

## COUNCIL MINUTES

October 5, 2017

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on October 5, 2017 at 7:30 a.m.

### COUNCIL PRESENT

John Giles  
David Luna  
Mark Freeman  
Christopher Glover\*  
Francisco Heredia  
Kevin Thompson  
Jeremy Whittaker\*

### COUNCIL ABSENT

None

### OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

(\*Councilmembers Glover and Whittaker participated in the meeting through the use of telephonic equipment.)

### 1-a. Hear a presentation, discuss, and provide direction on updates to the Housing and Community Development FY 2018/19 funding application process.

Housing and Community Development Director Liz Morales displayed a PowerPoint presentation **(See Attachment 1)** related to updates to the Housing and Community Development FY 2018/19 funding application process.

Ms. Morales advised that the federal funding process is an annual event in which non-profits, City departments, and developers can apply for funds. She provided the FY 2018/19 funding estimates and explained that they are based on FY 2017/18, as the funding amounts have not been provided for FY 2018/19. She noted the estimated funding for Human Services is \$720,000, which includes \$108,000 from ABC funds. (See Pages 1 and 2 of Attachment 1)

Ms. Morales displayed the funding process timeline. She explained that on October 17, 2017 the application process opens for developers interested in a LIHTC and the process starts on January 2, 2018 for the other federal and City funds. (See Page 4 of Attachment 1)

In response to a question posed by Mayor Giles, Ms. Morales advised that the 20 points that were awarded along light rail lines has been eliminated, as well as the local contribution. She explained that developers are made aware that there are other areas, especially East Mesa, where affordable housing is most appropriate.

City Manager Christopher Brady remarked that discussions will take place with the new owners of Mesa Royale regarding the priority of directing funds to assist in that development. He

encouraged Council to keep in mind the focus of directing funds to the Mesa Royale area when considering all projects.

Mayor Giles thanked staff for the presentation.

It was moved by Vice Mayor Luna, seconded by Councilmember Freeman, that the proposed FY 2018/19 funding application process be approved.

Carried unanimously.

1-b. Hear a presentation, discuss, and provide direction regarding a potential Substantial Amendment to the FY 2017/18 Annual Action Plan.

Housing and Community Development Director Liz Morales displayed a PowerPoint presentation **(See Attachment 2)** related to a potential Substantial Amendment to the FY 2017/18 Annual Action Plan.

Ms. Morales stated that once Council approved the FY 2017/18 Annual Action Plan it was submitted to HUD. She added that at the close of FY 2017, it was determined there were unallocated funds that needed to be assigned to a project. She advised that in order to do this, a Substantial Amendment needs to be approved.

Ms. Morales advised that the staff recommendation is to allocate \$625,000 from the Community Development Block Grant Fund (CDBG). She identified the City projects that could utilize the funds immediately. (See Page 2 of Attachment 2)

Ms. Morales pointed out that there are about \$1.2 million of unallocated funds through the HOME Investment Partnership Program and displayed the activities where the funds could be allocated until specific projects are identified. (See Page 3 of Attachment 2)

In response to a question posed by Councilmember Thompson, Ms. Morales advised that the City inherited the Pepper Place Apartments, a seven-unit property that needs rehabilitation. She advised that the funding would help improve the property to a good and safe condition and would then be turned over to a non-profit to manage.

In response to a question posed by Mayor Giles, Ms. Morales advised that Housing and Community Development is holding \$250,000 from CDBG for projects where the funds may be needed sooner than FY 2018/19.

City Manager Christopher Brady clarified that the projects that would receive these funds have already gone through the CDBG review process and could be completed quicker.

In response to a question posed by Mayor Giles, Ms. Morales stated that although there isn't an existing CHDO, she's confident there will be one to allocate the funds due to current discussions with local organizations.

Mayor Giles thanked staff for the presentation.

It was moved by Councilmember Freeman, seconded by Councilmember Heredia, that the proposed Substantial Amendment to the FY 2017/18 Annual Action Plan be approved.

