

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico held at Gallup City Hall, 110 W. Aztec Avenue, at 6:00 p.m. on Tuesday, June 9, 2020.

The meeting was called to order by Mayor Louie Bonaguidi. He provided instructions to the public viewing the meeting through Facebook Live on how to submit comments during the public hearing on the proposed fireworks restrictions and on non-agenda items later in the meeting.

Upon roll call, the following were present:

Mayor:	Louie Bonaguidi
Councilors:	Linda Garcia Michael Schaaf Yogash Kumar Fran Palochak
Also present:	Maryann Ustick, City Manager Curtis Hayes, City Attorney

Presented to the Mayor and Councilors for their approval were the Minutes of the Regular Meeting of May 26, 2020.

Councilor Kumar made the motion to approve the aforementioned Minutes. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Schaaf, Palochak and Mayor Bonaguidi all voted yes.

Mayor Bonaguidi and Councilors presented a Proclamation declaring June 13, 2020 as New Mexico Heart Walk Day.

Presented to the Mayor and Councilors for their approval were the following Discussion/Action Topics:

1. Resolution No. R2020-15; Adoption of the Comprehensive Housing Analysis for the Greater Gallup Area – Clyde (C.B.) Strain, Planning and Development Director

Mr. Strain provided an update regarding the legislative appropriation, secured by Representative Patty Lundstrom, in the amount of \$100,000 to perform the study and determine midrange housing needs. Mr. Strain said Requests for Proposals (RFP's) went out and five (5) firms responded. After thorough review of the proposals by the RFP committee, Sites Southwest was awarded the project. Mr. Strain introduced Phyllis Taylor and Rosemary Dudley of Sites Southwest. Ms. Taylor presented a power point presentation highlighting the purpose of the study, working group goals, survey responses, stakeholder outreach, funding, the overall needs of a continuum of housing types in the City and productive use of vacant buildings. A copy of the power point

MINUTES

Regular City Council Meeting – 06/09/2020

Page 2

presentation is attached hereto, labeled as Exhibit A and made a part of these official Minutes.

Discussion followed regarding a flow chart of incentives specific to the City's needs, vacant buildings, the high cost to build infrastructure, the proposed creation of a Housing Task Force to promote progress and staff's attendance at the upcoming Center for Community Progress Training.

Councilor Palochak made the motion to approve Resolution No. R2020-15; Adoption of the Comprehensive Housing Analysis for the Greater Gallup Area. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Kumar, Garcia and Mayor Bonaguidi all voted yes.

2. Resolution No. R2020-16; FY 2021 Budget Adoption – Patty Holland, Chief Financial Officer

Ms. Holland presented the Fiscal Year 2021 Budget for final approval and submission to the New Mexico Department of Finance and Administration (DFA) by July 31, 2020. Ms. Holland provided a power point presentation highlighting necessary cuts made to the initial budget as a result of the COVID-19 pandemic and a projected 30% reduction in the Gross Receipts Tax (GRT) revenues. Some of the major adjustments included general department cuts in the amount of \$1.4 million, the use of \$3.5 million of the City's cash fund balance, staff furloughs and position eliminations. A copy of the power point presentation is attached hereto, labeled as Exhibit B and made a part of these official Minutes.

The Mayor and Councilors thanked staff for their work on the budget and the tough choices that had to be made to balance the budget, including the eliminated and furloughed positions.

Councilor Schaaf made the motion to approve Resolution No. R2020-16; FY 2021 Budget Adoption. Seconded by Councilor Palochak. Roll call: Councilors Schaaf, Palochak, Garcia, Kumar and Mayor Bonaguidi all voted yes.

3. **Public Hearing:** Proclamation Declaring Extreme Drought Conditions: Restricting Fireworks – Jesus "Chuy" Morales, Fire Chief

Fire Marshall Jacob LaCroix presented the proclamation to restrict certain aerial fireworks. As of June 2, 2020, the drought monitor showed the conditions in Gallup between moderate to severe. Fire Marshall LaCroix noted McKinley County did not approve a similar proclamation; therefore, restrictions would only effect the City. The

MINUTES

Regular City Council Meeting – 06/09/2020

Page 3

4th of July Fireworks display is not included in the Proclamation but it could be added should the Mayor and Councilors decide to do so.

