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MEMORANDUM
NEIGHBORHOOD RESOURCES- COUNCIL MEMO NR09-018

DATE: APRIL 27, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER *WMP*
RICH DLUGAS, ASSISTANT CITY MANAGER *RD*
JUDY REGISTER, NEIGHBORHOOD RESOURCES DIRECTOR *JR*
STEFANIE GARCIA, COMMUNITY DEVELOPMENT ADMINISTRATOR *SG*

FROM: JESSICA FIERRO, COMMUNITY RESOURCE COORDINATOR *JF*

SUBJECT: RESOLUTION NUMBER 4282: FY 2009/2010 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – PUBLIC HEARING

HHSC AND STAFF RECOMMENDATION: Mayor and City Council are requested to approve Resolution Number 4282 authorizing the receipt of FY 2009/2010 Community Development Block Grant funds and allocating those funds in accordance with the recommendations of the Chandler Housing and Human Services Commission (HHSC) and City staff.

BACKGROUND: The City of Chandler expects to be awarded approximately \$1,409,771 in FY 2009/2010 Community Development Block Grant (CDBG) Entitlement funds and Program Income from the U.S. Department of Housing and Urban Development (HUD). CDBG funds must be used for activities that benefit low- and moderate-income persons. In addition, each funded activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, and/or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Over the past two months, HHSC has met four times, twice in public hearings, to discuss recommendations to the Chandler City Council for the allocation of these funds. During the application process, HHSC reviewed a total of 77 applications requesting Chandler Human Service funding totaling over \$3 million dollars in requests. HHSC scored each application based on a variety of factors including overall impact for Chandler residents in need, proposed services relative to the approved funding priorities, fiscal responsibility, overall capacity of the

organization to carry out proposed activities, and the level of partnerships, collaborations, and leveraged funds and services sought by the applicant to carry out the proposed services. At a public hearing on March 25, 2009, HHSC discussed the applications and reviewed combined average evaluation scores. Funding was then allocated based on average score and recommendations made from HHSC members.

DISCUSSION: The City of Chandler annually receives funds from the U.S. Department of Housing and Urban Development through the CDBG Program to benefit our city's low- and moderate-income residents. The City of Chandler can expect to receive at least \$1,409,771 in the aforementioned funds through its annual entitlement for allocation to qualifying non-profit agencies and programs. In addition, HHSC allocates \$1,151,500 in general fund dollars through the Social Service Funds, Acts of Kindness utility bill donation program, and Youth Enhancement funds. Additionally, it should be noted that beginning FY 09/10, HHSC determined funding recommendations that were previously made by Mayor and Council through an outside process in which one-time and ongoing funding were awarded. This provided consistency and equitable monitoring among non-profit organizations receiving any funding from the City of Chandler for the purposes of providing human services. Staff will be coming forward in the month of June for approval of the general fund dollar recommendations.

HHSC and staff believe the recommendations to Mayor and Council provide financial support to organizations that provide valuable services to low- and moderate-income residents of Chandler and reflect a response to the current needs of our community.

During the months of February, March and April 2009, HHSC met to discuss applications by various public and private agencies for program funding during the coming fiscal year. In total, HHSC discussed these 77 applications at four different meetings (including two public hearings) during the aforementioned period. Unfortunately, although all of the programs considered were beneficial to the citizens of our city, requests for all funding sources, including CDBG funding, far exceeded available funds by \$865,787. As a result, HHSC was forced to recommend no funding in some cases and less than requested funding for many public service programs.

Priority was given during the recommendation process to programs that demonstrated a community need and whose services addressed those needs in an effective manner showing the benefits to Chandler residents. Earlier in the year, HHSC approved funding priorities based on recommendations from the Chandler Human Services Needs Assessment. Basic needs services, such as shelter/housing, food, clothing, transportation, medical assistance, and emergency financial assistance were determined the top priority service. Additionally, HHSC prioritized population groups needing services, which included (ranked by priority): 1) Families in crisis, 2) Homeless, 3) Elderly, 4) Low- and moderate-income families, 5) Individuals with special needs, and 6) Youth.

