



2017-2018 Annual Action Plan

Mesa, Arizona

August 1, 2017

**Prepared by
The City of Mesa**

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Mesa's 2017/18 Annual Action Plan is a comprehensive document promoting a coordinated approach to housing and community needs, and fostering the coordination of all programs funded by the U.S. Department of Housing and Urban Development (HUD). It details the activities and projects in which HUD dollars, as well as other federal, State and local funding dollars, will be allocated. This Plan outlines the priorities by which the City's Community Development Block Grant (CDBG) Program, HOME Investment Partnership (HOME) Program, and Emergency Solutions Grant (ESG) Program funds will be invested over the 2017/18 fiscal year. This is the third Annual Action Plan detailing specific activities to be carried out in order to meet the 2015-2019 Five Year Consolidated Plan's priorities and goals.

2. Summarize the objectives and outcomes identified in the Plan

The Strategic Plan outlines the following priority needs based on the Needs Assessment and Market Analysis which includes:

• Invest in Economic Growth and Workforce Development

- o Provide financial support, training, and technical assistance to owners and/or developers of microenterprises.
- o Create and secure financial resources to seed a revolving small business loan fund, targeted to business owners along the light rail corridor.
- o Undertake commercial revitalization in target areas through the construction and/or rehabilitation of commercial structures and through façade improvement programs.
- o Provide job skills training opportunities to better prepare the City's workforce for employment.
- o Prioritize funding for economic development projects based on proximity to transit access points.

• Increase and Maintain Affordable Housing Stock

- o Provide funding for the development of new and/or rehabilitated rental units affordable to households at or below 60% AMI, with specific targets for the 0-30%, 31-50%, 51-60%, and 61-80% AMI categories.
- o Fund construction of new affordable ownership units for sale to low- and moderate-income buyers.
- o Develop and implement a rating tool to be used when evaluating proposed affordable housing developments that scores and weighs criteria such as proximity to public transportation access points, proximity to job centers, and other opportunity factors.
- o Consider other opportunities such as Housing Choice Vouchers (HCVs) and Tenant-Based Rental Assistance (TBRA) that provide rental subsidies to low-income households to make existing units affordable.

- o Develop an incentive program that encourages private-sector developers to include affordable units in their projects and advocate for the adoption of the program by City government.
- o Extend the useful life of existing affordable housing through weatherization, emergency repair, and rehabilitation.
- o Provide down payment assistance to eligible low- and moderate-income homebuyers.

- **Decrease Homelessness**

- o Provide funds to support homeless shelter facilities (emergency and transitional) that encourage development of more beds for single females and single males, as well as homeless individuals and homeless families.
- o Support homelessness prevention activities, street outreach efforts, and rapid re-housing programs.
- o Maintain data on utilization of homelessness resources and services using HMIS.
- o Support efforts to integrate the management of ESG funds with the Continuum of Care.
- o Strengthen the capacity of homelessness service providers and advocacy organizations.
- o Provide funds to support permanent housing for homeless individuals and families exiting transitional facilities.

- **Provide Other Non-Homeless Public Services**

- o Undertake public services projects and programs to meet the needs of low- and moderate-income residents.
- o Provide support for special needs facilities, permanent housing, and support services for non-homeless individuals and families with special needs.
- o Supplement code enforcement services in low- and moderate-income neighborhoods to curtail substandard housing and other instances of blight.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each year, the City of Mesa reports its progress in meeting the five-year and annual goals in the Consolidated Annual Performance Evaluation Report (CAPER). The CAPER is submitted to HUD within 90 days after the start of the new program year. Copies of the CAPER are available for review at the City of Mesa Housing and Community Development Division.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City conducted significant consultations with citizens, municipal officials, non-profit agencies, public housing agencies, governmental agencies, and the Continuum of Care in preparing this Plan. The City

held various public meetings prior to the development of the Plan, and additional public meetings to review the draft proposals and priorities. These meetings are summarized in the Citizen Participation Section.

Public comments on the draft Annual Action Plan were received over a 14-day Public Comment Period which commenced on June 5, 2017 and ended on June 20, 2017.

5. Summary of public comments

Comments received during the public meetings prior and during the preparation of the Plan and related priorities are summarized in the Citizen Participation Section of this Plan.

6. Summary of comments or views not accepted and the reasons for not accepting them

All public comments are taken into consideration in preparing the Annual Action Plan. The City has reviewed all comments for common and recurring themes to help establish priorities and goals.

