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MEMORANDUM
NEIGHBORHOOD RESOURCES- COUNCIL MEMO NR09-022

DATE: APRIL 29, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
RICH DLUGAS, ASSISTANT CITY MANAGER RD
JUDY REGISTER, NEIGHBORHOOD RESOURCES DIRECTOR JRK

FROM: STEFANIE GARCIA, COMMUNITY DEVELOPMENT ADMINISTRATOR SG

SUBJECT: RESOLUTION NUMBER 4284: 2008 ONE YEAR ACTION PLAN
AMENDMENT AND AMERICAN RECOVERY AND REINVESTMENT ACT
FUNDING SUBMITTAL

HHSC AND STAFF RECOMMENDATION: Mayor and City Council are requested to approve Resolution Number 4284 authorizing the approval of a substantial amendment to the FY 2008-09 Annual Action Plan and receipt of \$575,271 in Homelessness Prevention and Rapid Re-Housing Program funds.

BACKGROUND: On March 19, 2009, the City of Chandler was notified of a potential allocation from the Department of Housing and Urban Development's (HUD) Homelessness Prevention and Rapid Re-Housing Program (HPRP) of \$575,271 based on a formula including: the extent of poverty, population, housing overcrowding, age of housing, and population growth as compared to the surrounding communities. The funds are part of \$1.5 billion designated for this purpose by Title XII of the 2009 American Recovery and Reinvestment Act (Recovery Act) that was signed by President Obama in February 2009.

The HPRP is intended to assist states, counties and municipalities in providing financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. Funds may be used for the following activities:

- Financial assistance;
- Housing relocation and stabilization services;
- Data collection and evaluation; and
- Administrative support.

Generally, the intent of HPRP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance. This assistance is normally for three months, but it may be extended to a maximum of 18 months.

Furthermore, the funds cannot be used for expenses that are available through other Recovery Act programs, including:

- Child care;
- Mortgage or mortgage-related costs;
- Construction or rehabilitation;
- Credit card bills or other consumer debt;
- Car repair or other transportation costs;
- Travel costs;
- Food;
- Medical or dental care, and medicines;
- Clothing and grooming;
- Home furnishings;
- Pet care;
- Entertainment activities;
- Work or education training or materials; and/or
- Cash assistance to program participants.

DISCUSSION: The Maricopa County Association of Governments' (MAG) Continuum of Care (CoC) Regional Committee is tasked with homelessness issues in the region. On March 23, 2009, City staff met with the CoC to review current homeless issues and best practices for the use of HPRP funds, and has come up with the following strategies to advance the 2005 Consolidated Plan as well as the 2008/2009 Annual Action Plan to reduce homelessness:

1. Utilize previously designated programs and formulas for HPRP fund distribution –

During the annual allocation process for Community Development Block Grant (CDBG) and General Fund Human Service Funding, many programs responded to a Request for Proposals to provide Human Services. Of the programs that were shown to have the capacity and experience to execute the funds and address the needs of Chandler's homeless, 16 programs were recommended for funding by the Housing and Human Services Commission (HHSC). To expedite the expenditure of the HPRP funds and provision of services as required by the Recovery Act, these 16 previously selected programs have been designated for the HPRP funds. Six of these programs did not receive their full funding request, and they will be given supplemental funds to meet their full funding request. The remaining money will be distributed so that each of the 16 programs will receive an additional 6.25% over their full funding request.

2. Continue activities outlined in the Consolidated Plan – In line with the two strategies for addressing the homeless needs outlined in the 2008 Consolidated Plan, HPRP funding will be used to assist these programs in 1) Providing technical assistance and financial assistance to non-profits to better compete for limited federal supportive housing operating and rental assistance funding, and 2) Providing financial support to

intermediate transitional shelter in a clean, secure environment that will promote independence and the stabilization of lifestyle, including an array of necessary supportive services. The City of Chandler's Human Service Needs Assessment identified the homeless population as the second highest priority population requiring additional financial and technical support. The HPRP funds will assist these programs to provide service gaps identified for this priority population.

3. Conduct regular evaluations – City staff currently utilizes a team monitoring approach and checklist focusing on outcome accomplishments to oversee more than 70 programs in the CDBG and general fund dollar programs. Staff will use this same oversight method, with special attention to the expenditure deadlines required by the HPRP regulations, to monitor programs funded through the HPRP grant. Staff will require quarterly reports from HPRP subrecipients for the purpose of reviewing accomplishment goals. Staff will additionally require reimbursement request to be submitted quarterly to track timely expenditures and make sure that 50% of a program's total award during the first year. Finally, staff will conduct a yearly on-site monitoring of every agency funded through HPRP funds.

