

## COMMUNITY & CULTURAL DEVELOPMENT COMMITTEE

March 30, 2017

The Community and Cultural Development Committee of the City of Mesa met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on March 30, 2017 at 9:01 a.m.

### COMMITTEE PRESENT

Ryan Winkle, Chairman  
David Luna  
Kevin Thompson

### COMMITTEE ABSENT

None

### STAFF PRESENT

Natalie Lewis  
Alfred Smith  
Dee Ann Mickelsen

#### 1. Items from citizens present.

There were no items from citizens present.

#### 2-a. Hear a presentation, discuss and provide funding recommendations for the FY 2017/18 and prior years' available funding for Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Human Services Programs.

Housing and Community Development Director Liz Morales introduced Community Revitalization Coordinator Dennis Newburn who displayed a PowerPoint presentation (**See Attachment 1**) related to the funding recommendations for the FY 2017/18 and prior years' available funding for Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Human Services Programs.

Ms. Morales reviewed the four programs and emphasized that funding recommendations begin at the Community and Cultural Development Committee with final approval by Council. She thanked the Committeemembers for their involvement.

Ms. Morales explained that the Department of Housing and Urban Development (HUD) funding allocations for FY 2017/18 is based on FY 2016/17 amounts, however, it is anticipated that a 15% cut from Congress is possible and has been considered. She added that if the cut is greater than 15%, Housing and Community Development will return to Council. She recommended that sub-recipients consider delaying start dates until receipt of a contract (September/October), due to the fact that HUD or the Federal Government may make cuts that were not anticipated. She highlighted funding sources of HOME and Human Services that have a carryover amount from FY 2016/17 to FY 2017/18 to assist in projects not covered with the FY 2017/18 funds. She pointed out that some funding sources have caps and limits on funding and are noted. (See Page 3 of Attachment 1)

Ms. Morales stated that 72 applications were submitted showing a need for funding with requests at approximately \$8 million and funding availability of approximately \$5.3 million. She explained the funding process (See Page 5 of Attachment 1) as follows:

- Online application process
- Initial department eligibility review
- Housing and Community Development Advisory Board scoring
- Department recommendations
- Community and Cultural Development Committee review and recommendation
- Council review and final action

In response to questions posed by Committeemember Luna, Mr. Newburn explained that the extensive advertising process started at the beginning of December 2016 and concluded prior to the application process that opened on January 3, 2017. He stated that staff conducted four meetings at various locations around the City to educate possible applicants on the review process and terms of eligibility for the various programs. He noted that the department has an ongoing list of interested parties who are notified. He confirmed that no application was accepted late, due to the fact that the online application process locks applicants out after midnight.

In response to questions from Committeemember Thompson, Ms. Morales responded that the application materials include an explanation of the City's priorities, requirements of the grants, and the parameters of what is expected in the application.

Ms. Morales highlighted that various considerations are made for funding projects (See Page 6 of Attachment 1) as follows:

- Recommendations of Housing and Community Development Advisory Board
- Consolidated Plan priorities
- City Council priorities
- Funding capacity

Ms. Morales pointed out that one of the Council's priorities is to address the rise in homelessness. She added that over the last year, staff has invested time in this area, identifying and assessing any gaps in homeless services and matching individuals with the proper intervention. She pointed out that applicants were directed to submit proposals that assisted in addressing those gaps.

In response to a question posed by Committeemember Thompson, Ms. Morales stated that the Council's economic development priorities were not included, due to the fact that the application process had already closed, however, a couple of proposals received may fall in that category. She pointed out that in the next application process, the request for proposals can include economic development priorities.

Ms. Morales mentioned that the funding capacity and program caps played a considerable role in the department's recommendations.

In response to a question posed by Chairman Winkle, Ms. Morales responded that the CDBG funding for public services has a 15% cap, for a total of \$483,000. She added that the requests always exceed the cap in this category versus the non-public services side.