Discussion followed regarding dry weeds throughout the city and the risk of fire, the dates permitted to sell fireworks, the effective date of the proposed proclamation and enforcement issues that arise when the city imposes fireworks restrictions and the county does not follow suit. Ms. Ustick provided clarification regarding the City's fireworks display.

There was no public comment presented during the public hearing.

Councilor Garcia made the motion to approve the Proclamation Declaring Extreme Drought Conditions and Restricting Fireworks. Seconded by Councilor Palochak. Roll call: Councilors Garcia and Palochak voted yes. Councilors Schaaf, Kumar and Mayor Bonaguidi voted no. Motion failed.

4. Ordinance No. S2020-6; Repeal of the Ban on Alcohol Sales at Convenience Stores – Curtis Hayes, City Attorney

Mr. Hayes presented the proposed Ordinance, which would repeal the ordinance adopted on April 14, 2020 prohibiting the sale of alcohol at convenience stores. The reasons for the ban included limiting exposure of the COVID-19 virus to the homeless population. Mr. Hayes said at the time, the City did not have the resources to isolate individuals who tested positive for the virus or who had been exposed whereas now, there is system in place. Package liquor stores were closed pursuant to a Public Health Order issued by the New Mexico Department of Health, which has since been lifted. Therefore, there no longer exists a reasonable basis to single out convenience stores, who have cooperated and remained compliant of the ordinance, as the only category of licensed dispensers not allowed to sell alcohol.

The Mayor and Councilors expressed their appreciation to the convenience stores for following the ordinance and understanding the severity of the situation.

Councilor Schaaf made the motion to approve Ordinance No. S2020-6; Repeal of the Ban of Alcohol Sales at Convenience Stores. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Palochak, Kumar and Mayor Bonaguidi all voted yes.

5. Contract and Budget Adjustment for the State Behavioral Health Investment Zone (BHIZ) Grant – Debra Martinez, Behavioral Health Investment Zone Manager

MINUTES

Regular City Council Meeting – 06/09/2020

Page 4

Ms. Martinez presented the budget adjustment and FY 2021 contract, which is a six (6) month extension to the existing five (5) year grant.

Councilor Palochak made the motion to approve the contract and budget adjustment for the State BHIZ Grant. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes. Councilor Kumar was temporarily absent due to technical difficulties.

6. Approval of Gallup Detoxification Center Intensive Services Agreement – Debra Martinez, Behavioral Health Investment Zone Manager

Ms. Martinez explained as part of the BHIZ extension, a total of \$80,000 will be granted to NCI for six (6) months for the purpose of funding intensive counseling in addition to case management services.

Discussion followed regarding program funding beyond the six (6) month period and the need for the program.

Councilor Garcia made the motion to approve the Gallup Detoxification Center Intensive Services Agreement. Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

7. Request to Award Bid for Marce Court Sewer Improvements (Formal Bid No. 2016) and Associated Budget Adjustments – Dennis Romero, Water and Sanitation Director

Mr. Romero explained the intent of including the project in the upcoming fiscal year's ICIP budget; however, upon investigation and inspection during calendar year 2019, staff found approximately 500 feet of 8 inch sewer line in the Marce Court area was failing and creating a potential public health hazard. Wastewater Collection crews have monitored the area, while the Water and Sanitation Department along with Depauli Engineering Services developed a design and set of bid documents to replace this section of sewer line. Dallago Corporation of Gallup submitted the apparent low bid at \$199,295, which was certified by the Engineer of Record, along with a recommendation of award. Mr. Romero provided a table indicating ways to fund the project with existing funds including funds from completed projects, a \$15,000 contribution from the Gallup Housing Authority and \$128,650 from FY 2021 Waste Water Miscellaneous Network Repair (MNR) funding.

Councilor Palochak commended Mr. Romero for his work in finding funding for the project and for being proactive.

MINUTES

Regular City Council Meeting – 06/09/2020

Page 5

Councilor Kumar made the motion to approve the award of the bid for Marce Court Sewer improvements (Formal Bid No. 2019) and associated budget adjustments. Seconded by Councilor Schaaf. Roll call: Councilors Kumar, Schaaf, Garcia, Palochak and Mayor Bonaguidi all voted yes.