4. Appropriate minimal funding for administrative support – No more than \$28,764 can be used for staff support of any of the programs initiated through the HPRP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

The funds have been set aside for City use pending HUD's approval of the substantial amendment; the HPRP is not a competitive process. The substantial amendment is due to HUD on May 18, 2009, with all homeless service provider contracts issued by September 30, 2009. Funds must be expended within two (2) years.

FINANCIAL IMPLICATIONS: All of the one-time increases in homeless prevention program funding associated with the federal Homelessness Prevention and Rapid Re-Housing 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 4284 authorizing the approval of the substantial amendment to the FY 2008-09 Annual Action Plan and receipt of \$575,271 in Homelessness Prevention and Rapid Re-Housing Program funds in accordance with the recommendations of the Chandler Housing and Human Services Commission and City staff.

Attachments: "A" – Resolution Number 4284
"B" – FY 2008/2009 Action Plan Substantial Amendment

RESOLUTION NO. 4284

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA AMENDING THE 2008 ONE YEAR ACTION PLAN AND SUBMITTING THE SUBSTANTIAL AMENDMENT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR ITS CONSIDERATION IN ORDER TO RECEIVE FUNDING UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FOR THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM.

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

WHEREAS, in February 2009, Congress enacted Public Law 111-5, the American Recovery and Reinvestment Act, which provided funding to U.S. Department of Housing and Urban Development (HUD) to allocate to states, counties and cities in response to the economic crisis; and

WHEREAS, Title XII of the American Recovery and Reinvestment Act created the Homeless Prevention and Rapid Re-housing Program commonly known as the Homeless Prevention Fund, under which state and local governments may utilize the funding to provide financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized; and

WHEREAS, the City of Chandler, Arizona has been allocated \$575,271 in funding from HUD to be used toward the above-mentioned purposes; and

WHEREAS, in order to receive this funding, the City must amend its 2008 One Year Action Plan which was approved by Council through Resolution No. 4176, and submit said Substantial Amendment to HUD for its consideration; and

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 execute and submit the aforesaid Substantial Amendment to the United States Department of Housing and Urban Development.

FURTHER, that the Substantial Amendment to the 2008 Action Plan prepared pursuant to the American Recovery and Reinvestment Act of 2009, a copy of which, in substantial form, is on file in office of the Director of Neighborhood Resources and is incorporated herein by reference, is hereby approved.

FURTHER, the City Manager or his designee shall have authority to provide required policy and administrative assurances including civil rights, equal opportunity, citizen participation, environmental assurances, labor standards, and others as may be specified;

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.

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. 4284 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

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

Grantees eligible to receive funds under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) are required to complete a substantial amendment to their Consolidated Plan 2008 Action Plan. This form sets forth the required format for this substantial amendment. A completed form is due to HUD within 60 days of the publication of the HUD HPRP notice.

To aid grantees in meeting this submission deadline, the HPRP Notice reduces the requirement for a 30-day public comment period to no less than 12 calendar days for this substantial amendment. With this exception, HPRP grantees are required to follow their Consolidated Plan's citizen participation process, including consultation with the Continuum of Care (CoC) in the appropriate jurisdiction(s). Grantees are also required to coordinate HPRP activities with the CoC's strategies for homeless prevention and ending homelessness. To maximize transparency, HUD strongly recommends that each grantee post its substantial amendment materials on the grantee's official website as the materials are developed.

A complete submission contains the following three documents:

- 1) A signed and dated SF-424,
- 2) A completed form HUD-40119 (this form), and
- 3) Signed and dated General Consolidated Plan and HPRP certifications.

For additional information regarding the HPRP program, visit the HUD Homelessness Resource Exchange (www.hudhre.info). This site will be regularly updated to include HPRP resources developed by HUD and its technical assistance providers.

The information collection requirements contained in this application have been submitted to the Office of Management and Budget (OMB) for review under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Information is submitted in accordance with the regulatory authority contained in each program rule. The information will be used to rate applications, determine eligibility, and establish grant amounts.

Public reporting burden for this collection of information is estimated to be 16 hours, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits. To the extent that any information collected is of a confidential nature, there will be compliance with Privacy Act requirements. However, the substantial amendment to the Consolidated Plan 2008 Action Plan does not request the submission of such information.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

A. General Information

Grantee Name	City of Chandler
Name of Entity or Department Administering Funds	Neighborhood Resources Division
HPRP Contact Person (person to answer questions about this amendment and HPRP)	Stefanie Garcia
Title	Community Development Administrator
Address Line 1	PO Box 4008
Address Line 2	Mail Stop 605
City, State, Zip Code	Chandler, AZ 85244-4008
Telephone	480-782-4349
Fax	480-782-4350
Email Address	stefanie.garcia@chandleraz.gov
Authorized Official (if different from Contact Person)	Mark Pentz
Title	City Manager
Address Line 1	PO Box 4008
Address Line 2	Mail Stop 600
City, State, Zip Code	Chandler, AZ 85244-4008
Telephone	480-782-2210
Fax	480-782-2209
Email Address	mark.pentz@chandleraz.gov
Web Address where this Form is Posted	www.chandleraz.gov/neighborhoods

