

CITY OF CHANDLER

2012 - 2013 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

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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 15, 2010. The Action Plan provides a brief description of the programs and projects of the City of Chandler in Fiscal Year 2012-2013, 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 HOME-funded activities are also included in the County's Consolidated Plan and Annual Action Plan.

The City of Chandler makes funding allocations based on community priorities and input. More information about how this input was obtained is found on page 13.

Annual Action Plan Resources		
CDBG Entitlement Program	2011 Grant	2012 Grant
Community Development Block Grant (CDBG)	\$ 1,269,874	\$ 1,231,780
CDBG Prior Year Carry Forward Including Program Income	\$ 225,442	\$ 168,324
Total CDBG Allocation Amount	\$ 1,495,316	\$ 1,400,104
HOME Investment Partnership Funds		
HOME (through an agreement with Maricopa County)	\$ 384,141	\$ 267,603
Public Housing Programs		
Section 8 Housing Choice Voucher Program	\$ 5,347,000	\$ 5,560,000
Public Housing Program	\$ 2,148,000	\$ 2,153,000
Public Housing Capital Funds	\$ 850,000	\$ 850,000
Competitive and Stimulus Programs	Total Grant	2012 Balance*
Community Development Block Grant – Recovery (CDBG-R)	\$ 376,420	\$ 51,402
Neighborhood Stabilization Program 1	\$ 2,415,100	\$ 436,793
Neighborhood Stabilization Program 3	\$ 1,332,011	\$ 1,324,812
Homeless Prevention and Rapid Re-housing Program	\$ 575,271	\$ 22,026
Local Resources	2012 Grant	
HOME Match	\$ 726,303	
Acts of Kindness (AOK)	\$ 60,828	
Social Service Funds (SSF)	\$ 421,465	
Youth Enhancement Program (YEP)	\$ 631,438	

*as of February 29, 2012

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EXECUTIVE SUMMARY

Targeting Resources

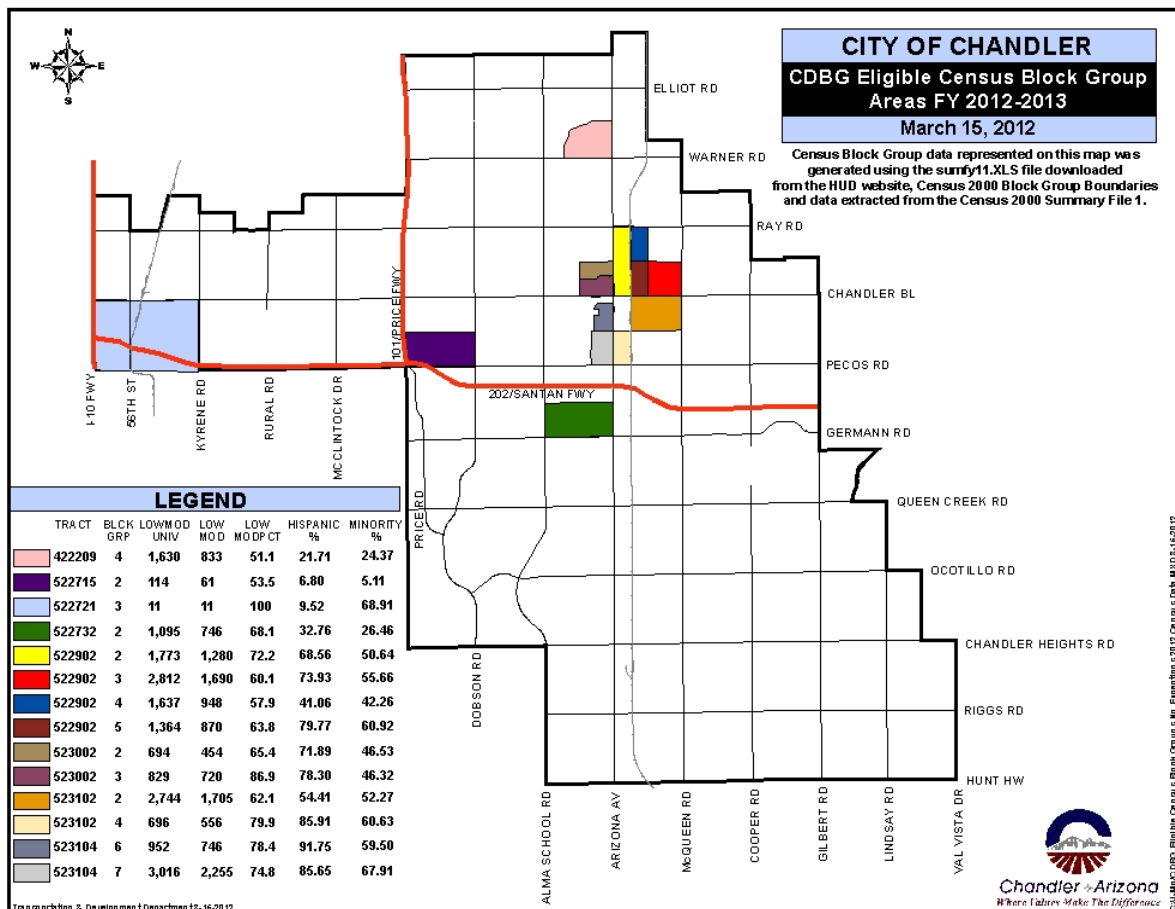
As the City of Chandler reaches build-out, key objectives are neighborhood stabilization and revitalization, especially in areas with a large volume of older and substandard housing stock and concentrations of low-income households. The City allocates much of its CDBG resources to Community Development Target Areas. In addition to Community Development Target Areas, the City provides resources for programs that address the needs of low-income households and special populations throughout the City. There are fourteen Community Development Target Areas in Chandler. Community Development Target Areas are Census Tract Block Groups where at least 51% of the population is low or moderate income.

