



COUNCIL MINUTES

November 12, 2015

The City Council of the City of Mesa met in a Special Council Meeting in the Council Chambers, 57 East 1st Street, on November 12, 2015 at 7:33 a.m.

COUNCIL PRESENT

John Giles
Alex Finter
Christopher Glover
Dennis Kavanaugh
David Luna
Dave Richins
Kevin Thompson

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Jim Smith
Dee Ann Mickelsen

1. Take action on the following resolutions:

- 1-a. Approving and authorizing the City Manager to amend the City of Mesa Consolidated Plan and 15/16 Annual Action Plan under the U.S. Department of Housing and Urban Development Community Development Block Grant Program (CDBG). This Amendment will allow the City to fund the Oakwood Senior Services Program, at \$45,000 and enhance access for this service to low-moderate income seniors. **(District 4)**

Deputy City Manager Natalie Lewis displayed the benchmarks relating to Oakwood Creative Care **(See Attachment 1)** and gave a brief synopsis of the adult daycare services. She reported that a merger was being considered between Oakwood and the East Valley Adult Resource Center, which has since been postponed indefinitely causing the need for funding. She explained that independent financial reviews were provided and staff has identified eligible expenses for CDBG dollars. She added that it was discussed with the Housing and Community Development Board and they requested a transparent process to ensure financial accountability.

Housing and Community Development Director Liz Morales explained that benchmarks were established by Oakwood that allowed for transparency in identifying the progress and ensuring that the funds are being used appropriately. She explained that the CDBG funds are to be used for serving low to moderate income individuals, which is part of Oakwood's campaign and outreach and ensures CDBG compliance.

Ms. Morales indicated that staff will review the benchmarks in January, March and June (**See page 4 of Attachment 1**) to confirm the following:

- Reduction of \$16k in expenses by each review date for a total of \$50k by the end of the program year
- Enroll a minimum of five new members by each review date for a total increased revenue of \$86,500 and 15 new members by the end of the program year
- Increased cash reserves of \$1,000 by each review date for a total of \$3,000 by the end of the program year
- Demonstrate increased enrollment of low to moderate income members incrementally with the goal of serving 51% by June 30, 2016
- Report on new partnerships pursued to increase ongoing base of member referrals

Ms. Morales clarified that the request was for a one-time \$45k allocation in fiscal year 15/16 and that the CDBG program income from fiscal year 14/15 would be used to expand current contracts. She noted that it was a small amount and that staff has the ability to decide where the program funds may be used.

In response to a question from Councilmember Richins, Ms. Morales confirmed that Oakwood would receive the funds as reimbursements for eligible expenses.

Mayor Giles recognized Congressman Harry Mitchell and commented that Oakwood provides a great service. He voiced his support in funding the program and added that it is an appropriate use of CDBG funds.

It was moved by Councilmember Richins, seconded by Councilmember Finter, that Resolution No. 10712 be adopted.

Carried unanimously.

- 1-b. Consider a Petition received for the formation of the Cadence Community Facilities District and approving a Resolution forming such District and entering into a Development, Financing Participation, Waiver and Intergovernmental Agreement with such District and Developer.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Glover, that Resolution No. 10713 be adopted.

Carried unanimously.

2. Items from citizens present.

There were no items from citizens present.

3. Adjournment.

Without objection, the Special Council Meeting adjourned at 7:41 a.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Council Meeting of the City Council of Mesa, Arizona held on the 12th day of November, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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(attachment – 1)

Oakwood Creative Care, Inc.

SUBSTANTIAL AMENDMENT TO FY15/16 ANNUAL ACTION PLAN
NOVEMBER 12, 2015

Oakwood's Request

- Provide a one-time funding allocation of \$45,000 in FY 15/16.
- Staff proposing use of CDBG program income from FY 14/15.
- Check and balance benchmarks in place to ensure financial accountability.
- Funds provided on a reimbursement basis only.

Background

- Merger discussions between Oakwood/EVAR postponed indefinitely. Oakwood approached City—urgent funding needs.
- Independent financial review confirmed Oakwood needs additional funding to continue service past this calendar year.
- CDBG-eligible expenses identified: transportation, food costs, counseling and other support services. Responds to goals of Consolidated Plan.
- Transparent process—public noticing and public hearing conducted.
- Housing and Comm. Dev. Board comments: outside of annual process; need to ensure financial accountability.

Benchmarks

- Staff reviews Jan. 31, March 31 and June 30, 2016.
- Reduction of expenses of \$16k per review date for total of \$50k by end of fiscal year.
- Enroll minimum of five new members per review date to increase revenue by \$86,500 by end of fiscal year. Focus on low- and moderate-income members.
- Increase cash reserves by \$1,000 per review date -- \$3,000 by June 30.
- Report on new partnerships pursued to increase ongoing base of member referrals.

Council Direction on Oakwood's Request

- Provide a one-time funding allocation of \$45,000 in FY 15/16.
- Use of CDBG program income from FY 14/15.
- Check and balance benchmarks in place to ensure financial accountability.
- Funds provided on a reimbursement basis only.

Proposed Benchmarks

Organizational Sustainability

Review Dates: January 31 2016, March 31, 2016, and June 30, 2016

- Measurement: Reduction of expenses by \$16,000 per review date for a total of \$50,000 by end of program year
- Measurement: Enroll 5 new members and increase revenue by \$29,000 per review date for a total of increased revenue of \$86,500 and 15 new members by end of program year
- Measurement: Increase cash reserves by \$1,000 per review date for a total of \$3,000 by end of program year

Program Expansion

Review Dates: January 31 2016, March 31, 2016, and June 30, 2016

- Measurement: Demonstrate increased enrollment of low to moderate income members incrementally with the goal of serving 51% by June 30, 2016.

Increase Partnerships and Community Outreach

Review Dates: January 31 2016, March 31, 2016, and June 30, 2016

- Provide report on partnership with Transition Banner START program and demonstrate increased revenue and enrollment generated by this program
- Provide report on additional programs and new partnerships also resulting in increased enrollment and revenue
- Provide report on community outreach efforts through community events, media, website, etc., with a summary of:
 - Trends in referral sources
 - Increase in enrollments
 - Increase in website information requests