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APR 28 2011



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MEMORANDUM NEIGHBORHOOD RESOURCES - COUNCIL MEMO NO. NR11-018

DATE: APRIL 14, 2011

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, ACTING CITY MANAGER *RD*
PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *[Signature]*
JENNIFER MORRISON, NEIGHBORHOOD RESOURCES DIRECTOR *JM*

FROM: CARL MORGAN, CDBG PROGRAM SUPERVISOR *em*

SUBJECT: PUBLIC HEARING ON COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”) 2011-2012 ANNUAL ACTION PLAN.

BACKGROUND: The Department of Housing and Urban Development (HUD) requires that all local governments receiving Community Development Block Grant (CDBG) funding submit an Annual Action Plan that will guide HUD-funded housing, homeless and community development activities in the City of Chandler for the period beginning July 1, 2011 through June 30, 2012. To comply with the City of Chandler’s Public Participation Plan, the City is holding a public comment period that began Monday, April 4, 2011 and will remain open for 30 days. In addition, a Public Hearing on the Annual Plan was held Wednesday, April 6, 2011 at the Housing and Human Services Commission meeting and is requested to be held at the April 28, 2011 City Council meeting to ensure opportunities for input from the community.

DISCUSSION: The City’s FY 2011-12 Annual Action Plan serves as the formal application for the use of entitlement funds that are received by the City of Chandler. The Action Plan defines the one-year activities in relationship to the five-year goals and objectives of the Consolidated Plan covering Fiscal Years 2010-2014. It provides a description of the programs and projects of the City of Chandler in FY 2011-12, as well as funding decisions for the City’s CDBG program.

Non-profit organizations applying for FY 2011-12 CDBG funding submitted applications in January, 2011. A total of 17 applications were received, requesting a total of \$1,597,404. The Housing and Human Services Commission (“HHSC”) reviewed and evaluated the applications and made initial CDBG funding recommendations to City Council for approval. Initial CDBG funding recommendations were made by HHSC on Wednesday, March 23, 2011 and are summarized on page 15 of the Plan.

Staff anticipates a ten percent (10%) reduction in FY 2011-12 CDBG entitlement funds compared to the amount received in FY 2010-11 and instructed HHSC to make initial CDBG funding recommendations to include a 10% reduction. The HHSC also developed a contingency CDBG allocation recommendation (totaling 10%) in the event that the City receives more funding from HUD than anticipated. The HHSC's funding recommendation requests that any additional public service funds awarded by HUD above the contingency amount be allocated to the City of Chandler Housing - Youth Program application, up to the amount requested. The Draft FY 2011-12 Annual Plan includes both the 10% reduction and contingency amounts. Staff is also requesting authorization to make minor adjustments to the allocation amounts proportional to the final allocation amount received from HUD.

After the close of the 30 day public comment period, the FY 2011-12 Annual Action Plan including the CDBG funding allocation recommendations will be brought back to the Mayor and Council for approval on May 12, 2011. HUD requires submittal of the Plan by May 13, 2011.

RECOMMENDATION: Federal regulations and Chandler policy requires the City Council to hold a public hearing to collect public input regarding Chandler's FY 2011-12 Annual Action Plan which includes the allocation of FY 2011-12 CDBG funds.

MAYOR'S STATEMENT: The Public Hearing regarding the Community Development Block Grant FY 2011-12 Annual Action Plan, which include the allocation of FY 2011-12 Community Development Block Grant funds is now open for discussion.

Attachments: "A" – Draft City of Chandler FY 2011-12 Annual Action Plan (including the listing of Funding Recommendations on p. 15)
"B" – Federal Funding Program Descriptions

Attachment A

Draft Chandler FY 2011-12 Annual Action Plan

CITY OF CHANDLER

2011 – 2012 ANNUAL ACTION PLAN

Mission

The mission of the City of Chandler Neighborhood Resources Division is to strengthen and enrich the community by providing high quality services and resources through:



- Educational programs
- Neighborhood revitalization
- Resident empowerment
- Promotion and celebration of diversity
- City code enforcement
- Subsidized housing assistance



Table of Contents

Introduction & Resources	1
The Chandler Community	2
Rental and Public Housing	5
Homeownership & Housing	6
Neighborhood & Community Development	8
Homeless and Special Populations	9
Fair Housing & Regulatory Barriers	10
Economic Development	11
Human Services/Anti-poverty	12
Monitoring & Citizen Participation	13
CDBG/HOME Recommended Funding Allocations	15
Institutional Structure	17

What is the Annual Action Plan?

The Annual Action Plan (Action Plan) is submitted to the U.S. Department of Housing and Urban Development (HUD) and serves as the formal application for the use of entitlement funds that are received by the City of Chandler. The City's Neighborhood Resources Division is the HUD "lead agency" for the Consolidated Plan and Annual Action Plan.

The Action Plan defines the one-year activities in relationship to the five-year goals and objectives of the Consolidated Plan covering Fiscal Years 2010-2014, submitted to HUD on May 13, 2011. It provides a brief description of the programs and projects of the City of Chandler in FY11-12, as well as funding announcements for the CDBG program. The City of Chandler is also a member of the Maricopa County HOME Consortium. The HOME Consortium is the "lead agency" for consolidated and annual action plans for HUD HOME Investment Partnership Funds. Chandler activities for HOME funds can be found in the County's Consolidated Plan and Annual Action Plan.

The City of Chandler continues to identify needs, priorities, specific objectives, and strategies to provide decent housing, a suitable living environment, and to expand economic opportunities for low and moderate income residents. The City of Chandler allows and encourages the community to establish a unified vision for community development actions. It offers Chandler residents the opportunity to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. It also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context and to reduce duplication of effort.

