



## City Council

**Date:** March 6, 2023  
**To:** City Council  
**Through:** Candace Cannistraro, Deputy City Manager  
Ruth Giese, Community Services Director  
**From:** Michelle Albanese, Housing and Community Development Director  
**Subject:** FY 2021/2022 HOME ARP Allocation Plan  
Council District: Citywide

### **Purpose and Recommendation**

The purpose of this report is to request City Council approve the FY 2021/2022 HOME Investment Partnerships Program American Rescue Plan (HOME-ARP) Allocation Plan and authorize submittal of the Plan to the Department of Housing and Urban Development (HUD.) This action is a requirement of the Department of Housing and Urban Development (HUD) and serves as the formal application to HUD to receive HOME-ARP funding.

### **Background**

The American Rescue Plan of 2021 (ARP), also called the COVID-19 Stimulus Package, allocated \$5,605,694 in one-time HOME-ARP funds to the City of Mesa to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations. The HOME-ARP Allocation Plan (Allocation Plan) is a strategic plan identifying the needs and gaps of service to assist persons by providing affordable housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability. The Allocation Plan defines the general categories of use of federal HOME-ARP grant funds to address these needs. HOME-ARP eligible activities include:

1. Acquisition and development of non-congregate shelter
2. Tenant-Based Rental Assistance (TBRA)
3. Supportive services
4. Development of rental housing
5. Program administration and planning
6. Nonprofit operating and capacity building assistance

HOME-ARP funds must assist persons identified as HOME-ARP "qualifying populations," which include:

- Sheltered and unsheltered homeless populations, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));
- Those currently housed populations at risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42U.S.C. 113060(1)).
- Those fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking.
- Other families requiring services or housing assistance or to prevent homelessness.

Sections of the Allocation Plan include Public Participation, Consultation with Stakeholders, Needs Assessment and Gaps Analysis, Current Resources, Unmet Service and Housing Needs, and Eligible Activities. This substantial investment, provided through HUD, will benefit many Mesa residents by significantly improving their quality of life, while also revitalizing and preserving neighborhoods. The Allocation Plan will include data analysis and community outreach completed by TDA Consultants. The Allocation Plan is due to HUD by March 31, 2023.

Once the Allocation Plan is submitted to and approved by HUD, the City will begin identifying potential eligible services and projects to consider funding and will procure applications for funding through a Notice of Funding Availability (NOFA) and Formal Funding Process. Projects and activities must be HOME-ARP eligible and must be consistent with the goals outlined in the 5-Year HUD Consolidated Plan.

### **Fiscal Impact**

Upon HUD approval of the City's Allocation Plan, the City of Mesa will receive \$5,605,694 in HOME-ARP funds allocated under Program Year 2021 appropriations. This supplemental funding was allocated by formula under the HOME entitlement program and must be spent by September 30, 2030.

### **Alternatives**

Staff has identified alternatives regarding the FY 2021/2022 HOME-ARP Allocation Plan.

1. Approve the HOME-ARP Allocation Plan. Approving the Allocation Plan and authorizing submittal of the Plan to HUD will serve as the City's formal application to receive funding to be expended on eligible services and projects.
2. Deny the FY 2021/2022 Allocation Plan. The City Council could choose not to approve the Allocation Plan. This alternative prevents the City of Mesa from receiving federal HOME-ARP funds from HUD in the amount of \$5,605,694 to utilize on housing-related projects and services.

### **Coordinated With**

The Allocation Plan was created by TDA Consultants, in consultation with Mesa residents, non-profit agencies, city departments, other partnering agencies, and local jurisdictions, and requires public participation to ensure the community has an opportunity to provide comments. Four community forums were held in January and February 2023 and a survey was available for 30 days.

The Allocation Plan will be available for review and public comment beginning February 20, 2023, and will end on March 6, 2023. The Allocation Plan must be submitted to HUD no later than March 31, 2023.

The development of the HOME-ARP Allocation Plan and public hearings before the HCDAB and City Council complies with the City's Citizen Participation Plan as required by HUD for participation in these federal programs.