



City Council Report

Date: May 4, 2009

To: City Council

Through: Karolyn Kent, Deputy City Manager

From: Ray Villa, Neighborhood Services Department Director

Subject: Housing and Urban Development (HUD) Public Hearing for:
FY2009/10 Community Development Block Grant (CDBG),
Home Investment Partnerships Program (HOME),
Emergency Shelter Grant (ESG),
Annual Action Plan and 1-Year Consolidated Plan
Council District: Citywide

Purpose and Recommendation

The purpose of this report is to request that the City Council conduct a public hearing for FY2009/2010 CDBG, HOME, and ESG Annual Action Plan and 1-Year Consolidated Plan on May 4, 2009.

Background

In order to qualify for CDBG, HOME, and ESG federal programs, Mesa is required to adopt and submit a Consolidated Plan to Housing and Urban Development (HUD). The Consolidated Plan is a comprehensive planning document that identifies the City's overall needs in housing and community development for low and moderate income persons and outlines a five-year strategy to address those needs.

The City has adopted a Citizen Participation Plan to allow for citizen input regarding the uses of its Federal entitlement funds. The public hearing provides an opportunity for citizens to comment on the activities proposed to be included in the Annual Action Plan, which addresses the goals established in the Consolidated Plan.

A 30-day comment period regarding funding recommendations began on April 5, 2009, and ends on May 6, 2009. Staff will present recommendations for funding to the City Council at the April 23, 2009 City Council Study Session in preparation for a public hearing held by the City Council at the May 4, 2009 City Council Meeting. Final Council approval of the FY2009/10 Annual Action Plan application to HUD and the 1-Year Consolidated Plan is scheduled to take place at the May 7, 2009 City Council Meeting. Mesa's application is due to HUD on or before May 15, 2009.

A list of all proposals, and those recommended for funding are in the FY2009/10 Annual Action Plan and 1-Year Consolidated Plan. Additional information and copies of all funding proposals are furnished for City Council's use. Please keep this information until the May 7, 2009 City Council Meeting.

Fiscal Impact

The City has not been officially notified of its FY2009/2010 allocations by the Department of Housing and Urban Development. Our HUD liaison has informed staff to proceed with utilizing the funding levels from FY2008/2009. The CDBG program funding is estimated at \$3,383,197 and ESG funding is estimated at \$151,133.

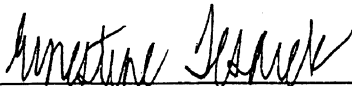
Beginning July 1, 2009, the City of Mesa will no longer be a part of the Maricopa County HOME Consortium. Mesa is allocated \$1,251,948 in HOME funds. The net amount after 15% set-aside will be reserved for nonprofit agencies that provide affordable housing and 10% will be for administration of the HOME Program as allowed under the HOME Program.

HUD Program	FY2008-09	FY2009-2010	Proposals Rec'd.
CDBG	\$3,383,197	\$3,383,197	\$6,324,032
HOME	\$1,251,948	\$1,251,948	\$2,498,767
ESG	\$151,133	\$151,133	\$151,133
Total	\$4,786,278	\$4,786,278	\$8,973,932

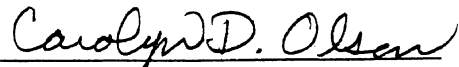
The Human Services Advisory Board approved staff recommendations for ESG funds at their March 19, 2009 meeting. Following adoption by City Council on May 7, 2009, the annual plan will be submitted to HUD for approval as Mesa's FY2009/2010 Annual Action Plan.

Coordinated With

The proposed CDBG, HOME, and ESG programs have been reviewed with applicants, citizens, other city departments, and the Human Services Advisory Board. City Council will conduct a public hearing on the proposed FY2009/10 projects in the FY2009/10 Annual Action Plan and 1-Year Consolidated Plan on May 4, 2009. A 30-day public comment period will open from April 5 to May 6, 2009. Final City Council approval is scheduled for May 7, 2009 City Council Meeting. These meetings, as well as the Proposed Program Statement, meet the Citizen Participation requirements set by HUD for participation in these federal programs.



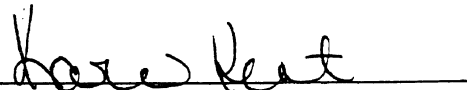
Ernestine Tesarek, Community
Revitalization Coordinator



Carolyn Olson, Housing and
Revitalization Director



Ray Villa, Neighborhood Services
Department Director



Karolyn Kent, Deputy City Manager