Annual Action Plan Resources			
CDBG Entitlement Program	2010 Grant	2011 Grant	
Community Development Block Grant (CDBG)*	\$1,521,811	1,369,630**	
CDBG Prior Year Carry Forward Including Program Income		\$225,442	
Total 2011 CDBG Allocation Amount		\$1,595,072	
HOME Investment Partnership Funds			
HOME (through an agreement with Maricopa County)*		\$436,453	
Public Housing Programs			
Section 8 Housing Choice Voucher Program		\$5,347,000	
Public Housing Program		\$2,148,000	
Public Housing Capital Funds		\$850,000	
Competitive and Stimulus Programs		Total Grant	2011 Balance
Community Development Block Grant – Recovery (CDBG-R)		\$376,420	\$60,859.63
Neighborhood Stabilization Program 1		\$2,415,100	\$496,550.14
Neighborhood Stabilization Program 3		\$1,332,011	\$1,332,011
Homeless Prevention and Rapid Re-housing Program		\$575,271	\$160,094.56
Local Resources			
Acts of Kindness (AOK)			\$63,049
Social Service Funds (SSF)			\$428,965
Youth Enhancement Program (YEP)			\$638,938
Veteran's Transportation Funds			\$10,000

* Subject to change based on availability of federal funding

** City of Chandler anticipates a 10% reduction in 2011 CDBG Entitlement amount

CITY OF CHANDLER 2011 – 2012 ANNUAL ACTION PLAN

THE CHANDLER COMMUNITY

Leverage and Creative Strategies

While the budget presents hurdles that may seem insurmountable, the City has identified additional ways to increase funding and decrease costs during the coming year.

Prioritizing Intervention and Prevention

To arrest further economic decline and assist households in crisis, the City will focus human services funding on intervention and prevention strategies that meet the basic needs of Chandler's low and moderate income households:

- Food and clothing.
- Emergency and transitional shelter with services.
- Crisis assistance to move through personal and systemic barriers.
- Credit and housing counseling.
- Job skills development programs.
- Asset-building strategies.
- Assistance navigating social and economic systems.
- Physical and mental health services.
- Eviction and foreclosure prevention programs.
- Rental assistance.

City Budget Forecast

The current recession has deepened globally, nationally, and regionally. Economic difficulties are being felt around the world, the nation, and on the local level. Arizona is among the states hardest hit by the recession. Many cities in the state have already been hit hard by budget shortfalls, and while Chandler has a history of sound fiscal management, it is not immune from the current crisis. The City took steps over the past two fiscal years to reduce expenses to offset the significant losses in revenue created by the recession. A Budget Stabilization Reserve has been created which will cover the anticipated budget shortfall of \$2.3 million in the next fiscal year.

The Neighborhood Resources Division relies on both general fund and external resources to fulfill its mission. General fund supports program administration and human services as well as neighborhood, leadership and diversity programs, including code enforcement, neighborhood grants, graffiti abatement, and community events.

ARRA funding has helped the City to continue to provide needed services and programs as well as help address budget deficits. In addition, staff reductions, reduced administrative funding and the elimination of programs and services that are not considered essential have filled part of the budget gap. Identifying and applying for additional resources is necessary to continue essential services and attain Consolidated Plan goals.

Budget Impacts Nonprofits

According to a January 2011 economic survey conducted by the Arizona Alliance of Nonprofits, 45% of non-profits surveyed experienced a drop in revenues in 2010 with an average revenue decrease of 17.7%. However, 92% of nonprofits saw increased demand for services from the previous year. Of all sources of funding for nonprofits, government funding dropped by 53%, foundation revenue decreased by 51% and individual contribution revenue dropped 75%. Other key findings of the report included:

- 27% of organizations ended 2010 with a budget deficit;
- More than half of nonprofits had to tap reserves in 2010 to maintain operations;
- 39% of nonprofits have less than 3 months of operating reserves on hand;
- 40% of organizations held off on filling vacant staff positions;
- 60% of nonprofits created or expanded collaborative relationships with other nonprofits in response to their changing finances.

Community Assets

- A Healthy Mix of Households
- A Place for Children and Working Adults
- An Educated Community
- Median Income is Higher than The County Median
- A High Homeownership Rate
- Few Substandard Housing Units
- Multi-family, Manufactured Housing and Public Housing Provide Housing Choices for Low-income Renters



RENTAL AND PUBLIC HOUSING

Renter Quick Facts

- Nearly 1,300 rental units are needed for extremely low income renters.
- 1,600 renters live in overcrowded conditions.
- More than 4,000 renters occupy housing that is more than 30 years old.
- Two-thirds of the public housing stock is 40 years old.
- Four of ten renters pay more than 30% of their income for housing.
- Renting is the primary housing choice for single moms.
- Rental assistance is essential for the lowest income households.

Public Housing

The PHA addresses the needs of extremely low income, low income and moderate-income families in Chandler. The Public Housing program and Section 8 program have continued to be designated by HUD as "High Performing".

The City's PHA manages 303 public housing units and 480 Housing Choice Vouchers. In addition, the Housing and Redevelopment Division operates 4 scattered site senior homes in gated designated adult communities as a non-federal affordable housing venture.

While the City's PHA has done much to address the needs of low-income households in Chandler, demand for assistance remains high. There are 2,608 families on the Public Housing waiting list and 1,023 on the Section 8 waiting list.

Vacancy turnover in Public Housing is approximately 80 families per year. Average waiting times for Public Housing vary widely depending on the bedroom size required. On average the wait is approximately 2 years for all bedroom sizes, however, two-bedroom units are in the greatest demand and large bedroom units have the shortest wait time.