7. Summary

This Annual Action Plan addresses the priorities and needs identified in the Consolidated Plan. These priorities are the community's affordable housing, community development, and economic development needs with a comprehensive and coordinated strategy for implementation of programs. The City will utilize CDBG, HOME and ESG program funds to leverage other public and private investments to address the City's priority goals.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Agency Role	Name	Department/Agency
CDBG Administrator	MESA	Housing and Community Development
HOPWA Administrator	N/A	
HOME Administrator	MESA	Housing and Community Development
ESG Administrator	MESA	Housing and Community Development
HOPWA-C Administrator	N/A	

Table 1 – Responsible Agencies

Narrative (optional)

The City of Mesa Housing and Community Development Department is the responsible agency for the preparation and implementation of the FY2017/18 Annual Action Plan, which will be the third fiscal year of the 2015-2019 Consolidated Plan. The City of Mesa has been a recipient of CDBG funds for 41 years, ESG funds for 29 years, and HOME funds for 25 years.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City of Mesa consulted with citizens, municipal officials, non-profit agencies, public housing agencies, private developers, governmental agencies, and the Continuum of Care in preparing this plan. The City held five training sessions and three public hearings to facilitate development of the Plan. These meetings are summarized in the Citizen Participation Section of this Plan.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies (91.215(I))

The City of Mesa is committed to addressing the needs of homeless residents in relation to both physical and mental/behavioral health needs. To this end, the City’s staff and elected officials participate in a regional Continuum of Care plan in collaboration with the City of Phoenix, Maricopa County, and all jurisdictions (incorporated and unincorporated) within the county. Maricopa Association of Governments (MAG) facilitates the process for the Continuum of Care with recognition that the provision of human services has an impact across counties. The participating jurisdictions work together to develop the Continuum of Care plan, provide human services to the homeless, and identify and address gaps in service.

MAG has an appointed committee, the MAG Continuum of Care Regional Committee on Homelessness, which gives direction on planning and policy issues that impact the homeless population. The Committee makes updates to the Regional Plan to End Homelessness and a consolidated application to the U.S. Department of Housing and Urban Development in support of programming that assists the City’s homeless population. The City also assists local applicants in the development of applications for Super Notice of Funding Availability (NOFA) funding for programming designed to serve the homeless and special needs populations within the region. The special committee meets at least once in every two-month period.

Current and recent initiatives have included:

1. Review of the Homeless Management Information Systems (HMIS) demographic reports via local non-profits to assess the system’s effectiveness and ensure HMIS is the best system to help meet the City’s Continuum of Care objectives;
2. Coordination and collaboration with behavioral health service providers to complete a report on utilization of newly-obtained funding to benefit residents with serious mental illness;
3. Collaborative with local non-profits concerning the Regional Coordinated Assessment System which sets regional guiding principles related to client-focused assessment;

4. Continuation of the Homeless Navigator program, which is a street outreach collaborative with Community Bridges; and
5. Completion of the annual “point-in-time” count of both sheltered and unsheltered homeless residents, with a special detailing of those with serious mental illness and substance abuse disorders.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City continues its efforts towards coordination and collaboration across systems of care to serve the most “at-risk” residents including the homeless, those at-risk of becoming homeless, veterans, and unaccompanied youth. The City recognizes that improved service coordination will help eliminate the duplication of efforts, improve communication regarding the most current news and information, and spearhead community-wide solutions to basic needs. The City currently coordinates a workgroup, Housing our Heroes, which brings together various agencies and stakeholders serving veterans in Mesa. The purpose of the group is to identify the type of services provided by social and human service agencies, and to locate and implement opportunities for collaborations between similar programs, institutions, and services to provide increased benefits to our homeless veterans.

The City participates in various workgroups for the Continuum of Care, including Coordinated Entry Workgroup, Continuum of Care Planning Committee, and ESG Committee. The City provided staff assistance for the evaluation of applications for 2017. The City understands the need and value of working together with the Continuum of Care. The ways the City has contributed has been in working on the workgroups to find ways to better align processes and to provide input on gaps in services and policy decisions that impact Mesa

As a part of 2015-2019’s consolidated planning cycle, the City of Mesa will utilize the Analysis of Impediments to Fair Housing to identify where underserved populations are located and concentrated. To reduce barriers to reaching the underserved, Mesa’s Housing and Community Development Coalition will assist the facilitation of City-wide collaborations focused on coordinating the work of social service agencies. The City is taking efforts to identify the number of homeless residents, their specific needs, and a listing of the social and human services designed to meet these needs. Earlier this year, a “point-in-time” count was conducted to identify both sheltered and unsheltered homeless. The survey provided insight into the demographics of subpopulations within the overall homeless populations including homeless veterans, the chronically homeless, victims of domestic violence. It also provided a count of homeless with HIV/AIDS, serious mental illness, and substance abuse disorders. This data will allow the City to more effectively determine the types and quantities of needed services based on an actual population count.