- 19,367 households reside in these target areas.
- 64% of the population is Hispanic or Latino
- 51% of the population are minorities, and may also be Hispanic or Latino
- 66% of households are low- or moderate-income

By overlaying resources and programs in these areas, the City realizes a visual impact and provides a comprehensive approach to neighborhood revitalization and stabilization. The Neighborhood Resources Division partners with other city departments and outside agencies to provide residents and neighborhoods with assistance to help stabilize the community and individual homes, and assist families. Neighborhoods may be helped in any number of ways:

- Grants are made to low-income neighborhoods for improvements such as street lighting and installation of speed bumps;
- Resources are provided to community assistance programs such as food banks, transportation assistance, and youth programs; and
- Individual households are referred to housing rehabilitation programs and other funded services.

Neighborhood and community programs are offered in partnership with the Chandler Police Department, which educates neighborhoods and assists with block watch programs. In addition, City Code Enforcement offers training and education on common code violations to avoid and address blighted conditions.



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Prioritizing Intervention and Prevention

To arrest economic decline and assist households in crisis, the City focuses 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.

Leveraging HUD Funding

In addition to CDBG funds, the City of Chandler makes available over \$1 million in General Fund resources to support agencies that address the needs of the City's vulnerable residents. HHSC funding priorities for 2012 include:

1. Youth, including educational support, health, and prevention / intervention activities.
2. Families in Crisis, including crisis intervention, temporary assistance, basic needs, and support services.
3. Special Populations, including basic needs, independent living, socialization and education services, and Veteran's Transportation Services.

City Budget

The City has been awarded the Distinguished Budget Award every year by the Government Finance Officers Association. This year it is working towards strengthening its budget through a Priority Based Budgeting process. Through this process, the City has identified six strategic goals:

1. Leisure, Culture and Education
2. Safe Community
3. Effective Transportation
4. Healthy and Attractive Community
5. Sustainable Economic Health
6. Good Governance



The Neighborhood Resources Division relies on both general fund and external resources to fulfill its mission. General fund resources support program administration and human services as well as neighborhood, leadership and diversity programs, including code enforcement, neighborhood grants, graffiti abatement, and community events. For the past several years, ARRA funding has filled budget gaps and provided for continued services and programs. As ARRA funds have been fully utilized, identifying and applying for additional resources is necessary to continue essential services and attain Consolidated Plan goals.

City of Chandler: At-a-Glance

Chandler is celebrating its Centennial anniversary in 2012, paying tribute to the spirited and determined leaders who set out to build a great city. People like its founder, Dr. A.J. Chandler, had a vision for a thriving community that has truly flourished over the past 100 years.

Chandler's rich history and heritage remains embedded throughout the community. Its roots are clearly visible in places like its historic downtown district, friendly neighborhoods and booming employment corridors. It has been named an All-America City and is a five time honoree as a "100 Best Communities For Young People."

The City of Chandler boasts a strong, high tech employment base that attracts and retains high quality employees, many of whom make Chandler their home. Built upon a foundation of entrepreneurship and inquisitive spirit, the people of Chandler have assembled a thriving community.

With a population of 240,000, the City is approaching build-out, placing focus on the revitalization and stabilization of existing neighborhoods. Community involvement and volunteerism play an essential role in making that happen. The Mayor and City Council host "Listening Tour" meetings five times each year throughout the community, and last year held a virtual town hall through social media platforms – one of the first of its kind.

The Neighborhood Resources Division of the City is tasked with utilizing federal and general funds to assist in the revitalization and stabilization of neighborhoods, provide neighborhood education and programs to encourage community involvement, and provide code enforcement to enforce City Code and assist in sustaining neighborhoods.

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Our Goals from the 5-year City of Chandler Consolidated Plan

1. Increase homeownership opportunities for low and moderate income households.
2. Rehabilitate and where appropriate redevelop the existing housing stock.
3. Increase the supply of affordable housing for both owners and renters.
4. Promote human and supportive services and facilities for frail elderly, disabled persons, low income households and other needy populations.
5. Participate in a regional Continuum of Care system that will effectively transition persons who are homeless to appropriate permanent housing settings.
6. Revitalize Chandler's neighborhoods.
7. Strengthen the coordination and delivery of resources

Housing Quick Facts

- More than 2/3 of Chandler households own their home.
- Single-family detached housing represents nearly three quarters of the housing stock
- More than 29,000 households pay more than 30% of their household income for housing.
- 11,000 housing units are more than 30 years old.
- Renters are more likely to occupy older housing units.
- Growth in the housing market has slowed with the economic downturn.
- One in ten units is vacant
- Chandler is approaching build-out and more creative strategies are necessary to ensure a long-term supply of housing for households at various income levels.