Ms. Morales highlighted the non-public services applications for funding that fall under CDBG. She stated that the request for demolition funds was presented to Council last year and was recommended for FY 2017/18 for demolition of vacant homes identified by Police, Fire and Medical, or the Love Your Neighborhood program as unsafe dwellings. She pointed out that the Marc Community Resources and Paz de Cristo Community Center have two-part applications and have partial funding under the Public Service Applications (Paz de Cristo) and Non-Profit Agency Applications (Marc Community). (See Pages 7 through 10 of Attachment 1)

Ms. Morales reviewed the public service applications and mentioned that Local First Arizona Foundation is a new project that reaches out to small businesses within the Latino Community. She stated that agencies whose requests were not fully funded will be contacted to verify that they will be able to perform the activity with the reduced amount. (See Pages 11 and 12 of Attachment 1)

In response to a question posed by Committeemember Thompson, Ms. Morales explained that 20% of the allocation is allowed for monitoring funding. She stated that typically, applications for smaller amounts are not funded, however, for Child Crisis Arizona (\$15,000) the amount of monitoring is based on the activities, and minimal monitoring was needed for last year's funding.

Mr. Newburn further explained that projects involving construction require monitoring for five years after the program ends.

In response to a question posed by Committeemember Thompson, Ms. Morales reported that although she understands his concern regarding the time, effort, and energy put into the construction monitoring, the remaining non-public service requests can be funded.

Mr. Newburn pointed out that public works construction activities, like a sidewalk or waterline, do not require monitoring as opposed to a building facility or programs where people are being housed, which requires long-term monitoring.

Deputy City Manager Natalie Lewis explained that next year, prior to applications being sent out, the department will work in advance to verify Council's priorities to better align the proposals being received.

In response to a question posed by Committeemember Thompson, Mr. Newburn clarified that the application process is completed through an electronic system, and once the information is entered the categories cannot change. He added that as part of the internal review process, when the determination is made whether the project is in the correct category or not, it can be recategorized at that time. He remarked that the West Mesa CDC project was reviewed internally and determined that it was placed in the wrong category and that the correct category is public services, not economic development.

In response to questions from Committeemember Luna, Ms. Morales explained that with the reduced funding amount of \$45,000 for the West Mesa CDC project, that staff will ensure the agency can still operate the project with the recommended amount. She reported that funding

by the City was a large part of the agency's operations but believes they have other funding sources. She confirmed that if an agency chooses to reject the recommended funding amount, the Housing and Community Development Department will return to the Committee with an alternative recommendation, however, if the agency accepts the reduced funding, paperwork will be amended internally.

Ms. Morales highlighted the ESG applications which focuses specifically on serving those who are experiencing homelessness. She noted that approximately \$200,000 is being recommended for A New Leaf, \$172,798 under ESG and \$27,000 under Human Services. (See Page 13 and 15 of Attachment 1)

Ms. Morales reviewed the HOME applications and noted that the Tenant Based Rental Assistance (TBRA) program that the City operates, has a \$60,000 roll over from FY 2016/17 included in the Community Bridges agreement. (See Page 14 of Attachment 1)

Ms. Morales explained that the Human Services/A Better Community (ABC) program is highly-sought after for funding since the only requirement is to report their outcomes. She added that most of the recommended funding amounts were based on last year's funding totals. She pointed out that Maggie's Place is a new application and that the Housing and Community Development Department is requesting a roll-over of \$60,000 from FY 2016/17 to FY 2017/18 for the Early Childhood Enrichment Program. (See Pages 15 through 17 of Attachment 1)

In response to a question posed by Committeemember Luna, Ms. Lewis responded that the Early Childhood Enrichment Program has led to a discussion of different funding models. She stated that staff is currently working with First Things First on a \$50,000, three-year grant. She pointed out that the grant will allow an expert panel to be established to discuss key interventions for the City to pursue in partnership with Mesa Public Schools.

In response to a question from Committeemember Luna, Ms. Lewis confirmed that a pilot project has begun that includes the I.D.E.A. Museum, Parks and Recreation, and the Libraries to enhance the childhood enrichment project, and services low to moderate-income families with a high level of 3-5-year old's that may not have access to early childhood education. She continued by saying that families are notified by various methods including social media and meet in the neighborhood park. She stated that this is a 6-week program and a survey will be completed at the end of the program to measure the extent to which families feel the information and take home activities help them prepare their children for kindergarten.