8. Budget Adjustment for Change Order No. 1-Coal and 9th Street Waterline – Dennis Romero, Water and Sanitation Director

Mr. Romero said while working on the water line replacement project at 9th Street and Coal Avenue, the contractor and Field Engineer exposed an old water meter and sewer line to a lot in the area. In accordance with the City Code, Section 8-1-4, in the event of a changeover connection, where a connection is changed from an old or existing water main to a new or other water main, the city shall bear the whole cost. Mr. Romero said in order to complete the water line project the City authorized the replacement of the water and sewer service lines to the lot, by Change Order No. 1 in the amount of \$9,470.85 an increase of \$105,496.38 for a revised value of \$114,967.23.

Councilor Palochak made the motion to approve the budget adjustment for Change Order No. 1 for the Coal and 9th Street water line. Seconded by Councilor Schaaf. Roll call: Councilors Palochak, Schaaf, Kumar, Garcia and Mayor Bonaguidi all voted yes.

9. Budget Adjustment Request-Wastewater FY2020 Closeout – Dennis Romero, Water and Sanitation Director

Mr. Romero said this was the first year the City paid its own utilities, including water and electric, by a transfer of funds. As a result, the Water and Sanitation Department met its commitment to pay utility costs for the Wastewater Treatment Plant (WWTP); however, they are \$74,807.68 short their budget to pay the final invoice from Jacobs and to close out all WWTP costs for this fiscal year. Mr. Romero requested a budget transfer of \$75,000. from Fund 508.

Councilor Kumar made the motion to approve budget adjustment request of \$75,000 for the Wastewater FY 2020 closeout. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Garcia, Schaaf and Mayor Bonaguidi all voted yes.

10. Budget Adjustment for Walmart Community Grant Award – Captain Erin Toadlena-Pablo, Gallup Police Department

Captain Toadlena-Pablo presented the proposed budget adjustment for revenue and expenditure of the Walmart Community Grant award in the amount of \$2,500. The

MINUTES

Regular City Council Meeting – 06/09/2020

Page 6

funds will be used to purchase Microsoft Office software for police vehicle mounted laptops.

Councilor Palochak made the motion to approve the budget adjustment for Walmart Community Grant Award in the amount of \$2,500. Seconded by Councilor Garcia. Roll call: Councilor Palochak, Garcia, Schaaf, Kumar and Mayor Bonaguidi all voted yes.

Comments by Public on Non-Agenda Items

None.

Comments by Manager and City Attorney

Ms. Ustick thanked the Mayor and Councilors for their approval of the budget. She expressed hopes of restoring some cuts in December and she acknowledged the Budget Committee for their work. She also provided an update regarding a reopening plan for city facilities, excluding recreation facilities.

Comments by Mayor and Councilors

Mayor Bonaguidi commended everyone who contributed to the budget, including the department heads for their support.

Councilor Palochak thanked Walmart for the grant award and commended the protestors in their peaceful demonstration regarding the Black Lives Matter movement. She also expressed her appreciation to Gallup Police Officers for their support.

Councilor Garcia commended the protestors for practicing their First Amendment rights to assemble and peacefully protest, the downtown business owners who invoked their Second Amendment right to bear arms and thanked Chief Boyd, the Gallup Police Department, McKinley County Sheriff's Department and the State Police for all their work.

Councilor Kumar commended City staff for their work on the budget and praised the Police Department for all they do for the community.

There being no further business, Councilor Schaaf made the motion to adjourn. Seconded by Councilor Garcia. Roll call: Councilors Schaaf, Garcia, Kumar, Palochak and Mayor Bonaguidi all voted yes.

(next page)

MINUTES
Regular City Council Meeting – 06/09/2020
Page 7



Mayor Louie Bonaguidi


ATTEST:


Alicia Palacios, Deputy City Clerk

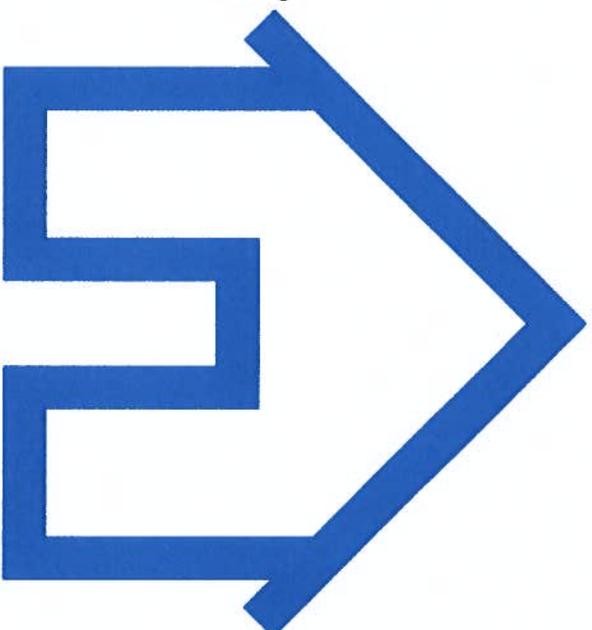
Approved 6/23/2020



**City of Gallup
Housing Needs
Analysis**

City Council

June 9, 2020





Project Goals & Purpose

- **The purpose of the Housing Needs Analysis:**
 - Support the Growth Management Plan and Strategic Goals for Housing.
 - Identify and analyze existing and projected housing needs.
 - Recommend actions that the City and other stakeholders can take to meet housing needs.
 - Provide data to inform future housing development.

Scope of Work



Information Gathering

Data Collection
Housing Working Group
Stakeholder Interviews
Community and Employer Surveys



Market Profile

Housing Market and Demographics



Needs Assessment



Priority Actions to Implement



Housing Needs Analysis Report

Administrative Draft
Public and Final Drafts

Working Group

- **City of Gallup**
- **Coldwell Banker and High Desert Realty**
- **DePauli Engineering & Surveying, LLC**
- **Gallup Board of Realtors**
- **Gallup Land Partners**
- **Greater Gallup Economic Development Corporation**
- **Native Partnership for Housing**
- **Northwest New Mexico Council of Governments**



Working Group's Role



Share knowledge of the local housing market



Help publicize online surveys through networks



Meet at key points to discuss findings and recommendations



Review draft materials

Stakeholder Outreach

- **Conducted an apartment complex survey**
 - Contacted 19 apartment complexes
 - Of them, 13 provided information
- **Reached out to stakeholders and service providers**
 - Contacted 40 agencies/individuals
 - Received input from:
 - Gallup McKinley County Schools
 - Habitat for Humanity-Gallup
 - Murphy Builders
 - Pinnacle Bank
 - Presbyterian Medical Services
 - Gallup Housing Authority
 - Rehoboth Christian School
 - Rehoboth McKinley Christian Health Care Services
 - Southwest Indian Foundation
 - UNM-Gallup
 - Wells Fargo

Community and Employer Surveys

- **Survey period: February 1 – March 22**
- **Available online and at City Hall**
- **Community Survey: 156 Responses**
- **Employer Survey: 22 Responses**
- **Informed the findings and recommendations**



Overall Needs

- A continuum of housing types that includes smaller lots, attached units, and higher density apartments will provide a range of options for local workers.
- The revitalizing downtown area is a logical location for higher density housing.
- A moderately dense product, known as the “missing middle” might be an appropriate scale for Gallup.



Overall Needs

- Policies/ordinances that encourage productive use of vacant buildings and land are needed. The new Land Development Standards (zoning code) could be supplemented by:
 - Vacant buildings ordinance that's more stringent requiring property owners to maintain their structures.
 - Infrastructure standby charge for vacant properties.
 - Continued code enforcement and implementation of the Clean and Lien Program.

Unmet Home- ownership Need

- **Total homeownership need**
 - 65 renters with incomes that would support homeownership
 - 32 homes to accommodate growth
 - 58 commuters who are interested in moving
 - Less homes for sale—40± in January
- **Households with incomes under \$35,000**
 - Homebuyer assistance and education
 - First time homebuyers, renters who could buy
 - Over 100 mortgage loan denials, highest rates for household incomes less than \$35,000
 - Most common reasons are debt and poor credit history
 - 18 units with home price up to \$185,000
- **Households with incomes of \$35,000 to \$49,999**
 - 8 units with home price \$185,000 to \$265,000
- **Households with incomes above \$50,000 per year**
 - 44 units with home price above \$265,000 for growth and move up buyers