Please find attached a listing of recommendations for CDBG funds and a brief description of the programs for which CDBG funds were recommended.

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FINAL IMPLICATIONS: All costs associated with the federal Community Development Block Grant Program will be paid by the federal government and do not require repayment on the part of the City of Chandler.

PROPOSED MOTION: Move to approve Resolution Number 4282 authorizing the receipt and allocation of FY 2009/2010 Community Development Block Grant funds in accordance with the recommendations of the Chandler Housing and Human Services Commission and City staff.

Attachments: “A” – Resolution Number 4282
 “B” – Listing of FY 2009/2010 HHSC CDBG Funding Recommendations
 “C” – Program/Project Descriptions

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Attachment "A"
Resolution No. 4282

RESOLUTION NO. 4282

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 2009/2010 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FROM THE FEDERAL HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1977

BE IT RESOLVED by the City Council of the City of Chandler, Arizona, as follows:

WHEREAS, the City of Chandler anticipates receiving approximately \$1,409,771 in FY 2009/2010 annual entitlement from the United States Department of Housing and Urban Development to use for its Fiscal Year 2009/2010 Community Development Block Grant Program; and

WHEREAS, the City of Chandler is attempting to create a more viable urban community; and

WHEREAS, the Housing and Community Development Act of 1977 made available funds in Fiscal Year 2009/2010 to assist the City of Chandler in creating a more viable community; and

WHEREAS, after public hearings and careful deliberation of various community needs, the Chandler Housing and Human Service Commission has prepared a program which will address these needs; 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, staff has prepared a Consolidated Plan for the use of Community Development resources through the year 2010.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby approve application to the U.S. Department of Housing and Urban Development 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, and are authorized to prepare, submit, negotiate and execute all contracts for services and funds to be made available to the City under the Housing and Community Development Act of 1977 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 Federal Rules and Regulations Chapter V, Part 570, Community Development Block Grants, Subpart D, Section 570.303(e); 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 _____, 2009.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above foregoing Resolution No. 4282 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the _____ day of _____, 20____, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY *GAB*

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Attachment "B"
**Fiscal Year 2009/2010 CDBG Funding Recommendations from the
Chandler Housing and Human Services Commission and City Staff To Be Considered by
Mayor and Council**

FY 2009/2010 HHSC CDBG FUNDING RECOMMENDATIONS

PUBLIC SERVICE NON-CAPITAL	
Name of Organization	
A New Leaf – East Valley Men’s Shelter	\$ 42,500.00
A New Leaf - La Mesita Family Shelter	\$ 15,000.00
CASS – Emergency Shelter Single Adults	\$ 12,000.00
CASS – Emergency Shelter Single Adult Women	\$ 7,000.00
City of Chandler – Housing Youth Program	\$ 45,000.00
City of Chandler – VITA Program	\$ 5,000.00
City of Chandler Code Enforcement – Graffiti Program	\$ 6,000.00
Community Bridges	\$ 13,000.00
Community Legal Services	\$ 15,000.00
Labor’s Community Service Agency	\$ 5,500.00
Save the Family – Transitional Shelter	\$ 30,500.00
UMOM New Day Centers, Inc.	\$ 10,000.00
TOTAL CDBG - Non - Capital Recommendation	\$ 206,500.00

PUBLIC SERVICE CAPITAL	
City of Chandler – Housing Division	\$ 200,000.00
City of Chandler – Housing Rehabilitation Program	\$ 446,317.00
Community Services of Arizona – Emergency Home Repair	\$ 275,000.00
TOTAL CDBG - Capital Funds Recommendation	\$ 921,317.00

PROGRAM ADMINISTRATION	
City of Chandler – CDBG Program Administration	\$ 281,954.00

TOTAL CDBG RECOMMENDATION	\$ 1,409,771.00
FY 08/09 CDBG Allotment	\$ 1,409,771.00
FY 08/09 Total CDBG Recommendation	\$ 1,409,771.00