The City has made progress in implementing the HUD mandate and national best practice of establishing a Regional Coordinated Entry System linking individuals and families to the most appropriate housing intervention. To date, 22 homeless service providers have been “on-boarded” to the Regional Coordinated Entry System. Community stakeholders are working together toward system implementation. The stakeholders have adopted guiding principles and a common assessment tool that will allow a shared understanding of needs by service providers. Under the plan, individuals and families will be referred to services based on the outcomes of a common assessment of needs, a mutual and comprehensive understanding of each program’s requirements, the target population served by each program, and the number of available beds and services. The Human Services Campus is the coordinating access point for homeless individuals and the Family Hub is the coordinating access point for homeless families. Additional access points for clients in need in the East and West Valley have been added to ensure regional coverage of the system. Access points for providers of street outreach will be added this year.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Mesa has an annual application process for ESG funding that is open to all non-profit, social services, and human services agencies. Agencies applying for funding must participate in a mandatory program specific training session to gain familiarity with standards regarding performance, evaluation, policies, and procedures.

Fundable projects include:

- 1) Street area outreach designed to provide case management and emergency health and mental health services to unsheltered persons and special populations;
- 2) Renovations or operations for emergency shelters or services for shelter residents (i.e. employment and job training, education, child care, and transportation);
- 3) Relocation and stabilization services related to homeless prevention and rapid rehousing; and
- 4) Contributing data to the Continuum of Care through HMIS. HMIS-related fundable projects may be related to the purchase of hardware, software, or other equipment or personnel-related expenditures, such as salary or training expenses.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities.

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	City of Mesa
	Agency/Group/Organization Type	Housing Services-Education Service-Fair Housing Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Outreach efforts included participation with the Maricopa Association of Governments (MAG) with the continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees, as well as with local shelter providers: <ul style="list-style-type: none"> • A New Leaf • CASS (Central AZ Shelter Svcs.) • Child Crisis Arizona • Chrysalis • Save the Family Coordinated Rapid Rehousing and Shelter efforts as well as pooling of financial resources to house homeless clients in a timelier manner.
2	Agency/Group/Organization	A New Leaf, Inc.
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Victims of Domestic Violence Services-Homeless Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically Homeless Homeless Needs - Families with children

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Outreach efforts included participation with the Maricopa Association of Governments (MAG) with the continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees, as well as with local shelter providers:</p> <ul style="list-style-type: none"> • A New Leaf • CASS (Central AZ Shelter Svcs.) • Child Crisis Arizona • Chrysalis • Save the Family <p>Coordinated Rapid Rehousing and Shelter efforts as well as pooling of financial resources in to house homeless clients in a timelier manner.</p>
3	<p>Agency/Group/Organization</p>	<p>Save the Family</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services - Housing Services-Children Services-Homeless</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Families with children</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Outreach efforts included participation with the Maricopa Association of Governments (MAG) with the continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees, as well as with local shelter providers:</p> <ul style="list-style-type: none"> • A New Leaf • CASS (Central AZ Shelter Svcs.) • Child Crisis Arizona • Chrysalis • Save the Family <p>Coordinated Rapid Rehousing and Shelter efforts as well as pooling of</p>

		financial resources to house homeless clients in a timelier manner.
4	Agency/Group/Organization	COMMUNITY BRIDGES
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Services-Homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Outreach efforts included participation with the Maricopa Association of Governments (MAG) with the continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees, as well as with local shelter providers: <ul style="list-style-type: none"> • A New Leaf • CASS (Central AZ Shelter Svcs.) • Child Crisis Arizona • Chrysalis • Save the Family Coordinated Rapid Rehousing and Shelter efforts as well as pooling of financial resources to house homeless clients in a timelier manner.
5	Agency/Group/Organization	City of Mesa Housing Authority
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-Homeless

What section of the Plan was addressed by Consultation?	Public Housing Needs Services – Rapid Rehousing Homeless Needs - Chronically Homeless Homeless Needs - Families with children Homelessness Needs - Veterans
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Outreach efforts included participation with the Maricopa Association of Governments (MAG) with the Continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees, as well as with local shelter providers: <ul style="list-style-type: none"> • A New Leaf • CASS (Central AZ Shelter Svcs.) • Child Crisis Arizona • Chrysalis • Save the Family Coordinated Rapid Rehousing and Shelter efforts as well as pooling of financial resources to house homeless clients in a timelier manner.

