

COMMUNITY & CULTURAL DEVELOPMENT COMMITTEE

December 5, 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 December 5, 2019 at 8:30 a.m.

COMMITTEE PRESENT

Francisco Heredia
David Luna
Jennifer Duff

COMMITTEE ABSENT

None

STAFF PRESENT

Natalie Lewis
Dee Ann Mickelsen
Alfred Smith

1. Items from citizens present.

There were no items from citizens present.

2-a. Hear a presentation, discuss, and provide a recommendation on the goals and strategies of the Housing Master Plan.

Community Services Director Ruth Giese introduced Neighborhood Services Director Andrea Alicoate and Housing Supervisor Mary Brandon who displayed a Power Point presentation.
(See Attachment 1)

Ms. Giese summarized the Housing Master Plan, which is a vision to manage Mesa's housing needs, aligns with the Mesa 2040 General Plan, and provides planning strategies for anticipated growth needs.

Ms. Giese explained the plan has been developed in three phases:

- Data collection and analysis
- Community engagement
- Guiding principles, goals and strategies

Ms. Alicoate listed the five guiding principles that were agreed upon by Council:

- Expand housing throughout Mesa for persons of all incomes and needs.
- Ensure the current inventory of housing is healthy, maintained and safe.
- Prioritize federal funding housing strategies that include reducing homelessness and promoting homeownership.
- Seek partnerships to leverage housing development.

- Ensure cohesiveness with the Mesa 2040 General Plan through strong internal partnerships.

Ms. Alicoate stated the guiding principles were developed from the data collection and public input phase as well as input from the Mayor and Council. She noted goals and strategies will be used to help meet the guiding principles that have been outlined for the Housing Master Plan. She explained the Housing Master Plan is a strategic planning document that will align with the Mesa 2040 General Plan. She added the visionary statements, goals and strategies are also going to extend to 2040. She mentioned the language and principles outlined are kept at a level of flexibility to use a variety of programs or data that staff may not be aware of yet.

Ms. Alicoate explained the first step is to expand housing by identifying the existing housing inventory in order to develop more comprehensive strategies to look at future development. She added there is still a need for future data collection and strategizing to connect housing with resources such as transportation, retail, workforce placement and more. She said the City would like to partner with non-profits to provide affordable housing and wrap around services to help those in need succeed and create a greater quality of life. (See Page 5 of Attachment 1)

Ms. Alicoate explained the next guiding principle is to promote public health and safety to ensure the current housing inventory is healthy, maintained and safe. She remarked the City will have to find various funding sources to support homeowners, continue programs that support neighborhoods by looking at existing programs that are making a positive impact, increasing neighborhood leadership development efforts within the City, and rehab aging housing stock. She pointed out the inventory and plan for manufactured homes needed more data collection and partnerships with experts in those fields to prioritize and assess all living situations to ensure communities in Mesa are receiving the best programs and incentives for support. (See Page 6 of Attachment 1)

Ms. Alicoate presented federal funding housing strategies that include reducing homelessness and promoting homeownership. She stated these were two of the top concerns from the public, Mayor, Council, and staff. She noted it was critical to highlight the concerns and put future funding efforts towards supporting the initiatives. She mentioned leveraging Housing and Urban Development (HUD) funding to build on strategies that will support current efforts such as; navigation programs, regional options for transitional housing, supporting changes and tools needed for the Police department and Court systems to help with efforts, and finding different ways to supply various shelters or transitional housing options with the existing resources already available. She recommended increasing down payment assistance programs and providing programs that offer rental assistance that can help transition renters into homeowners. (See Page 7 of Attachment 1)

Ms. Alicoate explained two categories that are needed to leverage housing development; developer engagement and broadening partnerships. She stated working with City departments to develop partnerships will assist with enhancing the housing stock in Mesa. She recommended developing partnerships with non-traditional partners to create healthy housing and mixed-used developments.

Ms. Alicoate stated the final guiding principle is to ensure cohesiveness with the Mesa 2040 General Plan through strong internal partnerships, and commented it is a Citywide initiative that will take a multi-department effort to build and ensure communication is effective with Mayor,

Council and the community. She continued by saying the City plans to maintain and expand infrastructure efforts and encourage expansion of green spaces. She presented the department vision which is to create interdepartmental cohesion through an interdisciplinary team that will discuss the broad topic of where the City wants housing to meet the expectations of future residents. (See Page 9 of Attachment 1)

Ms. Giese reviewed the next steps in the Housing Master Plan. (See Page 10 of Attachment 1)

In response to a question from Committeemember Luna, Ms. Alicoate stated the plan will align with the Mesa 2040 General Plan. She added staff will provide annual updates to Council with benchmarks.