Amount Grantee is Eligible to Receive*	\$ 575,271
Amount Grantee is Requesting	\$ 575,271

*Amounts are available at <http://www.hud.gov/recovery/homelesspreventrecov.xls>

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B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

Response: Chandler published a request for Public Comments notification on April 9, 2009 in the Arizona Republic and on the City's website at www.chandleraz.gov. Staff held a Public Hearing on Wednesday, April 15, 2009 and Wednesday to solicit comments from the public regarding this draft. In addition, staff met with the Housing and Human Services Commission and Neighborhood Advisory Committee to seek concurrence on the approved plan. Both committees approved the plan unanimously.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:

- Grantee did not receive public comments.
- Grantee received and accepted all public comments.
- Grantee received public comments and did not accept one or more of the comments.

3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

Response: Not applicable

C. Distribution and Administration of Funds

Reminder: The HPRP grant will be made by means of a grant agreement executed by HUD and the grantee. The three-year deadline to expend funds begins when HUD signs the grant agreement. Grantees should ensure that sufficient planning is in place to begin to expend funds shortly after grant agreement.

1. Check the process(es) that the grantee plans to use to select subgrantees. Note that a subgrantee is defined as the organization to which the grantee provides HPRP funds.

- Competitive Process
- Formula Allocation
- Other (Specify: _____)

2. Briefly describe the process(es) indicated in question 1 above (limit 250 words).

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

1. Response: On November 21, 2008 staff advertised the availability of a Request for Proposals for the FY09/10 CDBG and General Fund Human Service Funding allocations. The Chandler Housing and Human Services Commission (HHSC), a City Council appointed commission of community volunteers, reviewed the proposals and made recommendations to the Mayor and City Council on the use of these funds.

With the release of the American Recovery and Reinvestment Act, HUD emphasized that homeless prevention and rapid re-housing funds should target programs that provide financial assistance and services to either prevent individuals and families from becoming homeless or help those who are experiencing homelessness to be quickly re-housed and stabilized. In an effort to meet this directive, staff identified 16 homeless prevention programs that were recommended for funding by the HHSC under the FY 09/10 annual allocation process for CDBG and general funds. Of these 16 programs, only ten received their full funding request. To help expedite timely expenditure of HPRP funds, organizations who applied for funding through the annual allocation process will receive supplemental funding from HPRP to meet their full funding request plus an additional 6.25%. Organizations who received their full funding request will only receive a 6.25% increase of the remaining HPRP funding. All awarded agencies have the capacity and experience to execute the funds and address the needs of Chandler's homeless and at-risk populations.

3. Briefly describe the process the grantee plans to use, once HUD signs the grant agreement, to allocate funds available to subgrantees by September 30, 2009, as required by the HPRP Notice (limit 250 words).

Response: Staff will send tentative award letters to all agencies recommended for funding early May. In addition staff will prepare the paperwork and grant agreement forms with its subrecipients and have them reviewed and approved by the legal department. Once staff receives funding notification from HUD, all approved grant agreement forms will be sent to the organizations for contract completion. These steps will ensure that the City is prepared to allocate funds before the September 30, 2009 deadline.

4. Describe the grantee's plan for ensuring the effective and timely use of HPRP grant funds on eligible activities, as outlined in the HPRP Notice. Include a description of how the grantee plans to oversee and monitor the administration and use of its own HPRP funds, as well as those used by its subgrantees (limit 500 words).

Response: Staff is currently responsible for the oversight of CDBG and general fund dollar programs that currently fund over 70 different programs. Monitoring tasks include executing written agreements, periodic review of all 70 subrecipients and taking effective correction and remedial action towards subrecipients who do not comply. Staff utilizes a team monitoring approach as well as a monitoring tool

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checklist for accurate and consistent monitoring of program funds. These same steps will be used to effectively monitor programs funded through the HPRP grant. Special attention will be paid toward the expenditure deadlines as required in the HPRP regulations.

Consistent with the management of its other entitlement programs, staff will incorporate performance-based standards in drafting contracts and issuing reimbursement. Where possible, the focus will be on outcome accomplishments rather than output accomplishments. Staff will require subrecipients to utilize 50% of their total award during the first year. Staff will require quarterly reports from HPRP subrecipients for the purpose of reviewing accomplishment goals. Reimbursement requests will also be submitted quarterly to track timely expenditure. In addition, staff will conduct a yearly on-site monitoring of every agency funded through HPRP funds.

D. Collaboration

1. Briefly describe how the grantee plans to collaborate with the local agencies that can serve similar target populations, which received funds under the American Recovery and Reinvestment Act of 2009 from other Federal agencies, including the U.S. Departments of Education, Health and Human Services, Homeland Security, and Labor (limit 250 words).