Discussion ensued regarding the Early Childhood Enrichment Program details; the potential to use the \$60,000 for another project that could utilize the funds for a known project; that issues related to early childhood education is related to poverty; and that consideration should be given to agencies with a proven track record.

In response to a series of questions from Chairman Winkle, Mr. Newburn provided clarification regarding the Neighborhood Economic Development Corporation (NEDCO) and Local First Arizona related to job creation and the importance of retention programs.

In response to a question posed by Chairman Winkle, Mr. Newburn explained that the West Mesa CDC has been a long-time partner with the City. He added that recent discussions with the agency covered where the agency found themselves economically and programmatically;

the level of board involvement with the organization; reliance on the City for funding two-thirds of their operations; the fact that funding may cease due to performance or budget cuts; and that the time for those cuts has come. He stated that in his opinion the application is better suited for public service.

In response to a question from Chairman Winkle, Ms. Morales highlighted that Save the Family funding is related to the community center, however, in the original proposal three years ago, not all items were completed and construction costs have increased. She stated that the application requests are a result of funding not included in the original proposal.

In response to a question posed by Chairman Winkle, Ms. Morales explained that the Labor Services Shift program, though a two-year project, was not funded for FY 2017/18, due to limited funding and due to the fact that it is not a Mesa based non-profit agency.

In response to a series of questions from Committeemember Thompson, Ms. Morales confirmed that last year we did not receive our allocation and notice of funding until September, so many of our programs did not receive funding until October or November.

Mr. Newburn explained that each agency that applied for funding was asked to submit a proposal timeline. He stated that the timeline weighs heavily in the evaluation process and that we have a regulatory obligation to move the money quickly.

It was moved by Chairman Winkle, seconded by Committeemember Luna to move funding from the West Mesa CDC to another agency to be identified by the Housing and Community Development Department, with review at the next Community and Cultural Development Committee meeting.

Upon tabulation of votes, it showed:

AYES – Winkle-Luna

NAYS – Thompson

Chairman Winkle declared the motion carried by majority vote.

Committeemember Thompson made a motion to reallocate the Early Childhood Enrichment Program dollars to another Human Services Program (HS) and A Better Community (ABC) Program.

Chairman Winkle stated that the motion dies for lack of a second.

It was moved by Committeemember Luna, seconded by Chairman Winkle, that staff's recommendation on the remaining funding on the FY 2017/18 and prior years' available funding for Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Human Services Programs be approved.

Carried unanimously.

Ms. Morales confirmed that the Housing and Community Development Department will provide an updated funding recommendation list at the next meeting.

3. Adjournment.

Without objection, the meeting adjourned at 9:59 a.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Community and Cultural Development Committee meeting of the City of Mesa, Arizona, held on the 30<sup>th</sup> day of March, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

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(Attachment – 1)

**Community Development  
Block Grant (CDBG) Program**

**HOME Investment  
Partnership (HOME) Program**

**Emergency Solutions Grant  
(ESG) Program**

**Human Services Funding**



**Presentation to Community and Cultural Development Committee  
March 30, 2017**



# Purpose and Recommendation

- Allocation of federal and local dollars for FY 17/18
- Recommend funding for the following programs
  - Community Development Block Grants (CDBG)
  - HOME Investment Partnership (HOME)
  - Emergency Solutions Grants (ESG)
  - Human Services



## Estimated HUD Allocations for FY 2017/18

Funding Source	Amount	2016/17 Program Income	Total	Caps (%)
<b>CDBG</b>	\$3,224,529	\$0	\$3,240,050	15% Public Service 20% Admin
<b>HOME</b>	\$1,002,129	\$60,000	\$1,002,129	10% Admin 15% min CHDO
<b>ESG</b>	\$287,998	\$0	\$287,998	7.5% Admin 60% Shelter/Outreach
<b>Human Services</b>	*\$720,000	\$60,000	\$780,000	*Includes ABC \$108,000 General Fund \$612,000
<b>Totals</b>	<b>\$5,234,656</b>	<b>\$120,000</b>	<b>\$5,354,656</b>	

