

FY 2026/2027 Annual Funding Recommendations

Community and Cultural Development Committee

Michelle Albanese, Housing and Community Development Director

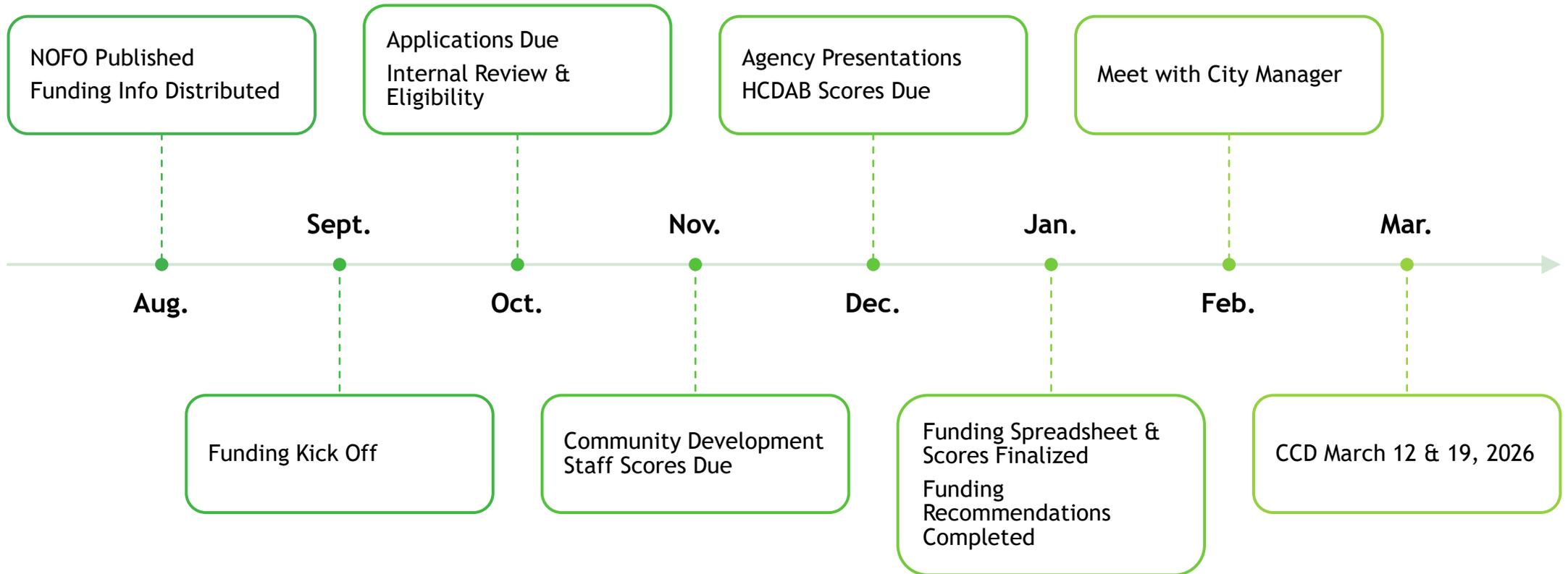
Justin Boyd, Housing and Community Development Administrator

March 19, 2026

HUD and Local Funding Sources

- Federal Programs: Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grant (ESG)
- Local Programs: Human Services and A Better Community (ABC)

Timeline



Funding Considerations



City Council
Strategic Priorities



Eligible Activity



Regulatory
Compliance



Agency Capacity



HCDAB & Staff
Scoring

Community Development Block Grant (CDBG)

- CDBG is a federal HUD program that provides flexible funding to cities to address community development needs.
- Funds primarily benefit low- and moderate-income residents.
- Typical uses include housing rehabilitation, public facility improvements, neighborhood infrastructure, and limited public services.

Eligible CDBG Activities

- Public Service Activities (subject to 15% cap):
 - Homeless services and housing stability programs
 - Senior services, youth programs, and food assistance
 - Case management and supportive services
- Non-Public Service Activities:
 - Housing rehabilitation programs
 - Public facility and accessibility improvements
 - Neighborhood infrastructure improvements (sidewalks, lighting, drainage)
 - Code enforcement and blight removal
 - Economic Development

FY 26/27 Estimated Funding Available vs. Requested



CDBG Administration ($\leq 20\%$): \$2,940,328
CDBG Public Service Allocation (15%): \$551,312
CDBG Non-Public Service Allocation: \$2,389,016

CDBG Public Services

Agency	Project Name	Recommended Award
Family Promise - Greater Phoenix	Mesa Family Shelter Program	\$ 85,820
Child Crisis Arizona	Early Education Services for Low-Income Mesa Families	\$ 80,000
Central Arizona Shelter Services (CASS)	Emergency Shelter for Mesa Adults & Seniors - Single Adult Shelter & The Haven Senior Shelter	\$ 63,191
A New Leaf	Housing Support Services - La Mesita & Desert Leaf	\$ 51,703
COM - Office of Homeless Solutions	Navigation Services	\$ 292,526
	Total	\$ 573,240

