

City of Prescott
Citizen Advisory Committee

May 20, 2026 | 1:30 PM
201 N. Montezuma Street
Council Chambers, 1st Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chair Mary Ann Suttles called the meeting to order at 1:30 p.m.

2. ROLL CALL

Chair Mary Ann Suttles

Member Jinger Cutting (absent for Item 3.A; arrived during Item 3.B)

Member Betsy Howe

Member Dan Hurlbert

Member Deborrah Miller

Member Debbie Savoini

Member Denise Mitten

Also present: Michael McInnes, CDBG Coordinator and Staff Liaison. Councilman Jay Ruby, Council Liaison, arrived during Item 3.B. Sheri Heiney, Prescott Chamber of Commerce Foundation, was present for Item 3.C.

3. DISCUSSION & ACTION ITEMS

A. Approval of Minutes from April 15, 2026 CDBG Citizen Advisory Committee Meeting.

Prior to the vote, Member Howe noted for the Committee's information that the Workforce Housing Committee had been disbanded, and that of the eleven recommendations it made to City Council, four were adopted. Member Howe asked that Mr. McInnes distribute a copy of the recommendations to the Committee to inform future planning.

MEMBER MILLER MOVED TO APPROVE THE APRIL 15, 2026 MINUTES AS PRESENTED. SECONDED BY MEMBER MITTEN. PASSED 6-0. (MEMBER CUTTING ARRIVED AFTER THE VOTE.)

B. Presentation & Discussion Regarding the Program Year 2026 Annual Action Plan, Multi-Year CDBG Award History, and Subrecipient Expenditure Status.

Mr. McInnes reviewed the Program Year 2026 CDBG cycle. He noted that the Committee's March 18, 2026 funding recommendations are reflected in the Annual Action Plan, which will go before City Council at its voting session on Tuesday, May 26th, 2026.

Mr. McInnes explained that following Council approval, the Annual Action Plan is submitted to HUD for review, a process that typically takes about 60 days, with a final approval letter expected in August and the Mayor's signature to follow. CDBG funding is typically received in October, with the next annual cycle beginning in November with the Community Needs Workshop.

In response to a related question regarding LMI (low- and moderate-income) requirements from Member Savioini, Mr. McInnes confirmed that for construction and housing projects, at least 51% of those benefiting from a project must meet the LMI threshold.

Mr. McInnes also reviewed HUD's timeliness ratio, which measures the pace at which a grantee spends its CDBG funds relative to other Arizona CDBG communities; a ratio above 1.5 triggers a HUD audit. He reported that the City has consistently remained below the 1.5 threshold, indicating the City is on pace with HUD expectations.

This item was for presentation and discussion only. No action was taken.

C. Presentation & Discussion Regarding an Update on the Minor Home Repair Program and the Prescott Cares Program.

Sheri Heiney, of the Prescott Chamber of Commerce Foundation, presented an update on the Minor Home Repair Program. She described the program's application and qualification process, including HUD eligibility screening, an environmental review conducted by Mr. McInnes to confirm the property is within city limits and not in a flood zone, and a joint site visit with a City building inspector to develop a scope of work, which is then bid out to contractors. Mrs. Heiney noted the program provides grants of up to \$5,000 for repairs such as electrical, plumbing, accessibility modifications, smoke detectors, and water heaters, and confirmed the program serves owner-occupied homes only; applicants must demonstrate paid property taxes and current homeowner's insurance.

In response to a question from Member Miller, Mrs. Heiney stated that rising project costs are prompting consideration of whether the \$5,000 grant cap should be increased, noting that three current projects have exceeded the cap, with the affected homeowners agreeing to cover the difference. She indicated this would be a topic for further discussion with Mr. McInnes.

Mrs. Heiney then provided an update on the Prescott Cares Program (CDBG-CV). She reviewed the program's origin approximately five years ago with an initial allocation of \$427,000, administered by the Prescott Chamber of Commerce Foundation, which was established in 2005. She described Phase 1 of the program as providing grants of up to \$5,000 each to small businesses and to residents/families affected by COVID-19-related closures. She described Phase 2 as a rental and utility assistance program providing up to \$8,000 per household over a six-month period, which assisted approximately 21 households, and a partnership with U.S. VETS that provided over 14,000 meals and more than 24 emergency hotel nights for veterans. Mrs. Heiney explained that the Foundation fronted program costs and was subsequently reimbursed by the City.