# Applications

72 applications submitted:

➤ 13 CDBG	\$1,970,434
➤ 15 ESG/Homeless	\$1,575,960
➤ 40 Human Services	\$1,749,078
➤ 4 HOME	<u>\$2,603,675</u>
<b>Total:</b>	<b>\$7,899,147</b>

# Application Process

- Submission via ZoomGrants Software
- Initial department eligibility review
- Housing & Community Development Advisory Board
  - Presentations & Scoring
- Department recommendations
- Community & Cultural Development Committee review and recommendation
- City Council review and final action.

# Considerations for Funding Projects

- Recommendations of Housing & Community Development Advisory Board
- Consolidated Plan priorities
- City Council priorities
- Funding capacity

## CDBG FY 2017/18 Applications for Funding

Funding Source	Economic Development Applications	Requested Funding	Recommended Funding
CDBG	Neighborhood Economic Development Corporation (NEDCO) – Economic Development Program	\$100,000	\$100,000
CDBG	<i>Economic Development Subtotal</i>		\$100,000

## CDBG FY 2017/18 Applications for Funding

Funding Source	Housing Rehabilitation Applications	Requested Funding	Recommended Funding
CDBG	COM Housing and Community Development – Demolition	\$50,000	\$50,000
CDBG	COM Housing and Community Development – Homeowner Rehabilitation Program	\$650,000	\$650,000
	<i>Housing Rehabilitation Subtotal</i>		\$700,000

## CDBG FY 2017/18 Applications for Funding

Funding Source	Public Facilities Infrastructure Applications	Requested Funding	Recommended Funding
CDBG	Child Crisis Arizona – Campus Creation	\$419,000	\$300,000
CDBG	COM Housing and Community Development – Downtown Façade Improvement Program – Phase 2	\$322,500	\$322,500
CDBG	Save the Family – Conference Center	\$115,000	\$115,000

## CDBG FY 2017/18 Applications for Funding

Funding Source	Public Facilities Infrastructure Applications	Requested Funding	Recommended Funding
CDBG	Marc Community Resources – Courtyard Improvements for the Disabled	\$372,000	\$250,000
CDBG	Paz de Cristo Community Center – Day Center & Navigation Svcs. Construction	\$108,000	\$108,000
<i>Public Facilities Infrastructure Subtotal</i>			<b>\$1,095,500</b>



## CDBG FY 2017/18 Applications for Funding

Funding Source	Public Service Applications – (15% Maximum Allowable Amount - \$483,679)	Requested Funding	Recommended Funding
<b>CDBG</b>	<b>A New Leaf</b> – Autumn House Domestic Violence Shelter	<b>\$67,500</b>	<b>\$35,000</b>
<b>CDBG</b>	<b>Child Crisis Arizona</b> – Emergency Children’s Placement Services	<b>\$75,000</b>	<b>\$15,000</b>
<b>CDBG</b>	<b>Community Bridges</b> – Homeless Navigation Services	<b>\$174,732</b>	<b>\$95,000</b>
<b>CDBG</b>	<b>Community Bridges</b> – Mobile Outreach & Crisis Stabilization Services	<b>\$65,000</b>	<b>\$65,000</b>
<b>CDBG</b>	<b>Local First Arizona Foundation</b> – Fuerza Local	<b>\$56,814</b>	<b>\$25,000</b>

## CDBG FY 2017/18 Applications for Funding

Funding Source	Public Service Applications – (15% Maximum Allowable Amount - \$483,679)	Requested Funding	Recommended Funding
<b>CDBG</b>	<b>Paz de Cristo – Day Center &amp; Navigation Services</b>	<b>\$359,428</b>	<b>\$183,000</b>
<b>CDBG</b>	<b>Save the Family – Homeless Families Intervention Case Coordination</b>	<b>\$60,000</b>	<b>\$35,000</b>
<b>CDBG</b>	<b>West Mesa CDC – Economic Development Program</b>	<b>\$90,000</b>	<b>\$45,000</b>
<b><i>Public Service Subtotal</i></b>			<b>\$498,000</b>