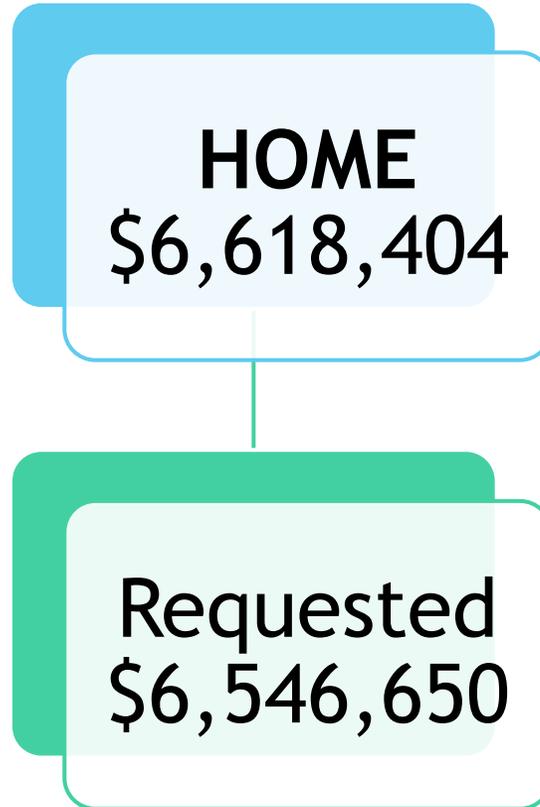
CDBG Non-Public Services

Agency	Project Name	Recommended Award	
City of Mesa (Set Aside)	Emergency Rehabilitation Program	\$	2,389,017
	Total	\$	2,389,017

HOME Investment Partnerships Program

- HOME is HUD's primary program for creating and preserving affordable housing.
- Funds support development and rehabilitation of affordable rental housing.
- Additional uses include homebuyer assistance and tenant-based rental assistance for low-income households.

FY 26/27 Estimated Funding Available vs. Requested



HOME Administration ($\leq 10\%$): \$6,148,909
Less 15% CHDO Set-Aside (15%): \$6,129,513

HOME Investment Partnership Program

Agency	Project Name	Recommended Award
City of Mesa (set-aside)	Rental and Utility Deposit Program	\$ 400,000
A New Leaf	La Mesita Phase 4 Construction	\$ 2,673,350
	Total	\$ 3,073,350

Emergency Solutions Grant (ESG)

- ESG supports a community's homelessness response system.
- Funds may be used for emergency shelter operations, rapid rehousing, and homelessness prevention.
- Programs also support street outreach and coordinated entry services.

FY 26/27 Estimated Funding Available vs. Requested



ESG Administration ($\leq 7.5\%$): \$314,515

Emergency Solutions Grant (ESG)

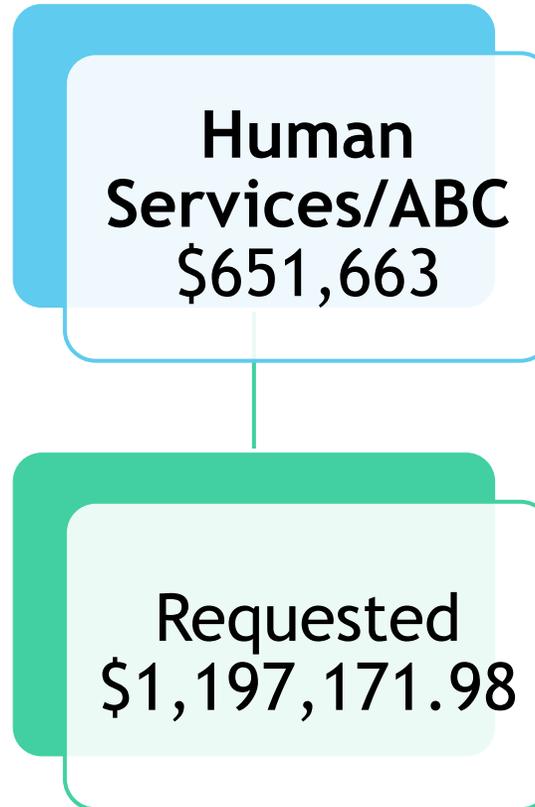
Agency	Project Name	Recommended Award
Save the Family Foundation of Arizona	Rapid Rehousing for Mesa Families	\$ 110,505
Tempe Community Action Agency (TCAA)	I-HELP Emergency Shelter	\$ 40,000
A New Leaf	East Valley Men's Center	\$ 164,010
	Total	\$ 314,515

60% Cap on Shelter Services Operations

Human Services and A Better Community (ABC)

- **Human Service Activities**
 - Crisis Services
 - Prevention & Early Intervention Services
 - Transitional Services
 - Long-Term Support
- **Human Service Funding**
 - Local funding supporting human services activities.
- **ABC**
 - Donated funding supporting human services activities.

FY 26/27 Estimated Funding Available vs. Requested



Human Services Allocation: \$547,163
ABC Allocation: \$104,500

Human Services Funds

Agency	Project Name	Recommended Award
City of Mesa	Off The Streets Program	\$ 547,163
	Total	\$ 547,163

A Better Community (ABC)

Agency	Project Name	Recommended Award
Valley of the Sun YMCA	Pathways to Success: Quality Childcare & Early Education for Every Family - Ross Farnsworth	\$ 35,000
House of Refuge, Inc.	Transitional Housing for Homeless Families	\$ 50,000
Arizona Brainfood	Weekend Food Bags	\$ 19,500
	Total	\$ 104,500

Next Steps

March 26,
2026 Study
Session

March 30,
2026
(tentative)
30-Day Public
Comment
Period

May 4, 2026
City Council
Approval

May 15,
Funding
Submittal to
HUD

Thank you...



Questions?