2012 HIGHLIGHTED INITIATIVES

Affordable Housing

- Utilizing CDBG funds provide:
 - Emergency Home Repairs to 75 low-income homeowners.
 - Zero-interest and forgivable loans for moderate housing rehabilitation and exterior home improvements to 10 low-income homeowners.
 - Grants for handicap accessibility improvements to low-income homeowners through the City's CDBG-funded Home Modification for Persons with Disabilities Program.
- Utilize HOME funds to provide extensive housing rehabilitation assistance to eliminate safety hazards and improve habitability for low-income homeowners, and to provide a reconstruction program for those homeowners whose housing units require significant rehabilitation.
- Utilize NSP3 funds to:
 - Acquire, rehabilitate and resell foreclosed and abandoned properties to middle-income first-time homebuyers.
 - Provide first-time homebuyers with down payment assistance to purchase foreclosed and abandoned properties.
 - Acquire and rehabilitate foreclosed or abandoned units for rental occupancy by low-income households.

Human Services, Homeless and Special Needs Populations

- Utilizing CDBG funds provide:
 - Emergency shelter services to 218 individuals and 15 families.
 - Case management, counseling and child care services to 12 families in emergency shelter and 15 families in transitional housing.
 - 152 youth residing in Public Housing with homework assistance, and recreation, sports and special community events opportunities.
 - Substance abuse crisis services to 176 individuals.
 - Legal services to 27 low-income and poverty-level households.
- Utilize HOME funds to provide rental assistance and case management services for up to five homeless individuals and families with incomes below 50% of the area median income.
- Provide General Fund resources in the amount of \$1,124,730 to support families in crisis, services and assistance to special populations, and youth services.

Neighborhood Revitalization and Community Development

- Utilize CDBG funds to improve and provide additional accessibility through ADA ramps and routes in low and moderate income neighborhoods, serving approximately 365 households.
- Utilize CDBG funds to support the elimination of blight in low and moderate income neighborhoods, serving approximately 480 households.

Coordination and Delivery of Resources

- Review funding priorities and distribution methods to ensure resources are targeted to the most needy populations and neighborhoods.
- Utilize Live Love and For Our City, two local area volunteer groups, to mentor neighborhoods to to serve as advocates for the local homeless community.

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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 Chandler Housing and Redevelopment Division (also known as the PHA) addresses the needs of extremely low income and low to moderate-income families in Chandler. The Public Housing program and Section 8 program have been designated by HUD as "High Performing". The City's PHA manages 303 public housing units and 486 Housing Choice Vouchers. In addition, the Housing and Redevelopment Division owns and manages 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 2,289 families on the Public Housing waiting list and 1,790 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 2.5 years for all bedroom sizes, however, two-bedroom units are in the greatest demand and large bedroom units have the shortest wait time.

The overall management and capital improvements of the 200 apartments that are more than 40 years old have been well implemented over the years, yet the cost to make the remaining structural and design changes to the units is invasive, requires relocation, and is economically unwise. Redevelopment or a large infusion of capital improvements through a leverage capital loan program, are two of the primary alternatives and the most likely to provide an appropriate return on investment.

2012 Affordable Rental Housing Strategies

- Provide rental assistance for up to five homeless individuals and families with incomes below 50% of the area median income, including assistance with rental payments, security deposits and utility reimbursements, and the provision of case management and supportive services to assist in the transition from homelessness to improved self-reliance and long-term stability.
- Utilize NSP3 resources to purchase and rehabilitate foreclosed housing and provide permanent rental housing opportunities for Chandler's lowest-income households.
- Utilize CDBG funds to complete capital improvements on the City's public housing sites, serving 48 households.
- 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

Assisting low-income households to be self-sufficient is one of HUD's goals for Public Housing Programs. The Chandler PHA works to assist public housing residents that need assistance by matching resources to promote tenant education and self-sufficiency. The mission of the PHA is to work together with community partners to ensure affordable and other housing opportunities within our community. This mission is supported 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.

The Chandler PHA has expanded the housing programs network through the creation of an affordable housing website, landlord outreach and by consistently monitoring the payment standard for the Section 8 Housing Choice Voucher program. The PHA also assists first-time homebuyers when the opportunity arises through the Section 8 Homeownership Program. 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 Section 8 Homeownership Program continues to offer qualified participants the opportunity to become homeowners.



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HOMEOWNERSHIP & HOUSING

Owner Quick Facts

- Owners occupy the newest housing stock.
- More than 700 owners live in overcrowded conditions.
- Three of ten existing owners pay more than 30% of their income for housing.
- The home purchasing power of median income households has decreased, even with decreases in home prices.
- Foreclosure risk remains high.

The Foreclosure Market

Since Arizona State University Realty Studies began tracking sales of foreclosed units in 2007, the median price of single-family foreclosed homes has decreased 36% from \$259,165 to \$167,000. Median sales prices of foreclosed townhome / condominium units decreased 45% from \$145,235 to \$75,910. Foreclosed units represented 33% of units sold in 2011.