In response to a question from Committeemember Luna, Ms. Giese stated there are many organizations that are seeking Community Housing Development Organization (CHDO) certification so the City can leverage a good amount of HUD funding for larger projects. She explained staff wants to work with emerging groups such as Chicanos por la Causa and other entities that do great work and continue to ask those businesses to do more.

In response to a question from Committeemember Duff related to how the goals are defined, Ms. Alicoate stated the numbers identified in each category are based on feedback from the committee that will be incorporated when preparing the final documents. She noted the department can identify targets when it comes to particular use of the federal funding and can attribute goals and targets to those measures.

Committeemember Duff commented the City should be more organic in workforce and executive housing, and as Mesa attracts major employers or as areas populate with businesses, think about what the housing options are and if there is enough.

In response to a question from Committeemember Duff related to marketing programs for homeownership, Ms. Alicoate mentioned developers communicate the assistance programs to buyers who qualify for the program.

Ms. Giese commented the department will communicate information to non-profits about the housing assistance programs since it is the first place most citizens will go for assistance.

Committeemember Duff suggested sharing information with Neighborhood Services when a plan is in place so staff can communicate with potential homeowners about the programs available.

Ms. Giese commented staff works closely with lenders and realtor groups that work with the down payment assistance programs and would like to continue to connect with more if additional funding is awarded.

Committeemember Duff stated she would like to make it a priority to have the affordable housing within close proximity to transportation, education and healthcare to provide easy access and convenience to residents.

In response to a question from Chairman Heredia, Ms. Alicoate explained there is a lot of statistical information of the City of Mesa housing stock and staff will take the information and create a visual guide to see the location of the new housing inventory.

In response to a question from Chairman Heredia, Ms. Alicoate explained the document will need to be visual to pair with the 2040 General Plan. She stated the document will capture specific areas such as, homelessness and promoting homeownership. She added the plan will identify details to be reported annually to Council.

2-b. Hear a presentation, discuss the FY 20/21 federal funding application process, including the funding priorities and new funding parameters for CDBG, ESG, HOME, and Human Services.

Housing Supervisor Mary Brandon introduced Community Services Director Ruth Giese who displayed a Power Point presentation. **(See Attachment 2)** She commented the presentation corresponds with the Housing Master Plan and with HUD funding.

Ms. Brandon gave a brief overview of what was presented at the training with non-profits and applicants. She explained that Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) receives applications for non-profit services and Home Investment Partnership (HOME) receives applications for non-profits and for-profits such as developments and down payment assistance. She added CDBG and HOME have City Core programs as well and continued by stating the Human Services program receives applications for non-profits but is not federally funded.

Ms. Brandon presented three federal and one non-federal funding priorities that are also non-profit organizations. She stated CDBG has two categories, one Public Services which provides services to the homeless with the highest priority service needs, and the second is Public Facilities Improvements that covers acquisitions, demolition, new construction and rehabilitation. She explained ESG is a homeless supportive service that provides basic shelter or rapid rehousing. She continued by saying Human Services are used for those in the community who need crisis services, prevention and early intervention services, transitional services, long-term independent living services, or service delivery support. (See Pages 4 and 5 of Attachment 2)

Ms. Brandon reviewed the Federal funding priorities for the City Core programs and stated the department would like to keep the CDBG funds for the housing rehabilitation program that is for single family homeowners in need of housing rehabilitation or emergency rehabilitation services. She added CDBG also supports Public Infrastructure Improvements for parks, gutters/curbs, water/sewer lines, flood/drainage, utility lines and public street improvements. She explained the HOME program has put aside \$200,000 in funding to help with down payment assistance for eligible first-time home buyers, and continued to explain the HOME program has \$100,000 in funding that helps low-income Mesa residents with tenant based rental assistance for security and utility deposit assistance.