Attachment "C"
CDBG Program/Project Descriptions

CDBG Program and Project Descriptions

Neighborhood Resource Activities

Program Recommendations:

- a. City of Chandler – Housing Rehabilitation Program:
Request: \$550,000.00
HHSC Recommendation: \$446,317.00
During FY 2009/2010 the Housing Rehabilitation Program anticipates rehabilitating 19 substandard Chandler homes owner occupied by low- and moderate-income families. This program targets Chandler's lowest income neighborhoods and specifically provides housing rehabilitation in areas where deteriorated housing conditions are most present. Rehabilitation includes electrical systems, plumbing, heating and cooling, roof repair and any other items that make the home dangerous or uninhabitable.

- b. Community Services of Arizona – Emergency Home Repair Program
Request: \$275,000.00
HHSC Recommendation: \$275,000.00
Unfortunately, many properties in the city will continue to need the services of the Chandler Emergency Home Repair Program. As such, HHSC recommends that a total of \$275,000 be allocated to this activity. The implementation of this program will continue to be the responsibility of Community Services of Arizona. Community Services of Arizona has demonstrated their ability to provide this service to the citizens of Chandler in an efficient and affective manner.

Human Service Programs

As in past years, the number of applicants for social service funding through the CDBG Program exceeds the total amount available. Federal law requires that not more than 15% of the city's annual entitlement could be allocated to social service programs for operations.

HHSC and staff are in agreement that all of the applicants and their respective programs are of great value to our community, however, the funds available for these activities do not meet all the needs as approved in the FY 09/10 Funding Priorities.

Because of the volume of applications and their diversity, City staff has prepared a brief description of all the programs recommended for CDBG funding, the agency's respective request, along with the recommendations for funding for each.

HHSC RECOMMENDATION:

FY 2009/2010 CDBG (14.91% of annual entitlement): \$206,500.00

- a. A New Leaf (formerly PREHAB) – East Valley Men’s Shelter
Average Evaluation Score: 70.5
Request: \$ 45,000.00
HHSC CDBG Recommendation: \$ 42,500.00

This program provides 84 shelter beds for homeless men in a highly structured environment that requires each resident to remain sober, save money, make progress towards achieving self-identified goals for economic and social self-sufficiency.

- b. A New Leaf (formerly PREHAB) – La Mesita Family Shelter
Average Evaluation Score: 84.5
Request: \$15,000.00
HHSC CDBG Recommendation: \$15,000.00

La Mesita provides temporary emergency housing, case management, job development, childcare, as well as health and other support services to homeless families with minor-aged children.

- c. Central Arizona Shelter Services – Emergency Shelter for Homeless Single Adults
Average Evaluation Score: 96.3
Request: \$ 15,000.00
HHSC CDBG Recommendation: \$ 12,000.00

The shelter program provides 400 emergency shelter beds, 24 hours a day/365 days a year. Shelter includes beds and access to other basic needs including food, clothing and hygiene supplies.

- d. Central Arizona Shelter Services (CASS) – Emergency Shelter for Homeless Single Adult Women
Average Evaluation Score: 97.3
Request: \$ 7,000.00
HHSC CDBG Recommendation: \$ 7,000.00

Provides 100 beds for single adult women and five rest beds for women with limited medical needs referred to CASS by Maricopa County Health Care for the Homeless each night. The shelter is available 24/7. Clients also have access to other basic needs including food, clothing and hygiene supplies.