Home Purchasing Power of Median Income Households Increasing

With sales prices declining to the level seen in the early 2000's, housing affordability has increased for median income households despite a 1% decline in income since the market peak in 2006. Assisting households with incomes at 80% of the median currently requires a subsidy of approximately \$14,500 compared to \$145,500 in 2006. Still, purchasing a home remains out of the reach of Chandler households earning less than 50% of the median income.

2012 Homeownership Activities

- Provide Housing Rehabilitation Assistance, including Emergency Home Repairs, Handicap Accessibility Improvements, Exterior Improvement Loans, and Moderate Rehabilitation to 85 low-income homeowners.
- In partnership with Habitat for Humanity, reconstruct three homes not suitable for rehabilitation.

NSP3: Stabilizing Neighborhoods by Helping First-time Homebuyers

In 2011, the City received \$1,332,011 from HUD through the Neighborhood Stabilization Program 3 (NSP3). NSP3 funds are part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The primary purpose of NSP3 is to stabilize neighborhoods hardest hit by foreclosed and abandoned homes. The City of Chandler identified two census tracts – 523002 and 422209 - in which NSP3 would be targeted. The City has elected to undertake two programs to assist first-time homebuyers while stabilizing the area. During 2012, the City will continue its use of NSP3 resources for:

- **Assistance to Homebuyers.** NSP3 funds will be used to assist up to 20 qualified potential homebuyers with down payment assistance of abandoned or foreclosed homes.
- **Chandler Community Land Trust.** The Chandler Community Land Trust has been created and managed by Newtown Community Development Corporation and Land Trust. The City and Newtown will purchase up to 7 vacant, foreclosed properties in the NSP3 target area and sell only the structure to income-qualified homebuyers; the Land Trust will own 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 and the home remains affordable indefinitely as it may only be sold to another income-qualified buyer.

Home Prices Continue to Decline

Sales prices peaked in 2006 and 2007 and in most cases have continued to decline. The median price of all resale housing units sold in 2011 was \$165,100, comparable to median sales prices in 2003.

- Single-family Homes. After peaking in 2006 and 2007, housing prices have been steadily declining. The median price of a single-family resale home declined 45% to \$165,100 in 2011 from a peak of \$297,900 in 2006. New single-family home prices reached their peak in 2007 at \$449,200 and have since declined 32% to \$306,740, up from a low of \$285,950 in 2009.
- Townhomes and Condominiums. Since peaking in 2006, the median price of a townhome / condominium resale unit declined 61% to \$70,000 from a peak of \$180,000, and new-construction condo sale prices declined 41% to \$132,190 from a peak of \$222,500.

Sales Volume Stabilizing

Sales volume reached its peak in 2004 and 2005 and declined dramatically in 2007. For the past two years, sales volume has averaged 6,600 units, comparable to sales volume in the early 2000s. New single-family construction sales volume has continued at an annual average rate of 500 units since 2007.

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NEIGHBORHOOD ENHANCEMENT AND COMMUNITY DEVELOPMENT

Housing Quality Quick Facts

- 11,000 housing units are more than 30 years old
- More than 4,000 renters occupy housing units that are more than 30 years old, as do more than 6,000 owners.
- Since 2005, 140 housing units have been rehabilitated with CDBG, HOME and other resources.

Lead-based Paint

Childhood lead poisoning is a serious pediatric health problem. Children ages six years old and younger are particularly susceptible to lead poisoning. Research indicates that even a low level of lead in a child's blood can have harmful effects on physical and developmental health. The most common source of exposure is deteriorating lead-based paint and lead-contaminated dust found in the home, but other sources include pottery, jewelry, candy and makeup. The use of lead-based paint became illegal in 1978.

To reduce the risk of lead poisoning, information is distributed to participants in City housing programs. The City follows strict HUD guidelines for testing and abatement of lead-based paint and other hazardous substances, and requires compliance from its contractors and subcontractors. Any structure built before 1978 that is proposed for rehabilitation under federal programs, is tested for lead-based paint. Notices and requirements regarding testing and removal of lead-based paint are provided to program participants, contractors and project sponsors.

Moderate Housing Rehabilitation: Improving Quality of Life in Low-income Neighborhoods

The City's Moderate Housing Rehabilitation Program offers loan assistance to eligible homeowners to complete extensive rehabilitation for single-family homes.

The City provides up to \$50,000 in deferred loan assistance for repairs. The loan may be partially or entirely forgiven based on the applicants' income eligibility. Loan payments are determined based on financial circumstances of the borrower for a length of time determined by the amount of the rehabilitation loan. 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 City's Housing Rehabilitation Program is implemented in targeted areas. While all low and moderate income residents are eligible to apply for housing rehabilitation assistance, priority is given to physically disabled and elderly homeowners age 60 or older residing in the target area.

2012 Neighborhood Enhancement and Community Development Strategies

1. Proactive code enforcement coupled with referrals for housing rehabilitation assistance;
2. Continue to provide neighborhood leadership training to both traditional neighborhoods and HOA neighborhoods;
3. Establish affordable housing unit goals in redeveloping areas;
4. Provide for higher densities to accomplish housing affordability for a broad range of households;
5. Work with neighborhood leaders to develop neighborhood plans that coordinate with broader area redevelopment plans;
6. Integrate community development planning into neighborhood leadership training to better plan for the use of local, state and federal resources.