Ms. Brandon reported on important application information and how management and staff will review programs and contracts and decide on capacity. She continued by saying the department will narrow down to a specific number of programs and contracts in order to more efficiently monitor and provide better assistance. (See Page 7 of Attachment 2)

In response to multiple questions from Committeemember Luna, Ms. Giese explained the application process is currently open and when it closes staff will review the applications to ensure minimum qualifications are met. She stated the next step is to provide the applications to the board to prioritize before presenting to Council. She clarified the five public facilities projects go through the City Core program and not internally through the City of Mesa. She explained there are five projects in each category and there is no limit on how many applications can be submitted since there are multiple projects in each category.

Deputy City Manager Natalie Lewis indicated there will be some disappointment as staff notifies agencies of the changes to the number of projects allowed in each category. She stated when reviewing past projects, staff found each category was over capacity. She explained the department did not want to make changes that would be over troubling for non-profits but will work closely to help non-profits understand the new capacity rules.

In response to a question from Committeemember Luna, Ms. Giese advised when reviewing applications for returning agencies staff will consider what impact was made. She added the department is taking a close look at the programs since there are only so many dollars to spend and the City would like to see those dollars make a great impact.

In response to Committeemember Luna, Ms. Lewis explained the department does not have the funding to continue to spread dollars across all projects, which is why the department is choosing to fund five projects in each category. She mentioned the department is trying to incorporate the changes into a phased process and is being hopeful that over time agencies will partner together to receive enough funding to be successful.

In response to a question from Committeemember Luna, Ms. Lewis indicated Mesa United Way changed their process and started issuing Request for Proposals (RFP) for specific programs.

In response to a question from Committeemember Luna, Ms. Giese confirmed the City provided MesaCAN with \$138,000 last year and explained there is no maximum spending requirement only a minimum.

Housing and Revitalization Administrator Ray Thimesch stated MesaCAN receives most of the funding from the state, and the funding that comes from the City is for staff to administer programs that lack funds to provide community services.

Ms. Brandon reported the department is expecting funds to be level with what was received the last few years. She stated the department is anticipating the following funding for each organization:

- CDBG - \$2,424,166
- HOME \$1,220,635
- ESG - \$288,990
- Human Services - \$670,000

In response to a question from Committeemember Luna, Mr. Thimesch confirmed the City has seen a substantial contribution increase over the last few months for the Human Services funding but a decrease in the month of December.

In response to a question from Chairman Heredia regarding single family home rehabilitation funding, Ms. Brandon explained the rehabilitation program funding has been a popular program and would like to see the funding increase to \$1,000,000. She commented having the additional funding would allow the department to complete additional rehabilitations throughout the City, creating an increase in curb appeal and healthy living situations for families.

In response to a question from Chairman Heredia, Mr. Thimesch pointed out the funding provided for each rehabilitation differentiates based on the amount of work needed.

Ms. Brandon indicated once funding runs out, no other applications will be accepted, and they will be added to a waiting list until funding is restored the next year.

In response to multiple questions from Chairman Heredia, Mr. Thimesch advised that all repairs should be completed upfront because it helps preserve the property. He stated last year the \$650,000 in funding served 35 residents.

In response to multiple questions from Committeemember Duff, Mr. Thimesch stated there are three applicants on the waiting list for major repairs and 15 on the list for emergency repairs. He confirmed the department does prioritize the rehabilitation list for safety and health concerns.

Chairman Heredia thanked staff for the presentation and the efforts on behalf of the community.

3. Adjournment.

Without objection, the meeting adjourned at 9:43 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 5th day of December 2019. I further certify that the meeting was duly called and held and that a quorum was present.