Need for Rental Housing

- **Cost burdened renters**
 - Census estimates indicate that over half of renters pay more than 30% of their income for rent, and 31% pay over half of their income for rent.
 - There are over 1,000 cost burdened renters in Gallup, most with incomes below \$20,000.
 - 194 cost burdened renters have incomes between \$20,000 and \$50,000.
 - A solution could be new housing or rental assistance for current homes.
- **Cost burdened senior homeowners**
 - There are approximately 200 cost-burdened owner households with the owner age 65+ (166 pay more than 35% of income for housing).
 - A solution could be senior rentals or assistance, such as repairs, weatherization or accessibility improvements, that allows seniors to stay in their homes.
- **Housing to accommodate growth**
 - 32 units for households with incomes below \$20,000
 - 29 market rate rental units

Increase Housing Choice and Availability

- Promote the pro-housing policies of the new Land Development Standards (LDS):
 - Recommending developers of new subdivisions chose SFR-A to accommodate more parcels between 3,000 and 6,000 square feet to enable them to build homes at more affordable prices.
 - Recommending that property owners of dilapidated mobile home parks consider applying for a zoning change on their properties or selling them so they can be redeveloped as quality multi-family dwellings.
 - Encouraging developers to consider cluster development or co-housing development in RR, SFR, MFRL and MFRM and MXN districts.
 - Encouraging property owners to put property in older neighborhoods to productive use, including infill development in the Character Protection Overlay district, the Downtown Overlay district, and the Downtown MRA plan area.
- Encouraging PUD districts.

Increase Housing Choice and Availability

- **The City can consider making changes to the LDS to address housing shortages:**
 - **Amend LDS text to allow multi-family as a conditional use in General Commercial districts.**
 - **Look at more sites that could be appropriate for multi-family, especially medium density as described earlier as the Missing Middle Housing Types.**

Rehabilitate Homes and Develop Vacant Lots to Support Stable Neighborhoods

- **Develop a comprehensive strategy.**
 - Convene a Housing Taskforce with government entities, including McKinley County, lawyers and title professionals to assess the local and state laws regarding abandoned property, tax foreclosure statutes, and the feasibility of developing a land bank for abandoned property such that they can be returned to productive use.
 - Consider taking part in a Center for Community Progress training that helps communities address vacant and abandoned properties and get them back into productive use.
 - Update laws at state and local levels to address vacant and abandoned property. Reassess and establish fees/finances for property owners not in compliance that makes it less desirable for property owners to do nothing.
 - In the interim, initiate a citywide cleanup and consider hiring residents to clean up blight.

Rehabilitate Homes and Develop Vacant Lots to Support Stable Neighborhoods

- **Develop a systematic process to assess and return homes to productive use:**
 - Make an abandoned property list.
 - Prioritize funding for new City staff code enforcement positions.
 - Identify property owners and hold them accountable. For example, continue to give 30 days to clean up their abandoned/unmaintained properties and register vacant property. If they do not, impose fines.
 - Register all vacant/abandoned buildings.
 - Charge the property owners of such properties fees until property is brought to code.
 - Make the rehabilitation and maintenance process clear and understandable to the public through a campaign and webpage.
 - From this point on in the process, the decisions made in the comprehensive strategy will determine whether the City pursues the land banking option or chooses to work with a non-profit housing developer or community development corporation.
 - Market and sell buildings once they have been foreclosed; work with community stakeholders to identify priority sites.
 - Leverage private and public funding for properties beyond repair to assist with demolition costs.
 - Establish a greenlining fund to help prospective homebuyers get mortgage loans.

Rehabilitate Homes and Develop Vacant Lots to Support Stable Neighborhoods

- The City of Gallup could encourage McKinley County on the following steps:
 - The County Treasurer's Office currently aids property owners struggling to pay taxes through an installment payment plan. The County can make residents more aware of this assistance.
 - The County can begin foreclosure on properties that have not had property taxes paid for three years so they can be available for rehabilitation or demolition (if beyond repair) and can be put back into productive use.

Rehabilitate Homes and Develop Vacant Lots to Support Stable Neighborhoods

- **Build capacity of local non-profit housing developer or community development corporation:**
 - Once the steps above are completed and abandoned property is foreclosed, a housing developer can begin to bring properties into productive use.
 - Identify properties with buildings beyond repair for demolition and new construction of affordable housing for multiple income levels.
 - Work with a local non-profit such as Habitat for Humanity that can renovate units for sale to low- and moderate-income families.
 - Identify properties with buildings that can be restored as rental properties.
 - Build capacity for this entity to work with rental property owners to bring buildings up to livable conditions and improve the quality of the rental market.