Addressing the Complex Issues of Community Development and Revitalization

In preparation for residential build-out, Chandler is ready to address the complex issues of community redevelopment and revitalization. Organization and progressive leadership will continue to be hallmarks of the City's redevelopment planning efforts. Anchored by a strong economic and employment base and enhanced by citizen-based, grassroots neighborhood efforts, Chandler is well-positioned to address the challenges of renewing deteriorating areas of the City.

Chandler takes pride in being a well-maintained City. The City has a vested interest in remediating deteriorated building and property conditions. When unabated, these conditions tend to spread to adjoining properties and neighborhoods. Deteriorated and blighted conditions are a threat to public safety and are an attraction for crime and other undesirable activities. As build-out proceeds, increased housing demands will fuel the construction of new housing units to replace substandard dwellings, especially in the older, central area.

Attention must be given to the infrastructure systems that serve areas showing signs of deterioration. Strategic improvements to supporting facilities will enhance redevelopment projects and overall efforts. Completing infrastructure systems is important in maximizing efficiency and returns on public investments. System enhancements need to coincide with areas targeted for development intensification such as transit corridors and the downtown area. Employment expansion, investment in redevelopment areas and commercial development can be guided by infrastructure availability.

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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 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.

2012 Homeless and Special Populations Strategies

1. Participate in the regional Continuum of Care;
2. Utilize CDBG funding to:
 - Provide operating support to seven programs operated by five nonprofits providing emergency and transitional housing for homeless individuals and families.
 - Provide operating support for substance abuse crisis services.
3. Utilize HOME funding to provide rental assistance and case management services for up to five homeless individuals and families with incomes below 50% of the area median income.
4. Provide General Fund resources in the amount of \$1,124,730 to support families in crisis, services and assistance to special populations, and youth services including:
 - Programs that provide for basic needs including health-related and transportation programs;
 - Independent living programs that allow seniors to safely age in place, and persons with disabilities to live independently, including caregiver respite and support, home-delivered and congregate meals and nutrition programs, and supportive programs for grandparents raising grandchildren;
 - Socialization, recreation and education opportunities to seniors or children and adults with disabilities to combat depression, maintain or improve functional living skills, aid in workforce readiness, improve physical health or enhance quality of life;
 - Programs that provide transportation for veterans to veterans' service centers or other locales for low-income veterans.



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FAIR HOUSING & REGULATORY BARRIERS

Taking Action to Address Fair Housing Impediments

In March 2011, Chandler completed and submitted to HUD an Analysis of Impediments to Fair Housing (AI) detailing conditions affecting housing opportunities and defining strategies to create greater housing choice.

During the coming year, the City will take the following actions to address identified impediments and promote fair housing choice:

- Distribute at least 2,000 copies of the Fair Housing Brochure and Fair Housing Resolution adopted by City Council to the public and to and through Realtors, nonprofit organizations, housing providers, Senior Centers, City Boards and Commissions, and other community organizations.
- For all program recipients, provide a copy of the "Fair Housing, It's Your Right" pamphlet, a form that may be used to file a complaint with the City, and a phone list that includes the Fair Housing Hotline number.
- Distribute at least 200 copies each year of the "Ten Most Common Fair Housing Mistakes" to housing providers and real estate companies.
- Advertise Fair Housing Month in the City Newsletter and on the City's Cable Channel.
- Dedicate a bi-lingual (English/Spanish) staff person to follow up to Fair Housing calls and provide assistance making contact with the Arizona Attorney General's Office or a Fair Housing Organization.
- Conduct a quarterly survey of agencies and organizations for status of fair housing complaints and concerns.
- Twice annually assess fair housing complaint data.
- Through a partnership with Community Legal Services, provide educational meetings and events for Chandler landlords, tenants and potential tenants.
- Continue to regularly publish the phone number of the Fair Housing Hotline in water bills.
- Provide all program information in both English and Spanish. Ensure the City's Fair Housing Hotline includes a Spanish-language option.
- Continue to provide builders with information regarding ADA requirements; post the requirements on the City website.
- Through the Mayor's Committee for People with Disabilities conduct a review of ADA accessible housing units to determine the actual supply of ADA accessible housing.
- Convene representatives of the City's Section 8 program and other groups that address Fair Housing issues to develop a fair housing education program for tenants and landlords.

Overcoming Regulatory Barriers

As new construction permitting slows, the City has an opportunity to more closely examine how to reduce regulatory barriers to affordable housing development. One important strategy is to identify methods for incorporating affordable housing into downtown and area redevelopment plans.

Through the South Arizona Corridor Study, the City has established a goal of 1,000 new housing units in the downtown area. The goal is to bring a mix of households to the downtown and create a vibrant urban-living environment. The area is currently plagued by substandard residential and commercial buildings and is not considered safe by many visitors or residents.