Over the past 40 years, the 200 apartment inventory has been well managed and maintained. However, the existing product is becoming functionally obsolete and the cost to make the structural and design changes necessary to continue to meet the housing needs for the future is overly invasive, requires relocation, and is economically unwise.

Complete redevelopment of our family apartments is the likely primary goal and the most likely outcome to provide an appropriate return on investment for the years to come.

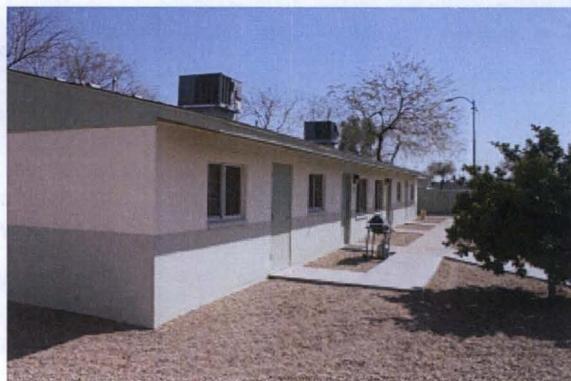
2011 Affordable Rental Housing Strategies

- Partner with the Affordable Rental Movement (ARM) of the Save the Family Foundation to purchase at least three foreclosed units for occupancy by renters with incomes below 50% of the AMI utilizing NSP 3 funds.
- Utilize CDBG resources to assist in maintaining older public housing units to provide longevity of the structures.
- Examine resources to acquire foreclosed and vacant multi-family units or land zoned for multi-family housing for future development.

The Chandler Public Housing Authority: Providing Opportunities for Chandler's Lowest-income Households

Our principle mission is "affordable decent, safe, and sanitary housing". We augment this mission through social service and educational programs, including the Family Investment Center, Youth Recreation Program, the Capital Improvement Program and Social Service partnerships with other social service providers. Assisting low-income households to become self-sufficient is one of HUD's goals for Public Housing Programs. The Chandler PHA works to support housing residents that need assistance by matching resources to promote tenant education and self-sufficiency.

Chandler has expanded the accessibility and accountability of the housing programs through the creation of housing location maps, landlord outreach and by consistently monitoring the payment standard for the Section 8 Housing Choice Voucher program. The PHA also promotes linkages to first-time homebuyer programs. A few years ago, Chandler developed a seven home infill subdivision that provided affordable homeownership opportunities to seven homebuyers. Two of the new homebuyers came from Public Housing. The Housing Authority is also implementing its Section 8 (HOME) Homeownership Program. The Section 8 homeownership program continues to offer qualified residents the opportunity to become homeowners.



CITY OF CHANDLER

2011 – 2012 ANNUAL ACTION PLAN

Foreclosure Prevention

The best way to reduce the amount of foreclosures in the community is to prevent them from happening in the first place. Foreclosure prevention education is key to helping residents understand their options and choose the best alternatives to foreclosure.

The City of Chandler has partnered with Newtown Community Development Corporation to provide foreclosure prevention counseling to Chandler residents. Residents are able to make an appointment with a certified Foreclosure Prevention Counselor who work with residents one on one to analyze their situation and provide the best alternatives and resources. Counselors assist residents in developing a detailed action plan to avoid foreclosure at a satellite location in the new Chandler City Hall.

Foreclosure Prevention Workshops

In November 2010, the City of Chandler partnered with Arizona Foreclosure Prevention Task Force to present a two-day event to assist homeowners facing foreclosure in Chandler. The free workshops provided homeowners with an opportunity to meet with mortgage lenders and HUD certified housing counselors. Attending lenders included Bank of America, Chase, Wells Fargo, U.S. Bank, GMAC, CitiMortgage, SunTrust Mortgage, and PNC Mortgage.

Workshops also included presenters who provided information on foreclosure prevention, the Save My Home AZ program, crisis budgeting, rebuilding after foreclosure and avoiding scams.



resold through the Chandler Community Land Trust Program and twenty (20) first time homebuyers will receive down payment assistance utilizing NSP 3 funds.

With the creation of NSP 3 activities and layering them within target areas of other Chandler programs and resources, such as HOME and NSP 1, the City of Chandler can make a visual and positive impact to reducing the number of vacant and foreclosed properties. The activities specifically address local market conditions by removing vacant and foreclosed properties from the market, which help to stabilize the targeted neighborhoods, allowing opportunities for first time homebuyers to purchase homes without the risk of obtaining financing by a subprime mortgage related loan and by removing slum and blighted conditions caused by vacant foreclosures.

Assistance to Homebuyers: Newtown Community Development Corporation offers up to \$10,000 in down payment assistance to first time homebuyers. Homes must be vacant and foreclosed and reside within the appropriate NSP 1 or NSP 3 targeted areas. Families with income levels between 81% and 120% AMI may qualify to receive assistance. Down payment assistance is secured through a Deed of Trust and a 10-year forgivable lien on the purchased property. The homes must remain owner-occupied and cannot become rental property. Families will receive housing counseling and education to assist them in understanding the responsibilities of homeownership and will only be allowed to acquire a traditional 30-year, fixed rate loan.

Chandler Community Land Trust: The Chandler Community Land Trust was created with NSP 1 funds and managed by Newtown Community Development Corporation. In this program, Newtown purchases a vacant and foreclosed property and rehabilitates the structure. Rehabilitation is completed to include energy efficiency enhancements, correct any damage, and ensure the home is safe and habitable. Newtown then sells only the structure to income-qualified homebuyers; the Land Trust retains ownership of the land. With this program, the cost of the purchase is reduced as the owner is purchasing only the structure. The owner shares the equity in the home with the Land Trust, yet the home remains affordable indefinitely as it may only be sold to another income-qualified buyer.