Carried unanimously.

2. Information pertaining to the current Job Order Contracting projects.

(This item was not discussed by the Council.)

3. Acknowledge receipt of minutes of various boards and committees.

3-a. Museum and Cultural Advisory Board meeting held on July 27, 2017.

3-b. Human Relations Advisory Board Strategic Planning Session held on August 26, 2017.

It was moved by Councilmember Thompson, seconded by Vice Mayor Luna, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

4. Hear reports on meetings and/or conferences attended.

There were no reports on meetings and/or conferences attended.

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Thursday, October 12, 2017, 7:30 a.m. – Study Session

Thursday, October 12, 2017, 8:00 a.m. – Public Safety Committee Meeting

Friday, October 13, 2017, 10:00 a.m. – Luna Landing Event

6. Adjournment.

Without objection, the Study Session adjourned at 7:51 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 Study Session of the City Council of Mesa, Arizona, held on the 5<sup>th</sup> day of October, 2017. 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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(Attachments – 2)

# Housing and Community Development FY 18/19 Funding Process

Funded by Community Development Block Grant (CDBG),

Home Investment Program (HOME),

Emergency Solutions Grant (ESG),

and Human Services funds

Study Session

October 5, 2017



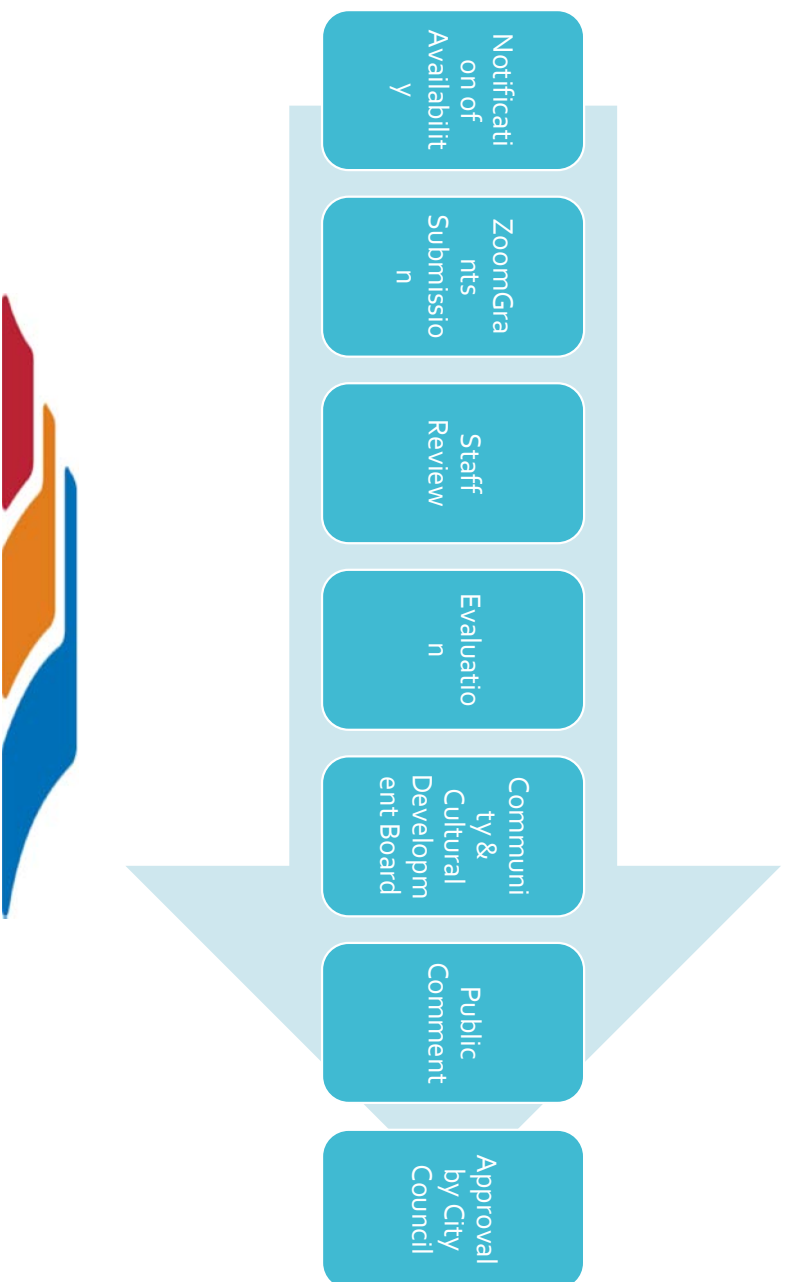
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# FY 18/19 Hud Funding Estimates

