



## Substantial Amendments to the City of Mesa's Annual Action Plans for FYs 2011-12, 2012-13, and 2013-14

Jurisdiction: City of Mesa

Jurisdiction Web Address: [www.mesaaz.gov](http://www.mesaaz.gov)

Contact Person: Raymond Thimesch

Telephone: 480-644-4521

Address: P.O. Box 1466  
20 E. Main Street, Suite 250  
Mesa, AZ 85211-1466

Fax: 480-644-5592  
Email:  
[ray.thimesch@mesaaz.gov](mailto:ray.thimesch@mesaaz.gov)

### Summary of Changes

The City of Mesa is proposing Substantial Amendments to its Annual Action Plans for the FYs 2011-12, 2012-13, and 2013-14. These Amendments are necessary due to a change in scope and allocation methodology for the expenditure of HOME grant funds allocated during the FYs 2011-12, 2012-13 and 2013-14. These changes are subject to HUD and Mesa City Council approval.

The change in project scope is a result of several factors, including the downturn in the housing market, the instability of the job market and high unemployment rate which affected the financial ability of many low-income households to pursue homeownership, and increased demand for City participation in rental housing developments. Furthermore, with the loss of the agency that provided home ownership opportunities, there has been no agency that has applied to operate such program, leaving funds unspent. Therefore, these unallocated funds originally designated for home ownership development, and any prior year HOME program income, will be reallocated to rental housing development.

The change in allocation methodology restores final decision making authority back to the City Council instead of the Housing and Community Development Advisory Board where it has resided for the past two years. This change allows Council to better control development and meet the City's needs now and into the future.

The proposed Substantial Amendments will:

- Modify the FY 2011-12 Annual Action Plan to convert some of the designated HOME funds approved for homeownership, unallocated funds

or program income programs to rental housing. This is the Third Substantial Amendment to this Plan;

- Modify the FY 2012-13 Annual Action Plan to convert some of the designated HOME funds approved for homeownership programs, unallocated funds or program income to rental housing and to modify the process for approval of the projects from the Housing and Community Development Advisory Board to City Council. This is the First Substantial Amendment to this Plan. And,
- Modify the FY 2013-14 Annual Action Plan to convert some of the designated HOME funds approved for homeownership, unallocated funds or program income programs to rental housing and to modify the process for approval of the projects from the Housing and Community Development Advisory Board to City Council. This is the First Substantial Amendment to this Plan.

The below chart outlines prior year funds available to be converted to rental housing:

Program Year	Approved HOME Ownership Less Committed funds	Approved HOME Rental	Available Unallocated funds and Program Income	Funds Committed or Awarded (ownership and rental)	Available HOME rental funds (after amendment)
FY2010/11	N/A	N/A	\$39,486		\$39,486
FY2011/12	N/A	N/A	\$527,341	\$136,440	\$390,901
FY2012/13	\$410,000	\$200,158	\$1268	\$357,268	\$254,158
FY2013/14	\$188,401	\$188,402	\$0	\$188,402	\$188,401
<b>Total</b>					<b>\$872,946</b>