Newtown home before:



Newtown home after:



CITY OF CHANDLER 2011 – 2012 ANNUAL ACTION PLAN

HOUSING THE HOMELESS AND SPECIAL POPULATIONS

What is supportive housing?

Supportive housing is linked with services that make it possible for a person to live in his or her home. Supportive services include such things as independent living skills training, vocational skills training, personal care and home health services, transportation, and development of social skills.

Who needs supportive housing?

A person who would probably not be able to live in his or her own housing without the services.

Who provides supportive services?

Providers include home health aides, social workers, employment counselors, mental health workers, volunteers and others.

How Many People with Special Needs Have Housing Needs?

Not all people who are part of a special population need housing or supportive services. Still, an estimated 3,304 Chandler residents have housing problems and would benefit from assistance, including supportive housing, more affordable housing units, and accessibility and other home improvements, including:

- 627 elderly homeowners;
- 770 elderly renters;
- 729 owners with disabilities;
- 848 renters with disabilities;
- 330 victims of domestic violence.

Homeless Prevention and Rapid Re-Housing Program (HPRP)

In 2009, the City of Chandler received \$575,271 in Homeless Prevention and Rapid Re-Housing Program funds (HPRP) from HUD. The purpose of HPRP is to prevent homelessness among individuals and families:

- Currently in housing and needing temporary assistance to prevent them from becoming homeless; and
- Experiencing homelessness and needing temporary assistance to obtain and retain housing.

Assistance may be provided to a family or individual for as long as 18 months and minimum intermittent case management is required. Funds may be used for various forms of financial assistance; housing relocation and stabilization services; data collection and evaluation; and for administrative costs.

The City approaches HPRP as an opportunity to collaborate and selected eight nonprofit organizations to administer the program, which began October 1, 2009. HPRP funds are part of the American Recovery and Reinvestment Act of 2009 and the short term program is expected to continue through 2011.

To date, the City has expended 75% of HPRP funds and has assisted 816 individuals and 217 families.

2011 Homeless and Special Populations Strategies

1. Participate in the regional Continuum of Care;
2. Provide up to \$10,000 in grant assistance for handicap accessibility improvements for elderly and disabled homeowners;
3. Allocate up to 15% of CDBG resources to organizations addressing the needs of priority populations.
4. Allocate \$238,309 in general funds for the prevention of homelessness;
5. Provide operating support for transitional housing;
6. Provide technical and financial assistance to nonprofits to better compete for limited federal supportive housing operating and rental assistance funding;
7. Fund agencies that meet the basic needs of homeless households and alleviate the effects of crisis through safe housing, food and clothing, and necessary medical care combined with case management.
8. Allocate \$160,000 in general funds for senior meals, counseling and transportation.



ECONOMIC DEVELOPMENT

Economic Development and Community Sustainability

After an extended period of rapid growth that transformed Chandler from a small town into a vibrant City, the focus is shifting from growth to long-term stability. To achieve this stability, the Chandler General Plan is encouraging a variety of businesses that will enhance the existing local economy.

The primary goals of economic development are to ensure that a variety of well-paying employment opportunities are available and that revenue generation is consistent. This requires a mix of small, medium and large businesses in multiple sectors. One objective is to foster corporate headquarters and other large office employers; these employers generally provide both entry-level and professional and technical employment opportunities. Of particular interest are knowledge-intensive industries that will employ Chandler's well-educated residents including, high-technology, bio-medical, software, renewable energy research and development and advanced business services.

Ensuring that appropriately-zoned land is available is an essential element of this strategy and promoting areas where research and industry can intersect and benefit from being in close proximity to each other is one such tool. Mixing uses and encouraging transportation connectivity are methods that are receiving strong support.

One of the City Council's priorities for the next few years is to address large retail space vacancies. Economic Development staff has drafted a plan that outlines objectives and implementation strategies focusing on the recruitment of major retailers and the promotion of a new Infill Incentive Plan approved by City Council earlier this year.

The Infill Incentive Plan is directed at property owners who undertake the complete redevelopment of an existing commercial center in order to introduce a new mix of uses, such as residential and/or office components. Particularly, it focuses on assisting developers with the demolition of existing commercial space in the 18 square miles of the redevelopment area. Retail centers at these locations have experienced a significant decline in activity.

The new incentive program correctly recognizes that some of the City's existing commercial sites may no longer represent the highest and best use of the property, and that redevelopment of these sites may have significant positive impacts on the community.

Maricopa Workforce Connections

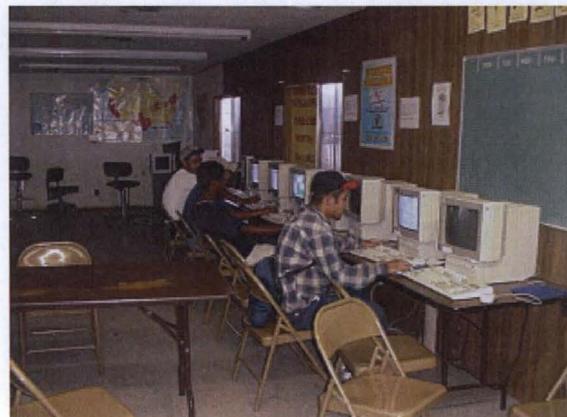
While the City works to expand opportunities for businesses, Maricopa Workforce Connections regularly analyzes labor market information to ensure that education and training opportunities meet the changing needs of business. The Maricopa Workforce Connections Board approves target industries based on economic data. The MWC Board has established that at least 80% of Adult and Dislocated Worker training funds must be expended on training in industry clusters that the Board has targeted as high growth and critical to the local economy. The targeted industry clusters are:

- Information Technology
- Biosciences
- Healthcare
- Construction
- Advanced Manufacturing
- Automotive

2011 Economic Development Strategies

In 2011, the City will explore the use of CDBG resources for a Microbusiness Loan and Technical Assistance Program. A Microbusiness is defined as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise. HUD's Community Development Block Grant Program provides the City an opportunity to assist microbusinesses with:

- Grants, loans, loan guarantees and other forms of financial support, for the establishment, stabilization, and expansion of microbusinesses;
- Technical assistance, advice, and business services; and
- General support, including child care, transportation, counseling and peer support groups.