## ESG FY 2017/18 Applications for Funding

Funding Source	Non Profit Agency Applications	Requested Funding	Recommended Funding
<b>ESG – Shelter</b>	<b>A New Leaf – Homeless Shelter Services</b>	<b>\$250,000</b>	<b>\$172,798</b>
<b>ESG – Rapid Rehousing</b>	<b>Save the Family – Lutheran Social Services of the SW Collaborative</b>	<b>\$200,000</b>	<b>\$93,600</b>
	<b>Subtotal</b>		<b>\$266,398</b>

**HUD Cap for ESG Shelters and Outreach is 60% - \$172,798**

**HUD Cap for Administration 7.5% - \$21,600**

## HOME FY 2017/18 Applications for Funding

Funding Source	Non Profit Agency Applications (Allocation for projects/programs - \$901,916)	Requested Funding	Recommended Funding
HOME	City of Mesa Housing – TBRA Program	\$100,000	\$100,000
HOME	Community Bridges – TBRA Program	*\$217,144	\$210,168
HOME	ArtSpace – ArtSpace Mesa Lofts	\$500,000	\$500,000
<b>Subtotal</b>			<b>\$810,168</b>

\*2 year Agreement – FY 15/16 and FY 16/17

15% CHDO Set-Aside – \$150,319

HUD cap for HOME Administration 10% - \$100,213

## Human Services / ABC FY 2017/18 Applications for Funding

Funding Source	Non Profit Agency Applications	Requested Funding	Recommended Funding
HS/ABC	House of Refuge – Adopt A House	\$48,400	\$48,000
HS/ABC	A New Leaf – Housing Stability Support Services	\$50,000	\$50,000
HS/ABC	Save the Family – Homeless Case Management & Supportive Services	\$150,000	\$125,000
HS/ABC	A New Leaf – Rapid Rehousing	\$72,500	\$50,000
HS/ABC	Marc Community Resources – Employment Training and Placement	\$56,16	\$30,000
HS/ABC	A New Leaf – Emergency Shelter	\$250,000	\$27,000
HS/ABC	Paz de Cristo Community Center – Employment Opportunity Program	\$26,235	\$25,000
HS/ABC	Lutheran Social Services – IHelp Shelter Program for Homeless Women	\$30,000	\$25,000

## Human Services / ABC FY 2017/18 Applications for Funding

Funding Source	Non Profit Agency Applications	Requested Funding	Recommended Funding
HS/ABC	East Valley Adult Resources – Meals on Wheels	\$25,000	\$25,000
HS/ABC	East Valley Adult Resources – Assistance for Independent Living/volunteer Services	\$30,000	\$25,000
HS/ABC	Paz de Cristo Community Center – Showers for the Homeless	\$25,960	\$25,000
HS/ABC	United Food Bank – Emergency & Supplemental Food Assistance Program	\$20,000	\$18,000
HS/ABC	Teen Lifeline - Crisis Hotline Programs	\$20,000	\$18,000
HS/ABC	Maggie's Place – The Hannah House	\$35,000	\$18,000
HS/ABC	Community Legal Services – Removing Barriers to Justice for Low-Income Mesa Residents	\$54,100	\$45,000

## Human Services / ABC FY 2017/18 Applications for Funding

Funding Source	Non Profit Agency Applications	Requested Funding	Recommended Funding
HS/ABC	Oakwood Creative Care – Long-Term Support for Adult Day Health Services	\$36,000	\$36,000
HS/ABC	Child Crisis Arizona – Family Education	\$25,000	\$15,000
HS/ABC	Valley of the Sun - Mesa Family YMCA – Mesa Family Diversion Class	\$15,000	\$10,000
HS/ABC	MesacAN – Client Services	\$175,000	\$90,000
HS/ABC	Boys and Girls Club of the East Valley – Healthy Lifestyles	\$35,000	\$15,000
HS/ABC	Early Childhood Enrichment Project – Early Education Enrichment Program	\$60,000	\$60,000
<b>Subtotal</b>			<b>\$780,000</b>

# Questions and Discussion