In response to a question from Member Cutting, Mrs. Heiney described the rental assistance application and eligibility process, noting that eligibility was evaluated against HUD's income limit thresholds.

Mrs. Heiney noted that all Prescott Cares (CDBG-CV) funds have now been expended, but that the Foundation continues to seek additional funding sources and partnerships to sustain similar programming going forward.

This item was for presentation and discussion only. No action was taken.

4. ADJOURNMENT

CHAIR SUTTLES ADJOURNED THE MEETING AT 2:14 P.M.

Mr. McInnes then reviewed the status of CDBG funding balances by program year. He reported that the Prescott Cares (CDBG-CV) COVID-19 relief allocation of \$427,000, received in 2020, has been drawn down to an ending balance of approximately \$1,500.

For Program Year 2025, Mr. McInnes reported that public service activities — People Who Care, New Horizons Transportation, and Wrapped in Love Diaper Bank — are on pace to be expended by the June 30 program year deadline. Construction projects, which are generally given up to three years to complete, are also progressing: the Prescott Community Cupboard Food Bank renovation and the Agape House project are complete, and the Public Works drainage study on Dexter Street is complete. The Community Nature Center restroom project (Parks and Recreation) is still seeking additional funding, and the Launchpad project is nearing completion, expected in June.

Member Howe asked about the status of the Boys and Girls Club fencing project; Mr. McInnes confirmed the project is complete, noting that although \$30,000 was originally requested, the final project cost was approximately \$5,000, and the unspent balance will return to the CDBG program for future allocation.

Member Cutting noted the importance of subrecipients obtaining thorough cost estimates or bids before submitting funding requests, so that CDBG funds are not over-allocated relative to actual project need. Mr. McInnes agreed this is a consideration for future funding cycles and noted that staff works with applicants to obtain multiple bids where possible ahead of Committee review.

For Program Year 2024, Mr. McInnes reported that the Minor Home Repair Program is well funded and active, with a per-project cap of \$5,000. The Coalition for Compassion and Justice (CCJ) manufactured home replacement project is still seeking additional funding; Mr. McInnes noted he has a meeting scheduled this week to discuss next steps. The Adult Center storage addition project has available funding, with a possible delay related to an expansion of project scope. Mr. McInnes also noted that \$5,000 originally allocated to Polara Health was redirected to a different facility on Cortez Street rather than the Hatten House. In response to a question about the remaining term for Program Year 2024 projects, Mr. McInnes confirmed the Committee's general three-year completion target, noting that the U.S. VETS VA campus project was an exception that extended beyond three years due to its complexity.

For Program Year 2023, the New Hope Wellness Center project is nearing completion, with final completion expected by the end of summer.

Mr. McInnes presented a summary of top subrecipients by CDBG award since Program Year 2020, including Prescott Cares (CDBG-CV) awards.

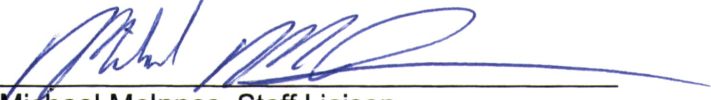
Member Cutting asked for clarification around funding to US VETs. Mr. McInnes confirmed that the total shown for U.S. VETS includes both CDBG-CV funding used for meals for veterans on the VA campus and CDBG funding for the renovation of officer quarters, including appliance purchases; those units are now fully occupied.

Mr. McInnes presented HUD's FY2026 income limits for the Prescott/Yavapai County area, noting the 80% Area Median Income (AMI) threshold as the level CDBG funding is intended to target.

Member Howe asked whether this information could be incorporated into the Committee's subrecipient evaluation/ranking sheet to better assess an applicant's target population. Mr. McInnes agreed to note this for consideration when the ranking sheet is revisited later in the year.


Mary Ann Suttles, Chair

ATTEST:


Michael McInnes, Staff Liaison