CITY OF CHANDLER

2011 – 2012 ANNUAL ACTION PLAN

DEVELOPING SUSTAINABLE PROGRAMS

Monitoring

The City of Chandler regularly conducts internal audits of its departments to ensure that funds are being properly utilized and accounted for. In addition, outside agencies are regularly monitored for compliance utilizing a standard monitoring tool. The following items are included in contract monitoring:

- Organizational Summary
- Prior Monitoring Results Summary
- Contract Compliance
- Affirmative Marketing
- Non-Discrimination and Equal Access
- Section 504 of the Rehabilitation Act of 1973
- Drug Free Workplace
- Records Retention
- Citizen Participation
- Employee Verification
- Financial Audits and Reports
- Match
- Program Income
- CHDO Proceeds
- Environmental Review
- Procurement
- Section 3
- Federal Labor Standards
- Lead Based Paint Hazards
- Relocation
- Affordability
- Recapture vs. Resale
- Program Beneficiaries
- HPRP Supplement

Regular on-site monitoring visits are made to each agency. The purpose of the visit is to verify that the Statement of Work for each contract is carried out according to the contract's provisions. The verification includes interviews with appropriate fiscal and programmatic agency staff, review of case records, and inspection of other relevant agency documents. Technical assistance is provided in regard to any findings from the monitoring.

A written report is made for each monitoring. The report includes applicable findings of compliance and non-compliance with contract requirements. If non-compliance is found, each incident is identified as a "Corrective Action" in the report. A Corrective Action must be rectified within a specified time frame. The report also identifies recommendations for improving procedures, policies, or activities related to administering or providing the contracted services.

The Consolidated Plan and Community Input

For 2011, the City elected to conduct a community survey and meet with local networks of agencies to solicit feedback to assist in prioritizing CDBG eligible activities and to utilize data to fund activities identified by the community as having the greatest need.

The community survey was distributed to over 1,000 neighborhood contacts, 3,000 residents living in the 85225 zip code, 60 nonprofit organizations, 55 faith-based organizations, 5 educational institutions and 22 citizen and service clubs. Public access was available at the City of Chandler website. The survey included questions regarding human services, housing needs and community needs. In addition to mailing the survey, the City held a neighborhood meeting on January 31, 2011 which had over 100 residents in attendance.

The survey requested responders to rate community needs from 1 to 4 with "1" as the lowest need and "4" as the highest need for improvement. Categories included Community Facilities, Community Services, Infrastructure, Neighborhood Services, Special Needs Services, Business and Job Services and Housing. A summary of the survey results are as follows:

Community Facilities: The highest need for additional community facilities ranked: Senior Centers (28%), Youth Centers (31%), Childcare Centers (23%), Community Centers (31%) and **Parks & Rec Facilities (37%)**.

Community Services: The highest need for additional community services ranked: Senior Activities (29%), Childcare Services (28%), **Anti-Crime Programs (53%)**, Health Services (49%), and Transportation Services (37%).

Infrastructure: The highest need for additional infrastructure improvements ranked: Drainage Improvements (28%), Water/Sewer Improvements (30%), Sidewalk Improvements (21%), **Street Lighting/Streetscape Improvements (47%)**.

Neighborhood Services: The highest need for additional neighborhood services ranked: Code Enforcement (38%), Demolition of Unsafe Housing (37%), and **Emergency Home Repairs (51%)**.

Special Needs Services: The highest need for additional special needs services ranked: Services for Disabled (34%), Homeless Services/Shelters (38%), Accessibility Improvements (ADA) (21%), Domestic Violence Services (39%), Substance Abuse Services (36%), and **Neglected/Abused Children Services (55%)**.

Business & Jobs: The highest need for additional business and jobs services ranked: Employment Training (45%), Business Mentoring (37%), **Job Creation/Retention (65%)**.

Housing: The highest need for additional housing services ranked: Residential Rehabilitation (repairs) (55%), Homeownership Assistance (41%), Housing for Disabled (33%), Senior Housing (39%), Single Family Housing (35%), Affordable Rental Housing (36%), Fair Housing (32%), and **Energy Efficient Improvements (57%)**.

Based on survey results and feedback, the community listed job creation and retention as the most needed service in Chandler, followed by energy efficient housing improvements, residential rehabilitation repairs, anti-crime programs and emergency home repairs.