Rehabilitate Homes and Develop Vacant Lots to Support Stable Neighborhoods

- **Request use of CDBG funds for housing projects that benefit distressed neighborhoods.**
 - **The State of New Mexico allocates its CDBG funding for non-entitlement communities for capital improvements, infrastructure and planning.**
 - **There are also funds for housing and economic development that benefit low- and moderate-income households.**
 - **Projects that help stabilize and upgrade low- and moderate-income neighborhoods should be considered for CDBG funding.**
 - **NWNMCOG, DFA and MFA can collaborate with the City to develop a successful project and funding application.**

Remove Barriers to New Housing Construction

- The City can address several challenges facing construction of new housing, including the lack of skilled tradespeople and the number of platted parcels without infrastructure:
 - The City can reassess its ability to vacate a plat and revise City ordinances so it can become a partner in providing infrastructure on parcels.
 - The City could assist with infrastructure improvements, including public assistance to help the private sector fund infrastructure through a public improvement district, special assessment district or bond funding.
 - The City can promote trades training and certification through the GGEDC's Building Trades in the Community program and work with UNM-Gallup's Construction Technology program to increase and improve the quality of trades in the area.
- The City can leverage the Opportunity Zone tax incentives to address the community's need for affordable housing.

Maximize Coordination of Local Entities and Resources

- Housing Taskforce should monitor housing needs and opportunities.
- Target vacant land owned by public entities for new housing sites.

Increase Homeownership Opportunities for Gallup Residents

- Increase participation in homebuyer education available in Gallup.
 - Native Partnership for Housing provides home buyer classes and is a member of NeighborWorks America, a national non-profit that provides financial support, technical assistance, and training for the organization. The organization is also an approved Counseling Organization. The City of Gallup can help make residents aware of this service.
 - Support the efforts of the Gallup Housing Authority to create homeownership opportunities for higher income public housing residents. HUD's Section 32 Homeownership Program allows Public Housing Authorities to assist public housing families to purchase homes through the Public Housing Capital Fund.
 - Work with local non-profit organizations to rehabilitate existing homes that can be sold to moderate income buyers.
 - A community development corporation or non-profit could offer homeownership assistance for low-income or poor credit individual a rent-to-own option where tenants can rent an affordable property and move into a homeownership/ mortgage loan approval track after completing a 2-year rental period.

Increase Homeownership Opportunities for Gallup Residents

- Promote awareness of home buyer assistance that is available to Gallup residents through existing programs.
 - MFA and USDA have several programs that are geared to first time home buyers. Assistance includes low-interest loans and down payment assistance.

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Housing Rehabilitation		
Initiate acquisition of vacant and abandoned properties and implement a scattered site program in collaboration with Habitat for Humanity	4	10
Complete rehabilitation for low-income homeowners	10	50
Increase capacity of the clean and lien program	30	150
Implement a proactive program to acquire and rehab foreclosed and abandoned properties	2	10
Provide rehab and maintenance assistance to enable cost-burdened seniors to remain in their homes	5	25

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Homeownership		
Increase participation in homebuyer education to increase successful home mortgage loan applications	100	500
Work with the Gallup Housing Authority to enable high-income public housing residents to purchase homes	12	60
Increase production of market rate housing through new subdivision development and infill	35	175
Develop affordable homeownership opportunities for entry level workforce—up 50% to 100% of AMI	25	125

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Rental and Special Needs Housing		
New affordable rental housing units built over 5 years	N/A	250
Rehabilitation of existing affordable rental housing	N/A	120
New affordable, accessible rental housing for seniors	N/A	50
Supportive housing units/services included above	N/A	15
Market rate rental housing	N/A	80
New rent subsidies for people with special needs	10	50

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Regulatory Changes	Timeframe	
Develop a vacant and abandoned building strategy to assess and return homes to productive use	2021	
Adopt a vacant building ordinance and registration process	2021	
Streamline regulatory review for affordable housing	2021	

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Capacity Building	Timeframe	
Increase code enforcement capacity	2020	
Form a Housing Taskforce	2020	
Develop an abandoned properties list	Ongoing	
Support local efforts to increase participation in GGEDC and UTM-Gallup construction technology programs	Ongoing	
Collaborate with local non-profits to build capacity to assist with vacant and abandoned properties	Ongoing	
Sponsor at least one educational event per year to link housing resources with potential homebuyers	Ongoing	
Promote the existing housing resource guide for residents	2021	