Identify any Agency Types not consulted and provide rationale for not consulting

Efforts were made to consult as broadly as possible with community stakeholders. No specific agency types were excluded from participation.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Maricopa Association of Governments	Coordination of services and shelters for the homeless in conjunction with the Continuum of Care priorities

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

Once a homeless individual or family has accessed the system, they receive a variety of services designed to help find permanent housing, education, employment, and/or additional public assistance

as needed. A variety of housing options are provided including transitional living, emergency shelter for single women and families, rapid re-housing, and affordable housing (based on unit availability).

Individuals and families also receive employment training, job search assistance, and assistance preparing for and taking the GED. Homeless children and youth (under 24 years of age) are provided with free medical care through a clinic operated by Phoenix Children's Hospital and free child care is provided by United Methodist Outreach Ministries (UMOM) for children ages six weeks to five-years old. Residents of UMOM are provided with free wellness education. Supportive Services for Veteran's Families (SSVF) is offered to low income veteran families with a focus on intensive case management.

Case managers work with low-income veterans and their families to identify those who need VA benefits and additional public benefits such as housing counseling services, health care services, child care services, educational assistance, legal services, transportation services, financial planning services, daily living services, and to receive temporary financial assistance.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/efforts made to broaden citizen participation/summarize citizen participation process and how it impacted goal-setting

The City employed several means of citizen participation for the development of this plan. Stakeholders with unique points of view were identified up front and sought for participation. Methods of engaging with the public were varied and included interviews, public meetings, training sessions, and informal one-on-one discussions.

One-on-One Discussions and Interviews – Key community stakeholders were identified, contacted, and interviewed. They included elected officials, representatives of nonprofit organizations, municipal staff, fair housing advocates, lenders, and real estate agents. Other stakeholders were occasionally interviewed as dictated by the course of research.

Public Meetings – Several public meetings and training sessions were held to provide forums for residents and other interested parties to contribute. Meeting dates, times, and locations are shown below. Day and evening meetings were held across the City, providing a variety of options for residents. They were advertised via flyers, public notices, City website, and City email distribution lists. The format ranged from small to large audience discussions. Notes were taken of the public comments at all meetings.

Advertised Public Hearings

Lower Level Council Chambers, 57 E 1st St, January 5, 2017 at 6:00 pm
Lower Level Council Chambers, 57 E 1st St, March 7, 2017 at 5:30 pm
Lower Level Council Chambers, 57 E 1st St, March 30, 2017 at 8:00 am
Fire Station No. 201 Community Room, 360 E 1st St, May 30, 2017 at 5:00 pm

Advertised Meetings and Training Sessions

East Valley Active Adult Center, 247 N Macdonald, December 5, 2016 at 8:00 am **and** 2:00 pm
East Valley Active Adult Center, 247 N Macdonald, December 12, 2016 at 8:00 am **and** 2:00 pm
Fire Station No. 201 Community Room, 360 E. First Street, December 20, 2016 at 10:30 am
Lower Level Council Chambers, 57 E 1st St, March 2, 2017 at 5:30 pm
Lower Level Council Chambers, 57 E 1st St, March 7, 2017 at 5:30 pm
Lower Level Council Chambers, 57 E 1st St, April 13, 2017 at 8:00 am
Lower Level Council Chambers, 57 E 1st St, May 11, 2017 at 7:30 am

Informal One-On-Ones – These interviews were conducted by staff during visits to the agencies and meetings with agencies and staff at the Mesa City Plaza and at the agencies themselves.