Balancing the need to redevelop the area with existing neighborhoods is an opportunity to examine regulatory barriers and build new strategies for mixed-income and mixed-use development. Some of the strategies the City will consider include:

- Incorporating affordable housing into planned high-density zones through dedicated funding or developer incentives.
- Focusing housing rehabilitation on existing substandard housing adjacent to planned redevelopment sites.
- Acquiring vacant land for future development.
- Developing moderate-density units for mixed-income occupancy as a buffer between planned high-density development and existing neighborhoods.
- Developing live-work space as a buffer between planned commercial uses and existing neighborhoods.



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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.

2012 Economic Development Strategies

The City's Economic Development Division will continue employing and refining successful strategies from previous years to:

1. Attract high-end development projects that will strengthen Chandler's economy and quality of life.
2. Add industries to diversify Chandler's employment base and place them into strategic geographic locations.
3. Communicate Chandler's strengths of a strong business climate with great retail and industrial business development opportunities.
4. Position Chandler as a destination for local, national, and international visitors.
5. Revitalize and restore the Downtown to create a unique and exciting destination for both visitors and investors.

The City began a comprehensive strategy to redevelop the downtown area through direct investment and partnerships with private firms. In a relatively short period of time, it has created a huge transformation. The restoration of historic building facades and the reintroduction of the original colonnades have created a welcoming atmosphere where people feel comfortable. The recently completed Arizona Avenue improvements expand the walkability of Downtown and bring a much-needed balance between vehicles, pedestrians and bicycles. With the recent completion of the innovative City Hall, the stage is set for the expansion of Downtown beyond the Historic Square with new architectural forms and mixed-use developments.

In the next five years, the focus of redevelopment efforts will focus on completing development on the City-owned sites, increasing the number of arts, cultural and entertainment facilities, and marketing the area south of the Historic Square to attract additional development to the expanded Downtown area.

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



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HUMAN SERVICES: KEY TO ADDRESSING BASIC NEEDS

What are Human Services?

Human services are the benefits and facilities that improve the life and living conditions of people. While usually directed to the poor, disabled, and elderly, all members of a community benefit from human services such as:

- Education and recreation programs.
- Job skills development programs.
- Assistance finding employment.
- Assistance navigating social and economic systems.
- Physical and mental health services.
- Shelter and rental assistance.
- Food and clothing.
- Transportation services.

2012 Leverage Funding Priorities – Families in Crisis

For 2012, the Housing and Human Services Commission established the following priorities for the use of local resources targeted to families in crisis. These services promote strengthening the capacity of low-to-moderate income individuals and families to move toward self-sufficiency.

- Emergency Intervention: programs that support families and children in crisis due to child abuse, domestic violence, and/or behavioral health issues such as substance abuse and mental health issues.
- Temporary Assistance: programs that provide temporary financial assistance (utilities, rent, mortgage) and support for individuals in accessing additional community resources.
- Basic Needs: programs that provide access to food and other basic needs, including clothing and hygiene, to ensure basic physical health needs are met.
- Support Services: programs that provide employment assistance and/or adult education including basic education, literacy, English as a Second Language, financial literacy, workforce skills training and job search skills support.
- Programs that help families avert a crisis through supportive services including affordable child care and transportation.

2012 Leverage Funding Priorities – Youth Services

For 2012, the Housing and Human Services Commission established the following priorities for the use of local resources targeted to youth services:

- Educational Support, including programs that focus on academic achievement and support such as technology learning, tutoring, mentoring, and student leadership.
- Health: programs that provide basic health and nutrition services that support physical, behavioral and mental health, and prevent childhood obesity.
- Prevention/Intervention: programs that support healthy social development through the prevention of violence and gang activity, substance abuse, teen pregnancy, and other risk behaviors.

2012 CDBG Public Services Strategies

- Provide support to the City of Chandler Youth Program.
- Provide operating support for substance abuse crisis services.
- Support Community Legal Services in removing barriers to justice for low income households.
- Provide General Fund resources in the amount of \$1,124,730 to support families in crisis, services and assistance to special populations, and youth services.

Poverty Impacts Nearly 6,500 Chandler Residents

While Chandler's household income is relatively high, 9% of families (6,472) live in poverty and more than half (56%) of all poverty-level families are single mothers with dependent children. Comparatively, 5% of married couples with children and 4% of single fathers live in poverty. To make their way out of poverty, families require a combination of basic services, including child care, job training and transportation.

Demand for Human Services Continues

The economic recession has placed families in a position of need; many of whom never imagined they would need assistance. Funding human services is essential for both the newly-needy and for those who have been working to make ends meet for some time.

For the coming fiscal year, 68 applications were received for General Fund resources from 56 agencies providing for the needs of Chandler's vulnerable families and individuals. The applications totaled over \$2 million and included requests for a variety of services:

- Youth programs;
- Services for seniors and the disabled;
- Supportive services for homeless individuals and families;
- Transportation;
- Food and clothing.