CITY OF CHANDLER
2011 – 2012 ANNUAL ACTION PLAN

FY 2011 CDBG/HOME ALLOCATIONS

CDBG Public Service				
	HHSC Funding Recommendation*	Contingency Funding**	Total HHSC Recommendation	HUD Outcome
Agency				
A New Leaf - East Valley Men's Shelter	\$ 42,500	\$ 2,500	\$ 45,000	DH3
A New Leaf - La Mesita Homeless Shelter	\$ 16,500	\$ -	\$ 16,500	DH3
Central Arizona Shelter Services - Emergency Shelter	\$ 25,000	\$ -	\$ 25,000	DH3
City of Chandler Housing -Youth Program	\$ 22,000	\$ 11,034	\$ 33,034	SL1
Community Bridges – Substance Abuse Crisis Services	\$ 12,000	\$ -	\$ 12,000	SL3
Community Legal Services – Removing Barriers to Justice for Low Income	\$ 8,500	\$ 4,000	\$ 12,500	SL1
Labor's Community Service Agency - Transitional Housing	\$ 7,350	\$ -	\$ 7,350	DH3
Save the Family - Homeless Families Intervention	\$ 44,746	\$ 4,533	\$ 49,279	DH3
Save the Family - FACES Program	\$ 10,000	\$ -	\$ 10,000	DH3
UMOM New Day Centers, Inc. - Emergency Shelter	\$ 10,000	\$ -	\$ 10,000	DH3
Total CDBG Public Services Recommended	\$ 198,596	\$ 22,067	\$ 220,663	
CDBG Public Facilities/Housing				
	HHSC Funding Recommendation*	Contingency Funding**	Total HHSC Recommendation	HUD Outcome
Agency				
A New Leaf – La Mesita Plumbing Improvements	\$ 150,000	\$ -	\$ 150,000	DH3
Accessible Space – Infrastructure Improvements	\$ -	\$ 46,000	\$ 46,000	DH3
City of Chandler Public Housing – Improvements	\$ 200,000	\$ -	\$ 200,000	DH3
COC Transportation and Development – Streetlight Improvements	\$ 250,000	\$ -	\$ 250,000	SL3
COC Code Enforcement – Blight Removal Program	\$ 250,000	\$ -	\$ 250,000	SL3
Community Services of Arizona – Emergency Home Repair Program	\$ 286,246	\$ 55,200	\$ 341,446	DH3
Total CDBG Public Facilities Recommended	\$ 1,136,246	\$ 101,200	\$ 1,237,446	
CDBG Administration				
	HHSC Funding Recommendation*	Contingency Funding**	Total HHSC Recommendation	
City of Chandler - CDBG Program Administration	\$ 260,230	\$ 28,914	\$ 289,144	
TOTAL CDBG ALLOCATIONS	\$ 1,595,072	\$ 152,181	\$ 1,747,253	

HOME Investment Partnership Funds				
	HHSC Funding Recommendation	Contingency Funding	Total HHSC Recommendation	
City of Chandler - Housing Rehabilitation Program	\$ 436,543	\$ -	\$ 436,453	
Total HOME Funds	\$ 436,543	\$ -	\$ 436,453	

HUD Outcome Code Key	Availability / Accessibility	Affordability	Sustainability
Decent Housing	DH1	DH2	DH3
Suitable Living Environment	SL1	SL2	SL3
Economic Opportunity	EO1	EO2	EO3

* The 2011-2012 CDBG Program Allocation includes a projected 10% cut to Chandler's 2011 Entitlement Grant.

** See contingency funding recommendations in the case that full entitlement is received.

CITY OF CHANDLER 2011 – 2012 ANNUAL ACTION PLAN

CITY OF CHANDLER NEIGHBORHOOD RESOURCES DIVISION

Division Planning & Administration Highlighted Initiatives

In 2010, the Housing and Human Services Commission worked with consultants to develop and implement a two-phase improvement plan for Chandler's funding process. Phase one was to introduce changes for the 2011-2012 funding process which included the collection and utilization of data, and the condensation of funding priorities to provide a cohesive approach to allocating funds to the most needy populations and neighborhoods while reducing duplication of services.

Phase two which includes updates to funding sources and improved funding requirements is expected to be implemented for the FY 12/13 funding allocation process.

▪ Housing and Human Services Commission

Sharon Rosner, Chairperson
Francisco Heredia, Vice-Chairperson
Brigita Fody-Landstrom
Raleigh Grady
Jenny Holsman
Natalie Krebs
Timothy Lewis
Justin Lisonbee
Scott Powell
Ann Stephani
Kelly Vickrey

▪ Neighborhood Resources Division

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Chandler, AZ 85225

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Mail Stop 600
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Phone: 480-782-4320

www.chandleraz.gov

The Neighborhood Resources Division is comprised of five divisions. The divisions work together as a team to keep neighborhoods well maintained and provide for the basic needs of low income and homeless individuals and families. The five divisions are:

- Code Enforcement
- Community Development
- Neighborhood Programs
- Chandler's Diversity Office
- Housing and Redevelopment

The Community Development Division administers the funds and programs that are used to address the goals and strategies of the Consolidated Plan. These resources promote the improvement of quality of life for low- to moderate-income families and assist in the stabilization of Chandler neighborhoods through affordable housing programs and partnerships with non-profit and faith-based agencies as well as other City departments.



▪ City of Chandler Council

Jay Tibshraeny, Mayor

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Rick Heumann

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ATTACHMENT B FEDERAL FUNDING PROGRAM DESCRIPTIONS

PUBLIC SERVICE

1. A New Leaf, Inc. - East Valley Men's Center

Funding Request: \$45,000
Recommendation: \$42,500
Contingency: \$ 2,500
Total Recommendation: \$45,000
Number to be Served: 25

A New Leaf's East Valley Men's Shelter (EVMC) offers single homeless men from Chandler the opportunity to recover their lives in a safe and supportive shelter environment. EVMC accomplishes these goals by providing Chandler and other East Valley residents with a comprehensive array of programs and services to assist them in meeting their target goal of self-sufficiency. Beyond providing the basic needs of shelter, food and clothing, EVMC's additional supportive services include: life skills training, work assistance services, participation in a required savings program, case management services, counseling, legal services, GED preparation, adult literacy support, substance abuse resources (on-site AA/NA), and community information and referral. Chandler funds will be used for salaries, payroll costs, and general operating expenses for 1.25 shelter staff employees.