Public Comment Period and Public Hearing – A 14-day public comment period on the draft Annual Action Plan was held from *June 5, 2017 to June 20, 2017*. Five (5) comments were received and are summarized below:

- Homeowner Subsidy, funds would be better spent identifying and empowering existing local landlords with demonstrated inclinations to minimize rents.
- Concerning “localism” in keeping budgets and solutions local, it is imperative for discussions, plans, and negotiations to include this as an ongoing value.
- In favor of the following projects:
 - Makerspace (17) at the Mesa Public Library, Mesa children need to see what the future is in order to prepare for it.
 - ArtSpace (4) is such a good idea.
 - Homebuyer Assistance (13) is the way to really help families and individuals to invest in their community, put down roots, and thrive.
- Would like more information concerning the following items:
 - Downtown Mesa Façade Replacement (8). While the goal is to bring back the original facades, review carefully before going forward.
 - Not funding West Mesa Community Development Corporation (WMCDC). Believe that this agency has a better success rate than some of the agencies funded.
 - Concerning Affordable Housing – General comments suggested that there is a need for a housing plan. Concerns were also expressed that current plans have led to concentration.
- Approve of spending funds for renewal and revitalization projects.
- In opposition of the following projects:
 - Makerspace at the Mesa Main Library - there are better uses of funding.
 - Mesa Senior Facility Renovation Rehabilitation Project, there are better uses of funding.
 - City of Mesa CDBG, ESG and HOME Administration funding, amounts seem excessive.
 - Low-Income Housing Tax Credit (LIHTC) funding for Legacy Partners
 - City should not have provided funding for MesaCan, NEDCO, and Newtown since funding was not provided for WMCDC.
- Opposition of the proliferation of additional LIHTC housing in West Mesa due to the following reasons:

- Additional units violate the voter-approved General Plan’s provisions regarding the negative impact on neighborhood schools when there are too many low-income students in multi-family housing complexes. Projects need to be more widely spread throughout the East Valley.
- More than 22% of West Mesa residents are below the poverty level; this is the highest concentration in the East Valley.
- All public schools in West Mesa far exceed the averages for students living in multi-family housing and students eligible for free and reduced lunch subsidies. Math and reading scores for all Mesa Public Elementary Schools in West Mesa are below the average for all students in Mesa as well.
- Questions:
 - How does the Plan bring together those of diverse backgrounds to coordinate and try to find ways to deal with homelessness and other poverty issues in our community, and the effort to prevent gaps in service where services should be provided in order to prevent overlaps and abuses of the system?
 - Police officers and teachers are grouped into a “special class” of people who need special attention, why is this? Why do artists need federal funding?
 - Why are “Latinos” given special dispensation for federal funds?
- Criticisms of the Plan:
 - The light rail is harmful to the City for a lot of reasons since the Plan emphasis the expansion of the light rail and special treatment for business owners next to the light rail corridor is something I would like to see eliminated.
 - The Plan calls for an inordinate amount of money for transportation of the homeless and defined poverty classes; the City of Mesa cannot support this kind of expense.
 - Would like to see the source materials and methodologies that show the number of people helped or numbers of people impacted by certain elements of the plan.
 - Funding could be more efficiently used in place of funding the following projects:
 - Renovation to the Senior Center
 - Hibbert Street improvements
 - Save the Family Conference Center
 - Downtown Façade Improvements
 - Grouping “minorities” into a group classified as poverty doomed.
- The Plan should include the following items:
 - Creating a Free Enterprise Zone where those of a lower income or micro businesses can set up business without government interference and taxes.

- Eliminating regulations that keep businesses from hiring (i.e. minimum wage laws).

A public hearing was held at Fire Station No. 201 Community Room, located at 360 E 1st St. on Tuesday, May 30, 2017 at 5:00 pm. There were no attendees and no comments were received.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of responses/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	Housing & Community Development Board members, staff and non-profit and for-profit agencies	Presentations for proposed activities and projects for the Annual Action Plan	None	
2	Public Hearing	Non-targeted/broad community	Mesa City Council Community and Cultural Development Committee members, staff, and non-profit agencies	None	None	
3	Public Hearing & Comment Period	Non-targeted/broad community	Staff	See above under "Public Comment Period and Public Hearing" for details	None	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The following table outlines the *estimated resources* to include CDBG, HOME, ESG that the City *may have* available during the 2015-2019 period covered by this Consolidated Plan. It is followed by narratives about other resources these funds will leverage.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public - Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$3,210,202	\$112,596	\$231,300	\$3,554,098	\$0	
Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		

HOME	Public - Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$1,018,678	\$898,323	\$661,113	\$1,778,114	\$0
ESG	Public - Federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$290,296	\$0	\$0	\$290,296	\$0