CITY OF CHANDLER

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DEVELOPING SUSTAINABLE PROGRAMS

Monitoring

As nonprofits continue to be impacted by the economy and budget cuts, continued monitoring is essential to ensuring the delivery of important services to Chandler residents. Outside agencies are regularly monitored for compliance utilizing a variety of methods to monitoring subrecipients. The following items are partial list of Federal requirements that are reviewed as a part of an on-going comprehensive monitoring plan:

- Organizational Capacity
- Compliance with Contract Requirements
- Affirmative Marketing
- MBE/WBE Outreach
- Non-Discrimination and Equal Access
- Section 504 of the Rehabilitation Act of 1973
- Drug Free Workplace
- Records Retention
- Employee Verification
- Financial Audits and Reports
- Internal Controls
- Accounting Records
- Match (for HOME-funded activities)
- Program Income Tracking
- CHDO Proceeds (for HOME funded activities)
- Environmental Review
- Procurement
- Section 3
- Federal Labor Standards
- Housing Rehabilitation Standards
- Lead Based Paint Hazards
- Relocation
- Affordability (for HOME funded activities)
- Program Beneficiaries
- HPRP Supplement

The City is responsible for managing the day-to-day operations of grant and subgrant supported activities and must monitor subrecipient activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. The City's monitoring efforts includes an emphasis on providing ongoing technical assistance and opportunities for dialogue. This is accomplished through individualized Pre-Contract Orientations and training with the goal of helping funded agencies achieve their goals and improve services to the community. The primary goal of monitoring is to ensure subrecipients are complying with all regulations governing their administrative, financial, and programmatic operations; and making sure they are achieving their performance objectives on schedule and within budget.

The City of Chandler regularly conducts internal audits of its departments to ensure that funds are being properly utilized and accounted for. In addition to internal audits and agency monitoring, City staff, HHSC and volunteers regularly tour agencies and services. These tours provide insight into the needs of the community, specific agency operations, successes and challenges, and provide an opportunity to ensure that allocated dollars are invested in the activities proposed by agencies.

Budget Continues to Impact Nonprofit Organizations

For the past three years, the Arizona Alliance of Nonprofits has conducted a survey of nonprofits across Arizona. The results of the December 2011 survey indicate that almost half (47%) of Arizona nonprofits reduced their budgets for a third year, even as three of four served more clients during the past year. Of all sources of funding for nonprofits, government funding dropped the most - by 23%. This decline in funding is expected to continue as state and local governments slash programs and services that are provided through contracts with nonprofits. Other key findings of the report included:

- Foundation funding dropped by 24%;
- Individual contributions dropped by 16%;
- Six of ten nonprofits created or expanded collaborative partnerships with other nonprofit organizations, and 42% created or expanded collaborative partnerships with for-profits;
- 54% increased their reliance on volunteers;
- 53% cut administrative and overhead costs;
- 40% postponed filling vacant positions.



CITY OF CHANDLER

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The 2012 Annual Action Plan and Community Input

The City of Chandler recognizes that sustainable programs are based on community input and strives to provide multiple opportunities for residents to participate in community development actions. The City continues to identify needs, priorities, specific objectives, and strategies to provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income residents. The City encourages participation from the community through surveys and outreach programs.

The City 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.

In addition to holding Annual Plan public hearings to obtain input into community development needs and priorities, the City met with two local nonprofit networks to discuss needs and priorities - For Our City and the Chandler Nonprofit Coalition. For Our City is a local network of 100 faith and community-based organizations and leaders whose mission is to "build a bridge for municipal and faith leaders to dialogue for solutions, by promoting passion for people. The Chandler Nonprofit Coalition is a local network of organizations whose mission is to improve the performance of Chandler nonprofit organizations by promoting social responsibility and community action through awareness building, collaboration, and advocacy.

2012 Community Survey

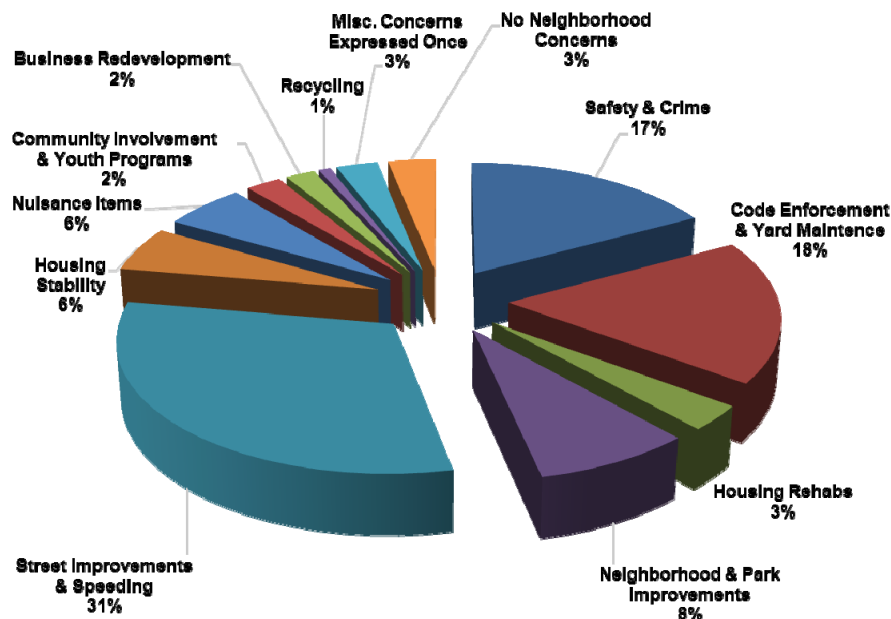
Community planning surveys are widely recognized as an effective method for gathering citizen input. Surveys complement and support other efforts, such as public hearings, meetings with agencies, and public events held throughout the year. Through the community survey, the City collects input on a broad range of issues from a larger group of people than attend public hearings and other interactive participation events.