DEE ANN MICKELSEN, CITY CLERK

HOUSING MASTER PLAN UPDATE: GOALS & STRATEGIES



COMMUNITY & CULTURAL DEVELOPMENT COMMITTEE MEETING



December 5, 2019
RUTH GIESE
COMMUNITY SERVICES DEPARTMENT DIRECTOR

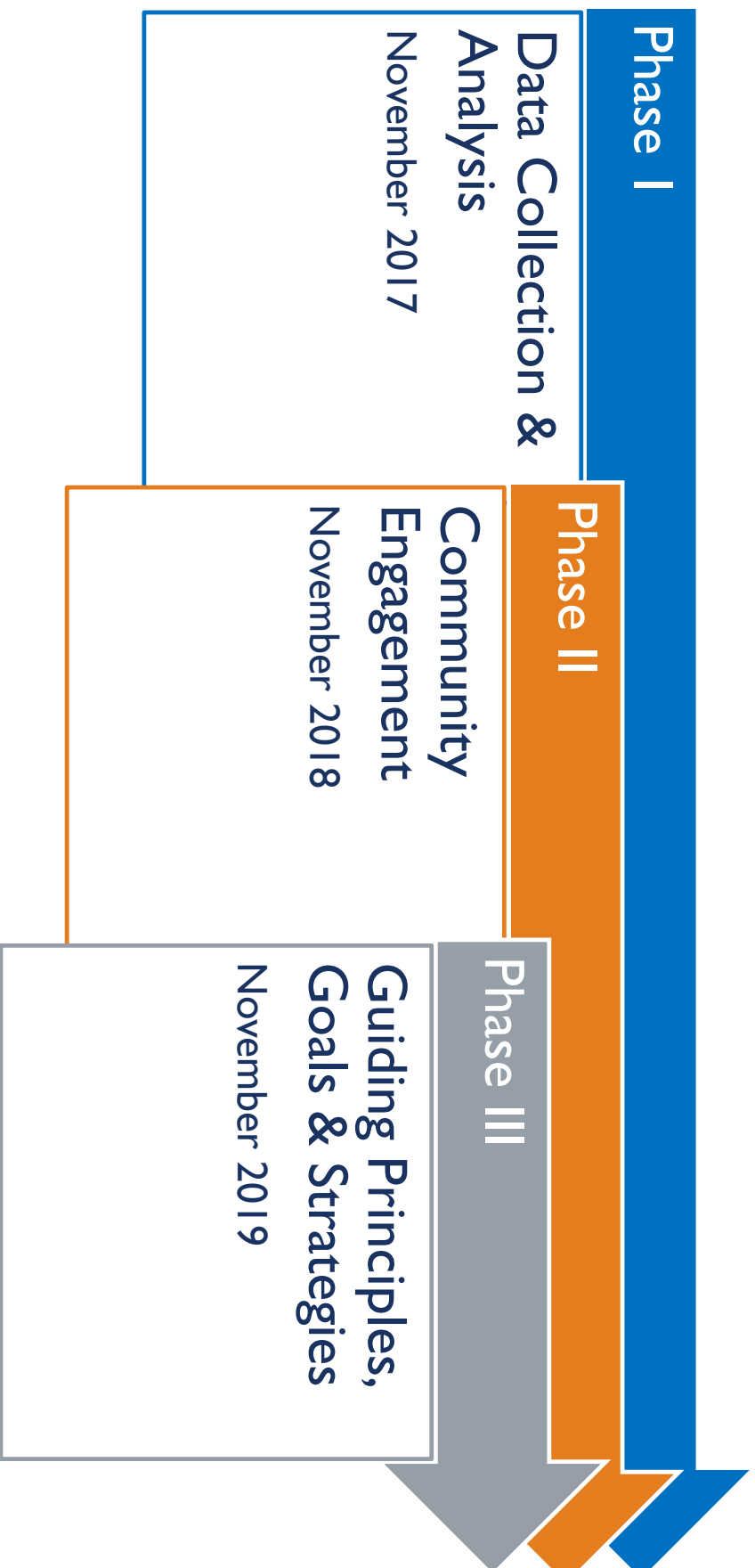
WHAT IS THE HOUSING MASTER PLAN?



- Vision to manage housing needs for all city residents
- Aligns with priorities of Mesa 2040 General Plan
- Provides planning strategies for anticipated growth needs



PHASED APPROACH



HOUSING MASTER PLAN GUIDING PRINCIPLES

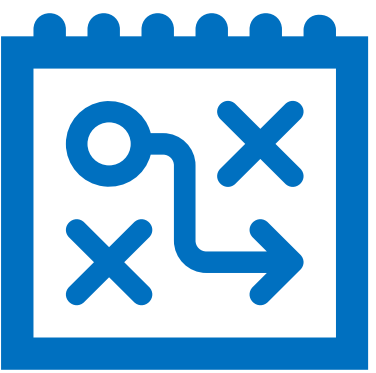


1. Expand housing throughout Mesa for persons of all incomes and needs.
2. Ensure the current inventory of housing is healthy, maintained and safe.
3. Prioritize federal funding housing strategies that include reducing homelessness and promoting homeownership.
4. Seek partnerships to leverage housing development.
5. Ensure cohesiveness with the Mesa 2040 General Plan through strong internal partnerships.