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The federal funding listed above is funding which are *estimated amounts* received annually to support activities outlined in this Plan. Although there are no guarantees of this funding, particularly in the current budget environment, the City has historically received these funds and expect to continue to receive Community Development Block Grant (CDBG) funds for the period covered by this Plan. The City encourages for-profit and non-profit agencies to leverage additional funding sources to sustain their programs, activities and projects. The allocations they receive from the City are used to leverage private and corporate donations and contributions to their agencies as well as other federal funds from other municipalities and federal agencies. The City provides a 50% match for the Emergency Solutions Grant (ESG) grant allocation with general funds

and A Better Community (ABC) donations. ABC donations come from citizens and businesses contributions through the City's utility bill. The remaining 50% match comes from the agency receiving the ESG funds. The City's HOME Investment Partnership Program (HOME) Match is met through City contributions such as land, infrastructure, and fees, as well as contributions from the State and non-profit agencies.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

The City of Mesa does not intend to address the needs identified in this plan with publicly-owned land or property located with the jurisdiction.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3) & (e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Non-Homeless Public Services	2017	2018	Non-Housing Community Development	West Mesa CDBG Target Area	Decrease Homelessness Provide Other Non-Homeless Public Services	CDBG: \$585,516	Public service activities <i>other than</i> Low/Moderate Income Housing Benefit: 4,514 Persons Assisted. Low/Mod Income Households Assisted: 160
2	Homeownership Assistance	2017	2018	Affordable Housing	West Mesa CDBG Target Area	Increase and Maintain Affordable Housing Stock	HOME: \$166,000	Direct Financial Assistance to Homebuyers: 6 Households Assisted: 6
3	Emergency Shelter/Rapid Rehousing	2017	2018	Homeless	West Mesa CDBG Target Area	Decrease Homelessness	CDBG: \$58,914 ESG: \$290,500	Overnight Shelter: 1,315 persons Families Assisted: 300

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Increase Affordable Housing Stock	2017	2018	Affordable Housing	West Mesa CDBG Target Area	Increase and Maintain Affordable Housing Stock Increase Collaboration Between Service Providers Affirmatively Further Fair Housing	CDBG: \$774,249 HOME: \$310,168	Rental units rehabilitated: 20 Homeowner units rehabilitated: 45 Tenant-based rental assistance / Rapid Rehousing: 300 Households Assisted
5	Public Facility Improvements	2017	2018	Non-Housing Community Development	West Mesa CDBG Target Area	Invest in Economic Growth and Workforce Development Implement Transit-Oriented Strategies for Community	CDBG: \$2,542,343 HOME: \$225,000	Public Facility or Infrastructure Activities <i>other than</i> Low/Moderate Income Housing Benefit 3 Public Facilities 1,198 Persons Assisted
6	Economic Growth and Workforce Development Investment	2017	2018	Non-Housing Community Development	West Mesa CDBG Target Area	Invest in Economic Growth and Workforce Development	CDBG: \$100,000	Jobs created/retained: 3 Jobs Created 48 Businesses Assisted/ 120 Clients Assisted

7	Homeless Public Svcs.	2017	2018	Homeless Services	Citywide	Homeless Services	CDBG: \$323,000	Provide services to 5,390 individuals
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Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Provide Non-Homeless Public Services
	Goal Description	The City provides funds for many Public Service activities that include housing counseling, supportive services for those transitioning out of homelessness, and supportive services for individuals and families who need financial assistance with housing.
2	Goal Name	Homeownership Assistance
	Goal Description	Develop an incentive program that encourages potential homebuyers to purchase housing that is affordable for the long term.
3	Goal Name	Emergency Shelter Operation
	Goal Description	The City provides CDBG and ESG funds for the operation of shelters for those in need. These shelters are for homeless adults, homeless families, homeless youth, domestic violence victims, and abused or neglected children. ESG funding is also provided for those without shelter, to quickly get them back into housing with both utility and security deposit assistance.

4	Goal Name	Increase Affordable Housing Stock
	Goal Description	The City operates several programs to ensure affordable housing is maintained or increased to meet the needs of the community. Funds used for this purpose are provided mostly from CDBG and the HOME Investment Partnership Programs. The City's Neighborhood Stabilization Program has also been a major contributor in maintaining and increasing affordable housing for homebuyers.
5	Goal Name	Public Facility Improvements
	Goal Description	Public Facility or Infrastructure Activities for Low/Moderate Income (LMI) individuals: <ul style="list-style-type: none"> • Child Crisis Arizona – Property Acquisition • City of Mesa – Downtown Facade Improvement Program, Phase II • Marc Community Resources – Courtyard Improvements • Save the Family – Conference Center Construction
6	Goal Name	Economic Growth and Workforce Development Investment
	Goal Description	Support 48 businesses through Business Development Programs including the staffing and administration of the NEDCO Micro-Loan program and the supporting business technical assistance with the goal of creating jobs for LMI persons. NEDCO Projected Outcomes - technical assistance for 48 businesses; creation of 3 jobs for LMI individuals; 120 clients with extension of credit.
7	Goal Name	Homeless Public Services

Goal Description	Provide navigation services, outreach, stabilization and intervention services to homeless persons and families.
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Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

It is estimated that HOME funds will serve a total of 350 households who are at or below 80% area median income.

