

MAY 12 2011



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MEMORANDUM NEIGHBORHOOD RESOURCES - COUNCIL MEMO NO. NR11-022

DATE: APRIL 29, 2011

TO: MAYOR AND CITY COUNCIL

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

FROM: CARL MORGAN, CDBG PROGRAM SUPERVISOR *CM*

SUBJECT: RESOLUTION NO. 4501 OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AUTHORIZING APPROVAL OF AN APPLICATION FOR AND USE OF FISCAL YEAR 2011-2012 HOME PROGRAM FUNDS FROM THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT THROUGH THE MARICOPA COUNTY CONSORTIUM.

HHSC AND STAFF RECOMMENDATION: Mayor and City Council are requested to approve Resolution No. 4501 of the City of Chandler, Maricopa County, Arizona authorizing approval of an application for and use of Fiscal Year 2011-2012 HOME Program funds from the Cranston-Gonzalez National Affordable Housing Act through the Maricopa County Consortium.

BACKGROUND: The City of Chandler receives Federal HOME Investment Partnership funds annually through the Maricopa HOME Consortium. Chandler will receive an estimated \$384,159 for FY 2011-2012. This amount is a roughly 12% or \$52,294 reduction in funding compared to Chandler's 2010-11 funding allocation. HOME Investment Partnership funds are administered by the U.S. Department of Housing and Urban Development (HUD). Eligible activities utilizing HOME funds include: homeowner rehabilitation, homebuyer activities, rental housing, and tenant-based rental assistance.

Staff announced the availability of HOME funding to area housing nonprofit organizations. The City of Chandler Housing Rehabilitation Program was the only applicant for these funds. The Housing and Human Service Commission has reviewed and recommended Council approval of the staff request to utilize 2011-2012 HOME funds for the City's Housing Rehabilitation Program.

DISCUSSION:

Since 1982, the City of Chandler has operated a Housing Rehabilitation Program. The City provides up to \$50,000 in deferred loan assistance to income qualified homeowners under the Housing

Rehabilitation Program. The City secures its investment with a lien (Deed of Trust) equal to the value of the loan, which is repaid in monthly installments by the homeowner over the period of approved loan terms, or paid in full upon sale, transfer or alienation of the property. The loan may be partially or entirely forgiven based on the applicant's income eligibility. Eligible work items under the Housing Rehabilitation Program include, but are not limited to replacement and/or repair of: windows, doors, plumbing, electrical, HVAC systems, roofs, structural repair, mitigation/abatement of lead-based paint hazards, and removal and/or repair of any code violations.

RECOMMENDATION: Mayor and City Council are requested to approve Resolution No. 4501 of the City of Chandler, Maricopa County, Arizona authorizing approval of an application for and use of Fiscal Year 2011-2012 HOME Program funds from the Cranston-Gonzalez National Affordable Housing Act through the Maricopa County Consortium.

RESOLUTION NO. 4501

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AUTHORIZING APPROVAL OF AN APPLICATION FOR AND USE OF FISCAL YEAR 2011-2012 HOME PROGRAM FUNDS FROM THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT THROUGH THE MARICOPA COUNTY CONSORTIUM

Be it resolved BY THE City Council of the City of Chandler, Arizona, as follows:

WHEREAS, The City of Chandler anticipates receiving approximately \$384,159 for a FY 2011-2012 annual allocation through the Maricopa County Consortium by its entitlement from the United States Department of Housing and Urban Development to use for its Fiscal Year 2011-2012 HOME Program; and

WHEREAS, Title II of the Cranston-Gonzalez National Affordable Housing Act made available funds in Fiscal Year 2011-2012 to assist the City of Chandler in creating a more viable community; and

WHEREAS, decent, safe, affordable housing is at the core of family stability and strong neighborhoods; and

WHEREAS, since 1982, the HOME program has expanded the supply of decent safe, affordable housing, strengthened public-private partnerships; improved the lives of low-and moderate-income people, and strengthened neighborhoods; and

WHEREAS, the HOME program provides no interest loans and/or grants for the rehabilitation of existing low income homeowner properties; and

WHEREAS, the HOME program is cost effective and strengthens public-private partnerships by leveraging additional private resources to HOME projects; and

WHEREAS, the City Council has examined the proposed program and received input from citizens of the community in public hearings, and has deliberated on the needs, goals, and programs specified for Community Development funding; and

WHEREAS, City staff has prepared an Annual Action Plan for the use of Community Development resources for FY2011-2012;

NOW, THEREFORE BE IT RESOLVED, that the City Council does hereby approve application to the U.S. Department of Housing and Urban Development through the Maricopa County Consortium with all documents, submissions, plans, and materials required by the Act; and

FURTHER, that the Mayor or City Manager, subject to requirements of the City Code, or their designee(s) are authorized to apply for funds for the program hereby adopted, with the final FY 2011-12 allocation amount to be determined by the U.S. Department of Housing and Urban

Development and the Maricopa HOME Consortium Agreement, and are authorized to prepare, submit, negotiate and execute all contracts for services and funds to be made available to the City under the Title II of the Cranston-Gonzalez National Affordable Housing Act for financing and implementation of all referenced programs and projects; and

FURTHER, the City Manager or his designee shall have authority to provide required policy and administrative assurances including civil rights, equal opportunity, citizen participation, relocation and property acquisition policy, environmental assurances, labor standards, and others as may be specified in 24 CFR Part 92, Subpart K, Section 92.504 (c) (2) HOME Investment Partnerships Program; and

FURTHER, that the City Manager or his designee be and is hereby authorized to take those actions necessary and prudent to implement the program outlined by the City Council including the expenditure of funds, the hiring of personnel and/or contractors, the scheduling of activities, the establishment of procedures for monitoring and evaluation of program activities and other steps necessary to insure that the program can be carried out in a timely and effective manner, including but not limited to the establishment of administrative procedures.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA THIS _____ DAY OF _____, 2011.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above foregoing Resolution No. 4501 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the _____ day of _____, 2011, and that a quorum was present thereat.

APPROVED AS TO FORM:

CITY ATTORNEY GAB

CITY CLERK

#14

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ATTEST:

CITY CLERK

MAYOR

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APPROVED AS TO FORM:

CITY ATTORNEY GAB

CITY CLERK