CDBG	\$3,210,202
HOME	\$1,018,678
ESG	\$290,296
Totals	\$4,519,176



# FY 18/19 Application Process



	LIHTC Timeline	HOME Timeline	CDBG, ESG, and Human Services Timeline
Application Process Opens	Oct. 17, 2017	Oct. 17, 2017	Jan. 2, 2018
Notice of Intent to Submit LIHTC Project	Oct. 17, 2017	N/A	N/A
Proposal Submission Deadline to City (proposals requesting federal funding)	Dec. 14, 2017	Jan. 23, 2018	Jan. 23, 2018
Technical Review by Staff	Dec. 15, 2017 – Jan. 2, 2018	Jan. 24, 2018 - Jan. 25, 2018	Jan. 24, 2018 – Jan. 25, 2018
Evaluation by Housing & Community Development Advisory Board (HCDAB) and Staff	Jan. 4, 2018	Jan. 29, 2018 – Feb. 1, 2018	Jan. 29, 2018 – Feb. 1, 2018
Presentation Evaluation by HCDAB	N/A	Feb. 7, 2018 - Feb. 8, 2018	Feb. 7, 2018 - Feb. 8, 2018
Recommendations by Community & Cultural Development (CCD) Committee	Jan. 29, 2018	Feb. 14 or Feb. 19, 2018	Feb. 14 or Feb. 19, 2018
Recommendations by Community & Cultural Development (CCD) Committee	Jan. 31, 2018	Feb. 15 or Feb. 20, 2018	Feb. 15 or Feb. 20, 2018
Hearing Process and 30-Day Public Comment	Dec. 7, 2017 - Apr. 23, 2018	Dec. 7, 2017 - Apr. 23, 2018	Jan. 9, 2018 – Apr. 23, 2018
Council Study Session	Feb. 8, 2018	Mar. 15, 2018 or Apr. 5, 2018	Mar. 15, 2018 or Apr. 5, 2018
LIHTC Support letters (no request for federal funding)	Feb. 15, 2018	N/A	N/A



# FY 18/19 Funding Process Timeline



## Direction Requested

1. Approve the FY 18/19 Federal Funding and Human Services Process Timeline.
2. Provide an alternate FY 18/19 Federal Funding and Human Services Process Timeline.
3. Deny approval of the FY 18/19 Federal Funding and Human Services Process Timeline.



# Housing and Community Development FY 18/19 Funding Process

## Questions

Study Session  
October 5, 2017



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# Housing and Community Development FY 2017/18 First Substantial Amendment to FY 17/18 Annual Action Plan

Study Session  
October 5, 2017



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# Community Development Block Grant(CDBG)

Projects	Prior Funding	Additional Funding
Pepper Place Apartments Rehabilitation	\$250,000	\$250,000
Downtown Facade Improvements	\$322,500	\$125,000
Eagles Park Soccer Fields	\$400,000	\$150,000
Main Library Think Spot	\$100,000	\$100,000



# HOME Investment Partnership Program (HOME)

Activities	Amount
Community Housing Development Organization (CHDO) Homeownership	\$668,717
Homeownership	\$586,085



## Direction Requested

1. Direction requested to move forward with funding recommendations.



# Housing and Community Development FY 2017/18 First Substantial Amendment to FY17/18 Annual Action Plan

## Questions

Study Session  
October 5, 2017



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