PHASE III- GUIDING PRINCIPLES, GOALS & STRATEGIES



EXPAND HOUSING THROUGHOUT MESA FOR PERSONS OF ALL INCOMES AND NEEDS.



Identify Existing
Housing Inventory



Create Housing
Strategy for
Downtown Corridor



Connect Business
Needs to Executive &
Workforce Housing

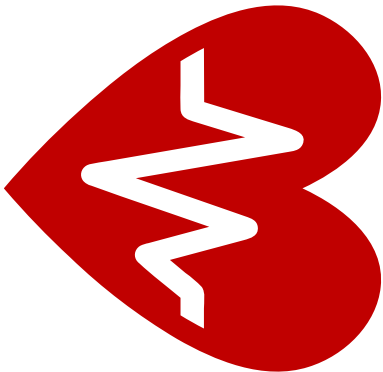


Partner with
Non-Profits to Provide
Affordable Housing &
Wrap-Around Services

PHASE III- GUIDING PRINCIPLES, GOALS & STRATEGIES



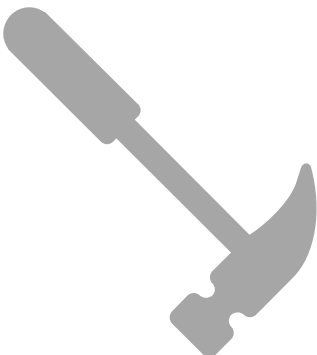
ENSURE THE CURRENT INVENTORY OF HOUSING IS HEALTHY, MAINTAINED AND SAFE.



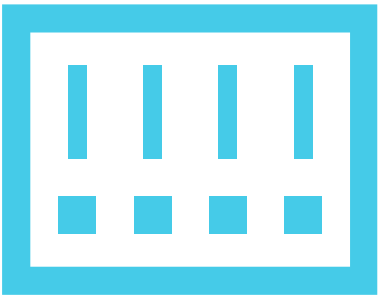
Promote Public Health
& Safety



Continue Programs
that Support
Neighborhoods



Rehab Aging Housing
Stock

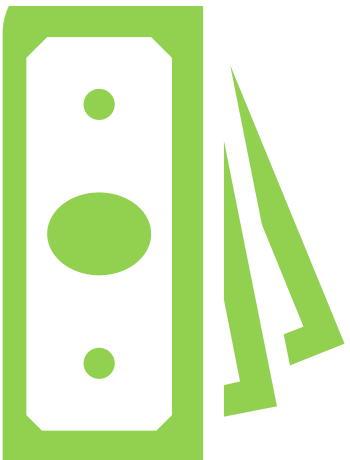


Inventory & Plan for
Manufactured Housing
Citywide

PHASE III– GUIDING PRINCIPLES, GOALS & STRATEGIES



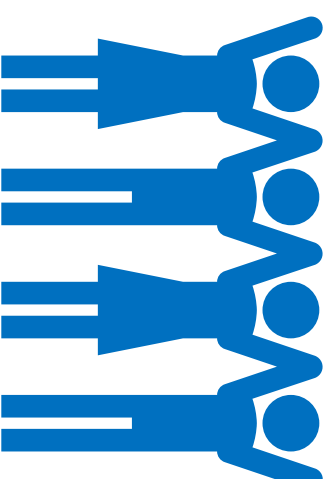
PRIORITIZE FEDERAL FUNDING HOUSING STRATEGIES THAT INCLUDE REDUCING HOMELESSNESS AND PROMOTING HOMEOWNERSHIP.



Optimize and Leverage
HUD Funding



Encourage Home
Ownership



Strengthen
Community
Engagement

PHASE III– GUIDING PRINCIPLES, GOALS & STRATEGIES



SEEK PARTNERSHIPS TO LEVERAGE HOUSING DEVELOPMENT.



Developer Engagement

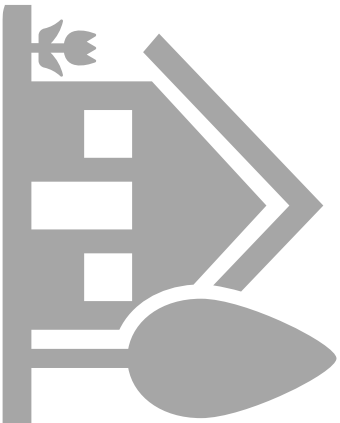


Broaden Partnerships

PHASE III- GUIDING PRINCIPLES, GOALS & STRATEGIES



ENSURE COHESIVENESS WITH THE MESA 2040 GENERAL PLAN THROUGH STRONG INTERNAL PARTNERSHIPS.