Response: Chandler collaborates, provides financial and technical support to a variety of social service providers, which may receive additional funds from ARRA. Staff will work carefully with such providers to ensure funding is utilized in the most efficient manner to provide supportive services to those in need.

The Department of Education will allocate ARRA funds to support improved teaching and learning to students from families living in poverty and have children at risk of failing to meet state's academic standards. Chandler provides funding to programs providing services at local schools, specifically additional tutoring and mentoring support to children at risk.

Health and Human Services will receive ARRA funds to support health centers and senior nutrition programs. Chandler has prioritized funding to non-profits that provide basic needs services, including health centers that focus on child immunizations, well checks and dental care. In addition, Chandler provides support to three programs that provide both congregate and home delivered meals to elderly residents.

One of the areas the US Department of Homeland Security will utilize ARRA funds are for emergency food and shelter. Chandler has prioritized basic needs services for all priority populations and has provided funding and technical support

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to non-profit providers requesting funding for basic needs, which includes emergency food and shelter.

Finally, the Department of Labor received ARRA funds to improve employment training and unemployment assistance. Chandler provides funding and a variety of collaborative efforts with programs and local colleges to improve assistance to those needing employment training and securing employment.

2. Briefly describe how the grantee plans to collaborate with appropriate Continuum(s) of Care and mainstream resources regarding HPRP activities (limit 250 words).

Response: Staff met with The Maricopa Association of Governments (MAG) Continuum of Care Regional Committee on March 23, 2009 to seek guidance on current homeless issues as well as best practices for the use of HPRP funds. MAG is a Council of Governments (COG) that serves as the regional agency for the metropolitan Phoenix area. The task of this Committee is to oversee the development of an effective plan to address homelessness in the region.

In reviewing the 2008 Continuum of Care McKinney-Veto project recommendations, seven of the twelve agencies proposed for Chandler HPRP are funded through the Continuum of Care. The other five agencies proposed for Chandler HPRP provide transitional shelter and stabilization services, which is a priority of the Continuum of Care. In addition, staff has consulted with the Continuum of Care in the development of this plan and will share the impacts and accomplishments of HPRP subrecipients to help evaluate the progress towards meeting Chandler's homeless needs.

3. Briefly describe how HPRP grant funds for financial assistance and housing relocation/stabilization services will be used in a manner that is consistent with the grantee's Consolidated Plan (limit 250 words).

Response: Our Consolidated Plan identifies two strategies in which to address homeless needs: 1) Provide technical assistance and financial assistance to nonprofits to better compete for limited federal supportive housing operating and rental assistance funding; 2) Provide financial support to intermediate transitional shelter in a clean, secure environment that will promote independence and the stabilization of life style, including the array of services to include necessary supportive services. In addition, the City of Chandler Human Service Needs Assessment identified the homeless population as the second highest priority population requiring additional financial and technical support. HPRP funding will assist these programs to provide service gaps as identified for this priority population. HPRP grant funds will be allocated to selected homeless supportive housing programs that have the capacity to provide shelter and supportive services consistent with our strategies identified in the Consolidated Plan. Also, HPRP

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funds will assist homeless prevention programs that provide financial assistance to help avoid families from becoming homeless, in which these programs have reported a minimum of 36% increase in requests for assistance within the last six months.

Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP)

E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee’s preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

HPRP Estimated Budget Summary			
	Homelessness Prevention	Rapid Re-housing	Total Amount Budgeted
Financial Assistance ¹	\$ 81,257.00	\$ 81,257.00	\$ 162,514.00
Housing Relocation and Stabilization Services ²	\$ 279,991.00	\$ 104,005.00	\$ 383,996.00
Subtotal (add previous two rows)	\$ 361,248.00	\$ 185,262.00	\$ 546,510.00

Data Collection and Evaluation ³	\$ 0
Administration (up to 5% of allocation)	\$ 28,761.00
Total HPRP Amount Budgeted⁴	\$ 575,271.00

¹Financial assistance includes the following activities as detailed in the HPRP Notice: short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers.

²Housing relocation and stabilization services include the following activities as detailed in the HPRP Notice: case management, outreach, housing search and placement, legal services, mediation, and credit repair.

³Data collection and evaluation includes costs associated with operating HUD-approved homeless management information systems for purposes of collecting unduplicated counts of homeless persons and analyzing patterns of use of HPRP funds.

⁴This amount must match the amount entered in the cell on the table in Section A titled “Amount Grantee is Requesting.”

**Substantial Amendment to the Consolidated Plan 2008 Action Plan for the
Homelessness Prevention and Rapid Re-Housing Program (HPRP)**

F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

Signature/Authorized Official

Date

Title