2. A New Leaf, Inc. –La Mesita Family Homeless Shelter

Funding Request: \$20,000
Recommendation: \$16,500
Number to be Served: 38

La Mesita's services help strengthen homeless families by providing a safe environment where they can develop the skills and resources needed to become self-sufficient. Most homeless families who come to La Mesita have the capacity and desire to live independently and to positively impact their community both economically and socially. La Mesita provides the basic physiological needs of food, shelter and clothing, as well as subsidized childcare services, financial literacy counseling, parenting education and support, job training and employment resources, community information and referrals for behavioral health, and other related support services. La Mesita Family Homeless Center also provides on-site substance abuse support groups, including AA for program participants. City of Chandler funds will be used for operational expenses.

3. Central Arizona Shelter Services (CASS) Emergency Shelter

Funding Request: \$25,000
Recommendation: \$25,000
Number to be Served: 250

CASS provides emergency shelter & services for the homeless with 400 adult beds, 300 for men and 100 for women. CASS provides supportive services to address their immediate crisis needs such as shelter, basic needs, and assists clients to access resources such as case management, employment, and medical services. CASS is requesting \$25,000 to support staff salaries to provide 24 hours per day, 7 days a week emergency shelter. CASS' request does not include funding for supportive services.

4. City of Chandler Housing-Housing Youth Program

Funding Request: \$50,000
Recommendation: \$22,000
Contingency: \$11,034
Total Recommendation: \$33,034
Number to be Served: 150

The Chandler Housing Youth Program will offer after school, intersession, and community activities for Housing residents ages 6-18, through ASPIRE (After School Program-Imagination, Recreation and Education). The Chandler funds will allow the youth program to provide vital services to the residents by providing necessary program staffing and some supplies. With adequate staffing the agency will be able to provide homework assistance, arts and crafts, indoor and outdoor recreation, involvement in community sports, participation in the community, and special events. Field trips and activities are aimed at teaching positive life skills to the Housing youth at their public housing location. Funding requested will pay for salaries of three part-time Recreation Leaders.

5. Community Bridges: Substance Use Disorder Treatment Services-Chandler

Request: \$12,000
Recommendation: \$12,000
Number to be Served: 450

Community Bridges proposes to provide substance use related crisis services to homeless and working poor men and women from Chandler. Crisis care is a critical first step for patients who may experience life-threatening consequences from their substance use. Crisis care is a medically supervised protocol that helps individuals stabilize so that they can engage in other services within the substance use disorder treatment continuum. To increase engagement and achieve continued participation in substance use disorder services, which include medical detoxification and outpatient-based continuing care services, individuals who enter crisis care will be supported by Peer Support Specialists. In addition, the program will also continue to provide community education trainings to Police and Fire, volunteers, hospital and school staff, and to parents and other community members in Chandler.

6. Community Legal Services - Legal Advocacy for Low-Income Chandler Residents

Funding Request: \$16,200
Recommendation: \$ 8,500
Contingency: \$ 4,000
Total Recommendation:\$12,500
Number to be Served: 44

Community Legal Services (“CLS”) provides attorneys at no charge to low-income Chandler residents faced with critical, civil legal problems by providing direct representation in courts of law. “Removing Barriers to Justice for Low-Income Chandler Residents” will provide civil legal services to Chandler residents living at or below 125% of the Federal Poverty Guidelines. Legal services, or legal aid helps those with legal problems that, if unresolved, can impact negatively one’s basic needs, personal safety, safe, habitable and affordable shelter, health care and medical attention, and the need to protect one’s income or access to certain benefits. CLS works with a retired volunteer attorney several hours weekly in Chandler’s Housing Court. CLS also conducts

presentations to community groups on legal rights and responsibilities in several practice areas. Requested funding will go to support the salaries and employee related expenses of staff providing services to Chandler residents.

7. Family Promise – Emergency Homeless Shelter for Families

Funding Request: \$10,000
Recommendation: \$ -0-
Number to be Served: 7

The Family Promise Emergency Shelter Program provides families with emergency shelter, basic needs, case management, counseling, and life skills training. The Program keeps families together. Adults and children receive services at the Center during the day and are transported to local congregations for shelter in the evening. The following morning, they are transported back to the Center for meals and services such as laundry, employment search, and classes. Children of these families are assisted with homework and activities.

8. Labor’s Community Service Agency – Transitional Housing

Request: \$12,000
Recommendation: \$7,350
Number to be Served: 5

This program provides safe, affordable housing and comprehensive case management to give families an opportunity to attain self-sufficiency and break the crisis that homelessness causes. In collaboration with St. Mary’s and Desert Mission Food Banks, case managers ensure each family is receiving food boxes and other supplemental canned items from Labor’s own food pantry. The organization also assists eligible families with the process of applying for food stamps. The children’s case manager encourages the growth of each child by meeting with teachers, counselors, and the schools’ social workers to eliminate “latch-key” situations and identify the most affordable childcare options for the families. Labor’s is requesting salary and employee related expenses for 20% FTE of a Chandler client case manager.

9. Save the Family-Homeless Families Intervention

Funding Request: \$65,454
Recommendation: \$44,746
Contingency: \$ 4,533
Total Recommendation: \$49,279
Number to be Served: 24

The goal of the proposed Homeless Families Intervention Project-Chandler is to reduce family homelessness by providing transitional housing in one of the 71 transitional scattered site units. The maximum length of stay is 24 months. Case management is provided for the families residing in transitional housing, and classes, education, and day care assistance is provided at the main campus for these families and transportation is provided from the scattered sites to the main campus. Funding is being requested for salary and employee related expenses for staff and general operating costs.