- e. City of Chandler Public Housing Youth Program – Housing Youth Program
Average Evaluation Score: 89.0
Request: \$45,000.00
HHSC CDBG Recommendation: \$45,000.00

Funds are requested to help offset costs associated with running the Public Housing Youth Program that includes homework help, arts & crafts, recreational activities, intersession and summer programs, and peer mediation for Chandler’s public housing youth.

f. City of Chandler – Volunteer Income Tax Assistance Program (VITA)

Average Evaluation Score:	90.0
Request:	\$10,000.00
HHSC CDBG Recommendation:	\$ 5,000.00

The City’s VITA program is a volunteer-run program that provides free tax preparation, filing and financial products for low- and moderate-income residents. The goal of the program is to ensure eligible residents receive the appropriate tax credits due to them from the Internal Revenue Services and promote financial responsibility with their tax refunds.

g. City of Chandler Code Enforcement – Graffiti Program

Average Evaluation Score:	78.0
Request:	\$14,000.00
HHSC CDBG Recommendation:	\$ 6,000.00

The City of Chandler’s Graffiti Program proposes to paint public areas in the 85225 zip code to remove graffiti from parks, common walls, and other areas utilized and viewed by the public.

h. Community Bridges – Substance Use Disorder Treatment Services

Average Evaluation Score:	91.7
Request:	\$ 8,000.00
HHSC CDBG Recommendation:	\$13,000.00

The program proposes to serve 324 Chandler working poor or homeless men and women with free substance abuse crisis services and medical detoxification services.

i. Community Legal Services – Legal Advocacy for Low-Income Chandler Residents

Average Evaluation Score:	86.0
Request:	\$15,000.00
HHSC CDBG Recommendation:	\$15,000.00

This program provides attorneys and legal advocates at no charge to resolve civil legal problems for low-income Chandler residents. Services include self-resolution instruction, document review, advice clinics, and direct representation. Clients are assisted in Family Law, Housing, Consumer, Education, Employment, Government Benefits and Health Care.

- j. Labor’s Community Service Agency – Transitional Housing
 - Average Evaluation Score: 78.7
 - Request: \$5,500.00
 - HHSC CDBG Recommendation: \$5,500.00

Labor’s Community Service Agency has three single family dwellings located in Chandler that are utilized for transitional housing for homeless families with children. Program participants must complete goals in their case management plan which includes increasing or gaining employment, completing parenting classes, fiscal responsibility, develop a savings account and finding affordable childcare. The goal is to move families from crisis to sustainability and to avoid barriers that caused their homelessness.

- k. Save the Family – Transitional Shelter
 - Average Evaluation Score: 79.0
 - Request: \$66,454.00
 - HHSC CDBG Recommendation: \$30,500.00

Save the Family proposes to serve 24 Chandler homeless families with children in their transitional shelter. Program participants must complete goals related to their case management plan which includes finding permanent housing, affordable childcare, finding appropriate transportation for work and school, and recovery support from substance abuse.

- l. UMOM New Day Centers, Inc. – Emergency Shelter
 - Average Evaluation Score: 85.0
 - Request: \$10,000.00
 - HHSC CDBG Recommendation: \$10,000.00

UMOM provides for the basic needs of homeless families by offering emergency shelter, food, and safety and a full cadre of supportive services including case management, crisis counseling, housing assistance, follow-up case management, childcare, transportation assistance, and education/life skills training.

SOCIAL SERVICE – CAPITAL

- a. City of Chandler Housing Division – Public Housing Improvements
 - Average Evaluation Score: 89.0
 - Request: \$200,000.00
 - HHSC CDBG Recommendation: \$200,000.00

The City of Chandler’s Housing Division proposes to make interior and exterior improvements to the public housing sites, which includes: kitchen cabinet replacement, tub and bath surround replacement, A/C Duct work, exterior painting,

roof replacement, A/C replacement, sewer work, sidewalk replacement and landscape improvement.

Program Administration:

- a. City of Chandler Community Development Division – CDBG Program Administration

Average Evaluation Score:	90.5
Request:	\$281,954.00
HHSC CDBG Recommendation:	\$281,954.00

HHSC recommends that the administration of the FY 2009/2010 CDBG Program be funded at \$281,954.00. This allocation will cover the costs of salary and benefits of the City's Community Development Division that includes a Community Development Administrator, a Community Development Assistant, a Customer Service Representative, as well as a portion of an Accountant.