

COMMUNITY & CULTURAL DEVELOPMENT COMMITTEE

April 4, 2019

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 April 4, 2019 at 9:15 a.m.

COMMITTEE PRESENT

Francisco Heredia *
David Luna
Jennifer Duff

COMMITTEE ABSENT

None

STAFF PRESENT

Natalie Lewis
Agnes Goodwine
Alfred Smith

(*Committeemember Heredia participated in the meeting through the use of telephonic equipment.)

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 2019/20 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 Power Point presentation. **(See Attachment 1)**

Ms. Morales explained that the Community Development Block Grant (CDBG) provides annual grants on a formula basis to cities by providing a suitable living environment and opportunities for low to moderate income persons; that the Emergency Solutions Grant (ESG) assists individuals and families with stability after experiencing a housing crisis or homelessness; that the HOME Investment Partnership (HOME) is a Federal grant designed to create affordable housing for low income households; and that the Human Services Program is primarily used for non-profits.

Ms. Morales pointed out that she does not know what the funding will be for FY19/20 and that staff is waiting for Housing and Urban Development (HUD) to announce what funding will be available.

In response to a series of questions from Committeemember Luna, Ms. Morales responded that there is concern related to FY19/20 funding because there are a lot of priorities, but we do know our congressional leaders are very supportive of CDBG funding. She mentioned there may be

cuts made this year, but she predicts that the information on funding and cuts will be provided before summer.

Ms. Morales stated that staff is estimating the HOME Program budget to be around \$2 million for FY19/20 which is not a typical allocation. She stated \$1 million came from the prior year funding that will be rolled over. She added that ESG funds are estimated to be about \$268,000. She highlighted the remainder of funding over the past few years that has gone to shelter support, shelter operations, outreach to homeless persons and rapid rehousing, which is short-term rental assistance until families or individuals can get back on their feet.

Ms. Morales indicated that Human Services Program funding comes from local sources. She mentioned \$108,000 is from the A Better Community (ABC) Program which comes through utility payments.

In response to a question from Boardmember Luna, Ms. Morales stated providers who applied for funds were asked for ideas on promoting online payments to donors and boardmembers to help increase ABC funding.

Ms. Morales explained that there are two sets of scoring used in deciding which applicants get funding, staff with community members and then the Housing and Community Development Advisory Board. She noted that 70% of the scores come from staff and community members and 30% from provider presentations. She stated that once the aggregate of both scores are calculated staff begins to identify which projects will get funded. She added that staff looks at Council and consolidated plan priorities to ensure projects can spend funds in a timely manner. She stated that there were 60 applications submitted that totaled \$70 million with only \$6 million worth of funding available.

Ms. Morales briefly identified the types of agencies that are being recommended for an award. She stated that homeless services are one of the larger categories with services ranging from navigation, supportive services, case management and community court work.

Ms. Morales commented they are looking to support organizations that provide multiple services for Mesa's Youth and Education. She stated Mesa K-Ready is working in collaboration with the City, Mesa Public Schools and Mesa United Way.

Ms. Morales asked for direction and support on a new policy requiring organizations that are applying for federal funds from the City of Mesa to demonstrate they have other funding sources greater than 51% of the organization's total budget. She stated it was to ensure that we are not fully funding an agency and that we are supporting agencies that have capacity. (See Page 18 of Attachment 1)

In response to a series of questions posed by Chairman Heredia, Ms. Morales indicated there is a consistent and fair evaluation process that is in place to ensure money goes to the correct people and places. She stated this year Council indicated that youth, collaboration, homelessness and economic development were ranked highest in priority for funding. She reported that each application requires that goals and outcomes be listed and with each reimbursement request staff follows up to ensure agencies are being timely with their funding requests and meeting their goals and expectations. She mentioned if goals and expectations

are not being met, staff meets with the agencies to make sure they have the resources to reach their final goal.

In response to a question from Committeemember Luna, Ms. Morales commented that funding Mesa based agencies was a priority and that she was unaware if Arizona Brain Food was a Mesa based agency. She agreed to go back and reassess funding to include Arizona Brain Food.

Michael Hughes, representing a New Leaf emphasized the importance of Arizona Brain Food and that it is a Mesa based company. He stated Arizona Brain Food is critically important in terms of food and education, even if a small percentage of funding is taken from other projects and agencies.

Committeemember Duff asked for suggestions on how to fund Arizona Brain Food.

Ms. Morales explained funds could be taken from CDGB programs or from one of the City programs. She also suggested funds from moving a Human Services project that is capable of CDGB funding without reducing funding from other service projects.

Chairman Heredia stated that he liked the idea of gathering funds from other locations to support Arizona Brain Food.

It was moved by Chairman Heredia, seconded by Committeemember Duff, to recommend to the Council that funding recommendations for the FY2019/20 Community Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Human Services Programs be approved with the reallocation of CDBG funding to include Arizona Brain Food under the Human Services Category as amended and approve a new funding request policy.

Upon tabulation of votes, it showed:

AYES – Heredia-Duff-Luna

NAYS – None

Carried unanimously.