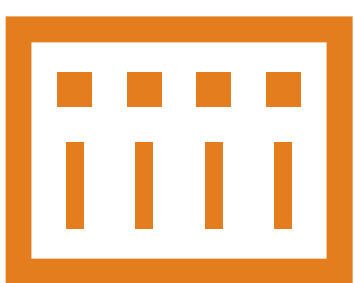
Maintain & Expand
Infrastructure



Interdepartmental
Cohesion



Support for
Initiatives that Impact
Mesa



Decision-Making Tool

NEXT STEPS



- Final Draft of the Housing Master Plan Provided to Mayor & Council –
Mid-February 2020
- Public Meeting Presenting the Final Draft of the Housing Master Plan –
Mid-February 2020
- Mayor & Council Approves the Housing Master Plan – February 27, 2020
- Housing Master Plan to be Published & Implemented – Spring 2020

QUESTIONS?





FY 20/21 Federal Funding Application Process

Community Culture Development Committee
December 5, 2019

Ruth Giese, Community Services Director

City of Mesa

Application Process for FY 20/21 Funding

- ◆ *December 9th* - Application Process Open for FY 20/21 CDBG, ESG, HOME, and Human Services proposals
- ◆ *January 6th* - Application Process Closed for FY 20/21 CDBG, ESG, HOME, and Human Services proposals
- ◆ *March 12th* - Community & Cultural Development Committee Reviews and Approves funding recommendations
- ◆ *March 26th* - City Council Study Session
- ◆ *May 4th* - City Council Approves FY 20/21 Annual Action Plan and 5-year Consolidated Plan

City of Mesa

2020/21 Funding Priorities

- ◆ *HUD FEDERAL FUNDS*
 - CDBG - Applications from Non-profits*
 - ESG - Applications from Non-profits*
 - HOME - Applications from Non-profits & For-profits*
 - CDBG - City Core programs*
 - HOME - City Core programs*
- ◆ *NON-FEDERAL*
 - Human Services - Applications for Non-profits*

Federal Funding Priorities Non-Profit Organizations

- ◆ *CDBG - Public Service*
 - *Services to homeless with highest priority service needs*
- ◆ *CDBG - Public Facilities Improvements*
 - *Acquisition, demolition, new construction or rehabilitation*
- ◆ *ESG - Emergency Solutions Grants*
 - *Homeless supportive services, basic shelter, rapid-rehousing*

Non-Federal Funding Priorities Non-Profit Organizations

- ◆ *Human Services*
 - *Crisis services, prevention and early intervention services, transitional services, long-term independent living support, service delivery support*

Federal Funding Priorities City Core Programs

- ◆ Housing Rehabilitation (CDBG)
 - Single-family homeowner housing rehabilitation
- ◆ Public Infrastructure Improvements (CDBG)
 - Examples: curb/gutter, sidewalk, parks, water/sewer lines, flood/drainage, utility lines, public street improvements
- ◆ Down-payment Assistance (HOME)
 - Down-payment to eligible first-time home buyers
- ◆ Tenant Based Rental Assistance (HOME)
 - Security and utility deposit assistance

Important Application Information

- ◆ *Funding Priorities*
 - *CDBG Public Service: Five programs*
 - *CDBG Public Facility: Five projects*
 - *ESG: One Shelter program & one Rapid Rehousing program*
 - *Human Services: \$20,000 minimum*
 - *HOME: One or two projects*
- ◆ *Federal funds must be carefully managed to ensure methods and practices used align with HUD guidelines*
- ◆ *Fewer programs will receive funding enabling staff to provide more technical assistance and monitor more program activities*
- ◆ *Economic Development activities are not a funding priority this year*

Anticipated FY 2020/21 Funding

- ▶ CDBG - \$2,424,166 (15% for Public Service)
- ▶ HOME - \$1,220,635
- ▶ ESG - \$288,990
- ▶ Human Services - \$670,000

Funding Schedule available at:

<https://www.mesaaz.gov/residents/community-development>



Questions?