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MEMORANDUM NEIGHBORHOOD RESOURCES - COUNCIL MEMO NO. NR12-019

DATE: MAY 1, 2012

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
JEFF CLARK, FIRE CHIEF *JC*
JENNIFER MORRISON, NEIGHBORHOOD RESOURCES DIRECTOR *JM*

FROM: BARBARA BELLAMY, CDBG PROGRAM SUPERVISOR *BB*

SUBJECT: RESOLUTION NO. 4588 OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AUTHORIZING APPROVAL OF AN APPLICATION FOR AND USE OF FISCAL YEAR 2012-2013 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. 4588 of the City of Chandler, Maricopa County, Arizona authorizing approval of an application for and use of Fiscal Year 2012-2013 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 \$267,603 for FY 2012-2013. HOME Investment Partnership funds are administered by the U.S. Department of Housing and Urban Development. 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 and two specific Request for Proposals were issued seeking a rental assistance program for homeless individuals and families and a housing reconstruction program for single family homeowners. Staff received a total of three applications for City HOME funds.

DISCUSSION:

The City's FY 2012-2013 HOME program descriptions, as well as the Housing and Human Services Commission funding recommendations are attached.

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RECOMMENDATION: Mayor and City Council are requested to approve Resolution No. 4588 of the City of Chandler, Maricopa County, Arizona authorizing the City Manager to execute and submit all related document for an application for and use of Fiscal Year 2012-2013 HOME Program funds from the Cranston-Gonzalez National Affordable Housing Act through the Maricopa County Consortium.

Attachments: A - Resolution Number 4588

B - FY 2012-2013 HOME Program Descriptions and Funding Recommendations

RESOLUTION NO. 4588

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 2012-2013 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 \$267,603 for a FY 2012-2013 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 2012-2013 HOME Program; and

WHEREAS, Title II of the Cranston-Gonzalez National Affordable Housing Act made available funds in Fiscal Year 2012-2013 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 FY2012-2013;

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 2012-13 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 _____, 2012.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above foregoing Resolution No. 4588 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the _____ day of _____, 2012, and that a quorum was present thereat.

APPROVED AS TO FORM:

CITY ATTORNEY

GAB

CITY CLERK

ATTACHMENT B

CITY OF CHANDLER FY 2012-2013 HOME FUNDING PROGRAM DESCRIPTIONS AND FUNDING RECOMMENDATIONS

1. **City of Chandler Community Development Moderate Housing Rehab- HOME**

Funding Request: \$384,139
Recommendation: \$14,647
Number to be Served: 1 household

The City of Chandler's Moderate Housing Rehabilitation Program will assist Chandler homeowners earning less than 80% of the Area Median Income (AMI) to improve the habitability of their home; at the same time elevating neighborhood standards within the City of Chandler. Up to \$50,000 in a zero interest loan will be provided for eligible owners to address specific rehab issues that improve the basic livability of their home.

2. **Community Bridges, Inc. – Supportive Housing Assistance TBRA**

Funding Request: \$102,956
Recommendation: \$102,956
Number to be Served: 5 households

Community Bridges will provide supportive housing for 5 to 6 Chandler individuals in conjunction with Homeless Navigator services to provide intensive, targeted intervention to the most chronic and medically vulnerable individuals living on Chandler's streets. The Homeless Navigator will locate and establish relationships with the medically vulnerable individuals, facilitate the voluntary relocation into housing, and provide the support and advocacy necessary to help them stay in housing. The majority of the funding will be used for rent.

3. **Habitat for Humanity – Housing Reconstruction**

Funding Request: \$150,000
Recommendation: \$150,000
Number to be Served: 3 households

Habitat for Humanity will provide housing reconstruction in partnership with the City of Chandler's Housing Rehabilitation Program. Funding is requested to complete 3 homes. Families will be referred to Habitat through the City's program. Habitat will offer a 0% mortgage loan for qualifying families, who must also participate in housing counseling.

4. **City of Chandler HOME Administration Set Aside**

Recommendation: \$17,840

These costs were defined as all staff costs, whether for overall HOME program administration or for project delivery. The following are included in the definition of administrative costs, (a) general management, oversight and coordination; (b) staff and overhead; (c) public information; (d) fair housing; (e) indirect costs; (f) preparation of the Consolidated Plan and (g) other Federal requirements.