For the 2012 Annual Plan, 2,900 community surveys were distributed by mail to neighborhood associations, nonprofit organizations, faith-based organizations, educational institutions and citizen and service clubs. Public access was available at the City of Chandler website. Two hundred eighty surveys were completed and returned. The survey included questions regarding human services, housing needs and community needs. The most often-cited concerns indicated by survey respondents were street improvements and speeding, code enforcement and yard maintenance, and safety and crime. These priorities are addressed through a variety of programs funded by CDBG, HOME and City General Funds.

The City held two public hearings – one with the Housing and Human Services Commission and one with the City Council. Comments reinforced the City's priorities of:

- Funding for human services, including services to homeless, youth and senior populations;
- CDBG dollars to fund infrastructure improvements such infrastructure improvements that address American's with Disabilities Act improvements and streetlights in low and moderate neighborhoods; and
- CDBG funded Code Enforcement activities as a means to make neighborhoods safer and deter crime.

There were no additional public comments received during the public comment period which was open from March 30, 2012 to April 30, 2012.



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FY 2012 CDBG AND HOME ALLOCATIONS

TOTAL CDBG ALLOCATION: \$1,400,104

TOTAL HOME ALLOCATION: \$267,603

CDBG Public Services

Agency	Funding Recommendation	HUD Outcome
A New Leaf - East Valley Men's Shelter	\$ 30,000	DH3
A New Leaf - La Mesita Homeless Shelter	\$ 10,000	DH3
Central Arizona Shelter Services - Emergency Shelter	\$ 21,608	DH3
City of Chandler Housing -Youth Program	\$ 31,000	SL1
Community Bridges – Substance Abuse Crisis Services	\$ 10,000	SL3
Community Legal Services – Removing Barriers to Justice for Low Income	\$ 6,000	SL1
Labor's Community Service Agency - Transitional Housing	\$ 10,000	DH3
Save the Family – Case Management and Transitional Shelter Program	\$ 40,000	DH3
Save the Family - FACES Program	\$ 10,000	DH3
UMOM New Day Centers, Inc. - Emergency Shelter	\$ 10,000	DH3

CDBG Public Facilities/Housing

Agency	Funding Recommendation	HUD Outcome
City of Chandler Community Development Moderate Rehabilitation	\$ 17,291	DH3
City of Chandler Community Development Exterior Improvement Loan Program	\$ 200,000	DH3
City of Chandler Public Housing – Improvements	\$ 200,000	DH3
City of Chandler Transportation and Development – ADA Ramps and Routes	\$ 250,000	SL1
City of Chandler Code Enforcement – Blight Elimination Program	\$ 55,167	SL3
Habitat for Humanity Central Arizona – Emergency Home Repair Program	\$ 265,000	DH3

CDBG Administration

City of Chandler - CDBG Program Administration	\$ 234,038	
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HOME Investment Partnership Program

	Funding Recommendation	
City of Chandler – Moderate Housing Rehabilitation Program	\$ 14,647	DH3
Community Bridges, Inc. Supportive Housing Assistance TBRA	\$ 102,956	DH2
Habitat for Humanity-Housing Reconstruction	\$ 150,000	DH3

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

CITY OF CHANDLER

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CITY OF CHANDLER NEIGHBORHOOD RESOURCES DIVISION

Housing and Human Services Commission (HHSC)

Brigita Fody-Landstrom, Chairperson
Justin Lisonbee, Vice-Chairperson
Timothy Lewis
Louise Moskowitz
Kelly Vickrey
Kris Kylo
Sharon Rosner
Raleigh Grady
Scott Powell
Tammy Clow-Kennedy

The HHSC is appointed by the Mayor and approved by City Council. The HHSC serves as an advisory body to the City Council and Public Housing Authority Commission and plays an important role in assessing community needs and making funding recommendations to Council. Some of the duties of the HHSC are to:

- Recommend the annual allocation of Community Development Block Grant funds to the City Council;
- Advise the City Council on matters relating to the welfare of the City's low and moderate income citizens;
- Assess the human service needs of the community, determine any gaps in service and utilize this information in developing the priorities funding;
- To serve as the annual allocations panel for and make final recommendations to the City Council on the allocation of human service funds.

Neighborhood Resources Division

235 S. Arizona Ave.
Chandler, AZ 85225

Mailing Address:
Mail Stop 600
PO Box 4008
Chandler, AZ 85244-4008
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

Mayor Jay Tibshraeny

Jeff Weninger, Vice Mayor

Trinity Donovan

Kevin Hartke

Rick Heumann

Matt Orlando

Jack Sellers



City Manager

Rich Dlugas

City of Chandler Neighborhood Resources Division

Jennifer Morrison, Director

Community Development - Staff Contacts

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