City attorney for review.

Regarding the leak in the reservoir, Council Member Olney asked if the City was certain the leak was of the City's treated water.

City Manager Wagenaar confirmed that it is chlorinated water that is being leaked.

In response to Council Member Shoen asking if the reservoirs could be shut down one at a time to see which one was leaking, Mr. Wagenaar said he could follow up on that.

Work session ended at 8:10 p.m.

*Lisa M. Carr*  
Deputy City Clerk