10. Save the Family- Families, Adults and Children’s Empowerment Services (FACES)

Funding Request: \$33,750
Recommendation: \$10,000
Number to be Served: 33 individuals

The program provides education and prevention classes such as parenting skills, health and financial literacy, career development services, and legal advocacy. Classes are available to all Save the Family residents residing in transitional housing. Transportation is provided for clients from the transitional housing units to the facility to attend classes. Funding is requested for salary and employee related expenses and general operating costs.

11. UMOM New Day Centers Inc. - Emergency Shelter – Chandler

Funding Request: \$10,000
Recommendation: \$10,000
Number to be Served: 6 Households (18 individuals)

UMOM New Day Centers requests funds to provide families from Chandler with emergency shelter. Chandler funds will be used to offset the costs of maintenance and utilities for emergency shelter units, as well as funds for staff costs related to the delivery of case management, shelter assistance, counseling, and child care. In addition, case management, employment services, counseling, child care and education opportunities related to household and financial management, and parenting skills are offered so that families can regain skills that will allow them to move towards self-sufficiency.

CDBG CAPITAL

1. A New Leaf, Inc. - La Mesita Family Homeless Center

Funding Request: \$150,000
Recommendation: \$150,000
Number to be Served: 26

La Mesita Family Shelter was built in 1948. A New Leaf has replaced old electrical at La Mesita in previous years. Funding is requested to pay for 15% of project costs to replace old plumbing, bathroom and kitchen fixtures. Funds are also being requested from other municipalities to share in the project costs.

2. Accessible Space – Infrastructure Improvements Arroyo Terrace Apartments

Funding Request: \$46,000
Recommendation: \$ - 0 -
Contingency: \$46,000
Total Recommendation: \$46,000
Number to be Served: 23

Accessible Space provides accessible, affordable, assisted/supportive independent living opportunities for persons with physical disabilities and brain injuries, as well as seniors. Their mission is accomplished through the development and cost-effective management of accessible, affordable housing, as well as the provision of assisted/supportive living and rehabilitation

services. Arroyo Terrace Apartments (with 23 units) are accessible, affordable apartments for very low-income adults with physical disabilities. Families are required to be at or below 50% area median income (AMI), but most are below 30% AMI. Funds are requested for vinyl flooring on the first floor to replace soiled and torn carpet, new carpet on the second floor, new PTAC heating/cooling units, and refrigerators.

3. City of Chandler Housing Division Interior and Exterior Improvements

Funding Request: \$200,000
Recommendation: \$200,000
Number to be Served: 303

The City of Chandler provides low-income public housing to 303 families. Our goal is to continue providing clean, safe, decent housing to as many low-income families as possible. This goal becomes a greater challenge each year as aging buildings and ever increasing maintenance exceeds funding. The basic need for public housing has not changed, however due to the economic downturn, the number of families needing public housing has increased. Unfortunately, funding to build new or acquire additional existing housing units has not been available. Funding requested will offset any projects not funded with the Public Housing Capital Fund Program Grant.

4. City of Chandler Neighborhood Resources Code Enforcement - Blight Elimination Program

Funding Request: \$250,000
Recommendation: \$250,000
Number to be Served: 480

The Blight Elimination Program will provide targeted code enforcement and complementary activities to reduce blight in Chandler's low and moderate income areas. Funding will provide for the addition of the following activities:

- Fencing and/or board-up of blighted and deteriorated housing units.
- Demolition costs of blighted residential units including lead and asbestos testing and abatement, permits and fees, demolition, and disposal.
- Salary costs associated with a Senior Code Inspector who will provide targeted code enforcement in Chandler's CDBG eligible areas in and around the downtown area plus referrals to and implementation of the fencing, board-up, and demolition activities noted above and referrals to the City's Housing Rehabilitation Program.

5. City of Chandler Transportation and Development – Streetlight Improvements

Funding Request: \$250,000
Recommendation: \$250,000
Number to be Served: 476 street lights

The City's Transportation and Development Department is responsible for the traffic control system, street lighting, signs, and pavement markings for all City streets. Through CDBG funding the Division will conduct a study of the infrastructure needs of CDBG eligible areas and upgrade existing street lights in a 2 square mile area of Central Chandler. The proposed project involves two phases. Funding requested is for Phase I which will upgrade 458 LED street lights, install 18 new street lights, and conduct a comprehensive infrastructure study of the older downtown

Chandler neighborhoods. Phase I serves 3,009 households in four neighborhoods bounded by Ray Rd. to Pecos Rd. and Hartford St. to McQueen Rd. Phase II will include the remaining five neighborhoods in this area. Funding for Phase II will be requested in FY 12/13.

HOUSING REBAHILITATION PROGRAMS

1. Community Services of Arizona - Emergency Home Repair Program

Funding Request: \$400,000
Recommendation: \$286,246
Contingency: \$ 55,200
Total Recommendation: \$341,446
Number to be Served: 97

The Chandler Emergency Home Repair Program provides emergency and minor repairs up to \$7,000, to low-income homeowners in Chandler. Emergency repairs in this program are defined as those that are potentially health and safety issues. Examples of emergency repairs are a non-functioning air conditioning system in the summer, or a serious electrical or plumbing problem. The program attempts to address health and safety issues on the same day as reported or within 24 hours of the request. Minor repair services are those that can affect quality of life issues such as a leaky roof, damaged flooring, minor plumbing, and electrical problems.

Chandler CDBG funds will be used for a CSA repair technician and licensed electrician staff salaries and the materials to conduct repairs on low-income owner-occupied homes in Chandler. In addition, funds will be used to hire outside contractors for work that CSA staff is unable to perform, and direct administration and operation costs of the program.