AP-35 Projects – 91.220(d)

Introduction

Projects to be potentially funded using HUD funding during the 2017-2018 program year are provided below. Additional projects funded through the City of Mesa’s Office of Human Services are provided in the appendix.

#	Project Name
1	A New Leaf - Supportive Services
2	Artspace – Mesa Loft Construction
3	Child Crisis Arizona – Campus Creation
4	City of Mesa - CDBG Administration
5	City of Mesa – Demolition Program
6	City of Mesa – Downtown Façade Improvement Program
7	City of Mesa - ESG Administration
8	City of Mesa – Emergency Solutions Grants
9	City of Mesa - HOME Administration
10	City of Mesa - Homeowner Rehabilitation Program
11	City of Mesa - Security/Utility Deposit (TBRA) Program
12	Community Bridges - Navigation Services
13	Community Bridges - Outreach & Stabilization Services
14	Community Bridges - Security/Utility Deposit (TBRA)
15	Marc Community Resources – Courtyard Improvements
16	Marc Community Resources – Homeless Navigation Svcs.
17	MesaCAN – Client Services
18	NEDCO - Economic Development Program
19	Save the Family – Conference Center Construction
20	Save the Family - Homeless Families Intervention Case Coordination

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs: Contingency provisions are in place due to anticipated funding cuts.

AP-38 Projects Summary

Table 9 – Project Summary

1	Project Name	A New Leaf - Supportive Services
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Provide Non-Homeless Public Services
	Needs Addressed	Provide Other Non-Homeless Public Services
	Funding	CDBG: \$49,757
	Description	Public Service: Personnel cost to provide supportive services to households who struggle with chronic homelessness or those who are homeless with special needs
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	160 clients who have previously been chronically homeless or homeless with special needs
	Location Description	Desert Leaf Apartments - 44 S. Horne Mesa, AZ 85204; La Mesita Apartments - 2254 W. Main St. Mesa, AZ 85201
2	Project Name	Artspace Mesa Loft Apartments
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Increase Affordable Housing Stock
	Needs Addressed	Increase and Maintain Affordable Housing Stock
	Funding	HOME: \$500,000
	Description	Construction of new multi-family rental housing for households at or below 60% area median income.
	Target Date	6/30/2018

	Estimate the number and type of families that will benefit from the proposed activities	5 households at or below 60% area median income
	Location Description	155 S. Hibbert, Mesa, AZ
3	Project Name	Child Crisis Arizona – Campus Creation
	Target Area	West Mesa CDBG CDBG Target Area
	Goals Supported	Public Facility Improvements
	Needs Addressed	Physical transformation of property facing N. County Club Drive
	Funding	CDBG: \$300,000
	Description	Property acquisition for campus expansion/creation of ingress and egress for main building at 817 N. Country Club
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 2,250 individuals annually once acquisition, demolition and construction are complete
	Location Description	827 N. Country Club
4	Project Name	City of Mesa - CDBG Administration
	Target Area	N/A
	Goals Supported	Program Administration
	Needs Addressed	N/A
	Funding	CDBG: \$642,040
	Description	Personnel, materials, and training costs associated with the administration of the CDBG program
	Target Date	6/30/2018

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	City of Mesa Housing & Community Development Department 20 E. Main Street, Mesa, AZ
5	Project Name	City of Mesa - Demolition
	Target Area	Citywide
	Goals Supported	Elimination of Slum and Blight
	Needs Addressed	Community Revitalization through spot basis demolitions
	Funding	CDBG: \$50,000
	Description	Demolition of unsafe structures
	Target Date	06/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide
6	Project Name	City of Mesa – Downtown Façade Improvement Program
	Target Area	Downtown Mesa Main Street Corridor
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Uniformity along Main Street
	Funding	CDBG: \$322,500
	Description	Design, removal and replacement of business facades
	Target Date	06/30/2018

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	West Main Street
7	Project Name	City of Mesa - ESG Administration
	Target Area	Citywide
	Goals Supported	Program Administration
	Needs Addressed	N/A
	Funding	ESG: \$21,772
	Description	Personnel costs associated with the administration of the ESG program
	Target Date	06/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	City of Mesa Housing & Community Development Department 20 E. Main Street, Mesa, AZ
8	Project Name	Emergency Solutions Grant (ESG)
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Emergency Shelter Operation/Rapid Rehousing
	Needs Addressed	Decrease Homelessness
	Funding	\$268,524
	Description	Grant that provides funds for Shelter for homeless households who have recently become homeless. Costs for personnel, materials, and shelter operations. Rapid Rehousing costs are also covered, such as utility and security deposits.