Housing Production Goals

Objectives	Annual Average	5-Year Goals
Funding and In-Kind Support	Timeframe	
Increase infrastructure assistance for affordable housing	Ongoing	
Work with local institutions that are interested in participating in workforce housing projects	Ongoing	

EXHIBIT B

CITY OF GALLUP FY 2021

INITIAL PROPOSED BUDGET

Revenue decline, primarily GRT at 30% is estimated at \$7,623,557

Key changes to initial budget:

General Fund revenue est decline	(7,623,557)
Drop in GO bond 2012/2010A refunding	(771,341)
Move cust svc to ELEC	(321,488)
Move billing to ELEC	(174,549)
Fire move operations to Fire fund	(100,000)
OT reduction GF 100%	(75,100)
OT reduction Fire 10%	(27,500)
OT reduction Police 10%	(88,661)
Reduce Bid Match by 50%	(60,000)
Reduce Gallup Arts by 50%	(5,000)
JPSA	(5,000)
Close inactive projects	(265,194)
Close Council projects (refund if GRT rebounds)	(252,415)
General dept cuts	(1,420,461)
Reduction in transfer to Risk Mgt	(106,462)
Staff furlough (recreation)	(158,037)
Position eliminations	(229,643)
Use of cash fund balance	(3,562,706)

Staff Furlough includes:

	# positions			
General Fund (101)				
Recreation/LBM	3544	5 3 months	(24,402)	
Harold Runnels	3547	4 3 months	(16,773)	1 vacant
Aquatic	3549	24 3 months	(81,777)	19 vacant
El Morro	4043	5 3 months	(30,376)	
Rex Museum	5055	1 3 months	(4,709)	vacant
		39	(158,037)	
Lodgers Tax (214)				
RR Park/Seasonal	3550	8 12 months	(80,903)	8 vacant
Enterprise Fund (516)				
Cecil Garcia Fitness Center	3548	7 3 months	(38,491)	1 vacant

General Department Cuts include:

- Supply (46.10) 20% reduction
- Travel/training 50% reduction
- Supply non-capital(46.20) 50% reduction
- Tuition 100% reduction
- Annual staff recog events 100% reduction

Positions eliminated or frozen:

General Fund (101)	
Police Administration	2 (81,446.48) 1 vacant
Library	1 (76,668.00) vacant
YCC	1 (71,529.00) vacant
	(229,643.48)

Streets (216)	
Streets	4 (127,247.82)

Enterprise Funds (500's)	
Utilities	3 (182,319.71) 2 vacant



Police Fund 211

Funding is estimated to drop 30% in FY 2021 (\$185,025)

Recommendations include:

- Reducing civilian staff by 2 positions (1 vacant)
- Reducing travel/training by 50%
- Reduce general operating expenses

Streets Fund 216 (Gas Tax)

Funding is estimated to drop 30% in FY 2021 (\$754,125)

Recommendations include:

- Reduce staff by 4 positions
- Reduce general operating expenses

Lodgers Tax Fund 214

Funding is estimated to drop 55% in FY 2021 (\$863,500)

Recommendations include:

- Not funding Red Rock Park seasonal staff this FY (unless funding recovers)
- Freeze event funding thru December (will reassess in December)
- Cancel the Gallup Native Arts Market this FY
- Reduce operating expenses

Solid Waste Fund 504

Funding is estimated to drop FY 2021 (\$550,470)

Recommendations include:

- No capital purchases this fiscal year
- No changes to operating expenses at this time, will use cash reserves of up to \$3,091.

Water Fund 506

Funding is estimated to drop FY 2021 (\$1,008,207)

Recommendations include:

- No changes at this time, will use cash reserves of up to \$214,404, while maintaining a 180 day cash balance

Electric Fund 507

Funding is estimated to drop FY 2021 (\$7,406,443)

Recommendations include:

- Reduce 2 staff positions (1 is vacant).
- Reduce operations costs
- will use cash reserves of up to \$5,189,522, while maintaining
 - a 180 day cash balance

Wastewater Fund 508

Funding is estimated to drop FY 2021 (\$645,108)

Recommendations include:

- Reduce 1 staff position (vacant).
- Reduce operations costs
- will use cash reserves of up to \$1,119,976 while maintaining
 - a 180 day cash balance

QUESTIONS