3. Adjournment.

Without objection, the meeting adjourned at 9:40 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 4th day of April 2019. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

Housing and Community Development Funding Recommendations

Community Services Department

Liz Morales,

Housing and Community Development Director

April 4, 2019



Funding Sources

- **Community Development Block Grant (CDBG)**
- **Emergency Solutions Grant (ESG)**
- **HOME Investment Partnership**
- **Human Services Program**

Community Development Block Grant (CDBG)

Community Development Block Grant (CDBG) - \$2,932,300

- Public Service (15%) Cap - \$569,666
- Non Public Service - \$2,362,634

HOME Investment Program (HOME) & Emergency Solutions Grant (ESG)

HOME Program - \$2,006,701

ESG - \$268,524

- Shelter and Outreach (60%) Cap - \$173,394
- Rapid Rehousing- \$95,130

Human Services Program

Human Services Total \$720,000

- ABC Donations - \$108,000
- Human Services - \$612,000

Factors for Consideration

- Aggregate scores of Evaluation Committee and Housing and Community Development Board
- Council and Consolidated Plan Priorities
- Timeliness to expend funds
- Funding availability

Applications Submitted

| HUD Program | FY2019/2020 Proposals Received | Applications Received |
|-------------------------|--------------------------------|-----------------------|
| CDBG Public Service | \$603,081 | 9 |
| CDBG Non-Public Service | \$3,090,560 | 10 |
| HOME | \$1,556,810 | 2 |
| ESG | \$510,000 | 6 |
| Human Services | \$1,249,683 | 33 |
| Total Proposals | \$7,010,134 | 60 |

Aging Services - \$666,930

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|---|----------------|----------|
| East Valley Adult Resources, Inc.- Meals on Wheels | Human Services | \$22,500 |
| East Valley Adult Resources, Inc.- Assistance for Independent Living Volunteer Services | Human Services | \$19,930 |
| Oakwood Creative Care- Programs, Therapies & Education | Human Services | \$24,500 |

Homeless Services - \$976,340

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|---|--------------------------|-----------|
| Community Bridges- Homeless Navigation Services | CDBG- Public Services | \$165,000 |
| A New Leaf- Supportive Services | CDBG- Public Services | \$85,000 |
| Save the Family- Homeless Families Intervention & Case Management | CDBG- Public Services | \$60,000 |
| A New Leaf- Homeless Shelter Services | Human Services | \$45,000 |
| Marc Community Resources-Navigation Services for Day Center & Community Court | CDBG- Public Services | \$95,081 |
| A New Leaf- Homeless Shelter Services | ESG | \$150,000 |

Homeless Services - \$976,340 Cont.

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|---|----------------|-----------|
| Save the Family and Lutheran Social Services Collaborative | ESG | \$95,130 |
| CASS- Regional Single Adult Shelter and Case Management | ESG | \$23,394 |
| Save the Family- Homeless Case Management and Supportive Services | Human Services | \$142,500 |
| Maggie’s Place- Shelter Services at The Hannah House | Human Services | \$23,750 |
| House of Refuge- Adopt a Home Program | Human Services | \$34,485 |
| Paz de Cristo- Nightly Meal Program | Human Services | \$57,000 |

Domestic Violence Services - \$47,500

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|--------------------------|----------------|----------|
| A New Leaf- Autumn House | Human Services | \$47,500 |
|--------------------------|----------------|----------|

Economic Development Programs - \$396,000

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|---|------|-----------|
| Local First Arizona Foundation - Fuerza Local | CDBG | \$25,000 |
| NEDCO - Economic Development | CDBG | \$125,000 |
| Mesa Downtown Façade Improvement | CDBG | \$246,000 |

Public Facility Improvement - \$1,105,682

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|---|------|-----------|
| Child Crisis AZ- Campus Creation Phase 2 | CDBG | \$250,000 |
| A New Leaf- MesaCan Property Development | CDBG | \$70,000 |
| Boy's and Girl's Club | CDBG | \$158,000 |
| City of Mesa – Jefferson Park | CDBG | \$300,000 |
| City of Mesa – Hibbert Urban Revitalization | CDBG | \$327,682 |

Housing - \$2,650,000

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|---|------|-------------|
| Mesa Homeowner Rehab Program | CDBG | \$650,000 |
| CPLC- Mesa Royale Relocation | CDBG | \$200,000 |
| CPLC - Mesa Royale | HOME | \$1,000,000 |
| Mesa Housing and Community Development- TBRA (Rental & Utility Deposit Assistance) | HOME | \$100,000 |
| Mesa Housing and Community Development – Down Payment Assistance | HOME | \$200,000 |
| Mesa Leased Housing- Senior Multifamily Development | HOME | \$500,000 |

Services for Low to Mod Income Persons - \$339,335

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|--|----------------|-----------|
| Stabilization Services | CDBG | \$63,000 |
| United Food Bank- Emergency Food Assistance & Supplemental Food Assistance | Human Services | \$24,035 |
| Mesa United Way- Mesa VITA Program Funding | Human Services | \$20,570 |
| Marc Community Resources – Employment Training and Placement | Human Services | \$56,230 |
| MesaCAN- Client Services | Human Services | \$112,500 |
| Community Bridges – Mobile Outreach & Crisis Stabilization Services | CDBG | \$63,000 |

Youth and Education - \$189,500

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|---|----------------|-----------|
| Mesa K-Ready | CDBG | \$100,000 |
| Teen Lifeline- Crisis Services | Human Services | \$30,000 |
| Child Crisis Arizona- Emergency Children's Placement Services | Human Services | \$37,500 |
| Ross Farnsworth East Valley Family YMCA | Human Services | \$7,000 |
| The Boy's and Girl's Club – Building Greater Futures for Mesa Youth | Human Services | \$15,000 |

Next Steps- Timeline

May 9th - Study Session

May - Public Comment Period

June 17th - Approval Annual Action
Plan

New Policy

Organizations requesting federal funds from the City of Mesa must demonstrate they have other funding sources greater than 51% of the organization's total budget.

Funding Recommendations

Questions?

Liz Morales,

Housing and Community Development Director