		New Leaf Emergency Shelter Services - \$172,798 Save the Family & Lutheran Social Svcs. Collaborative - \$93,600
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	925 Homeless individuals and families 48 Clients rehoused
	Location Description	Emergency Shelters locations: East Valley Men's Center - 2345 N. Country Club Dr. Mesa; East Valley Women's Shelter- 149 N. Mesa Dr., Mesa; La Mesita Homeless Family Shelter- 2245 W. Ella Dr., Mesa Rapid Rehousing Provider: Save the Family - 125 E. University Dr., Mesa
9	Project Name	City of Mesa HOME Administration
	Target Area	N/A
	Goals Supported	Program Administration
	Needs Addressed	N/A
	Funding	HOME: \$101,868
	Description	Personnel, material, and training cost associated with the administration of the HOME Program.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	City of Mesa Housing & Community Development Department 20 E. Main Street, Mesa, AZ
10	Project Name	City of Mesa - Homeowner Rehabilitation Program
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Increase Affordable Housing Stock

	Needs Addressed	Increase and Maintain Affordable Housing Stock
	Funding	CDBG: \$650,000
	Description	Rehabilitation of existing housing owned and occupied by low- and moderate-income households. Rehabilitations include emergency, accessibility modifications, and minor and major rehabilitation.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	30 low- and moderate-income households
	Location Description	Within the corporate city limits of Mesa
11	Project Name	City of Mesa – Security/Utility Deposit (TBRA) Program
	Target Area	West Mesa CDBG CDBG Target Area
	Goals Supported	Increase Affordable Housing Stock
	Needs Addressed	Increase and Maintain Affordable Housing Stock
	Funding	HOME: \$100,000
	Description	Provide rental security and utility deposits to low- and moderate-income households
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	150 low- and moderate income households
	Location Description	Within the corporate city limits of Mesa
12	Project Name	Community Bridges – Homeless Navigation Services
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Provide Non-Homeless Public Services

	Needs Addressed	Decrease Homelessness
	Funding	CDBG: \$125,000
	Description	Public Service: Personnel, expenses, and travel costs for the navigation for homeless households to services and service providers that can help them with housing, health care, and other needed services that will benefit them.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	30 homeless households – 15 in housing, 15 through outreach (Outreach to 150-200 homeless individuals)
	Location Description	Within the corporate city limits of Mesa
13	Project Name	Community Bridges – Mobile Outreach & Stabilization Services
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Provide Non-Homeless Public Services
	Needs Addressed	Decrease Homelessness
	Funding	CDBG: \$65,000
	Description	Public Service: Personnel costs to provide mobile community outreach and substance use/behavioral health-related crisis stabilization services to an estimated 5,000 homeless, indigent, and working poor adults from Mesa. Mobile community outreach teams will be available 24/7 to respond to the crisis needs of Mesa residents.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	5,000 homeless individuals and families with a total of 8,200 crisis admissions
	Location Description	Within the corporate city limits of Mesa
14	Project Name	Community Bridges - Security/Utility Deposit (TBRA) Program
	Target Area	Citywide

	Goals Supported	Increase Affordable Housing Stock
	Needs Addressed	Increase and Maintain Affordable Housing Stock
	Funding	HOME: \$210,168
	Description	Provide rental security and utility deposits to low- and moderate-income households
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	150 low- and moderate income households
	Location Description	Within the corporate city limits of Mesa
15	Project Name	Marc Community Resources – Courtyard Improvements
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Infrastructure Improvements
	Needs Addressed	Safety issues resolved to due infrastructure improvements needed
	Funding	CDBG: \$250,000
	Description	Courtyard improvements including drainage, double gate installation, landscaping and security lighting.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	1,000 clients
	Location Description	924 N. Country Club Dr.
16	Project Name	Marc Community Resources – Day Center Navigation Services
	Target Area	West Mesa CDBG Target Area

	Goals Supported	Public Services
	Needs Addressed	Public Services for the Homeless
	Funding	CDBG: \$98,000
	Description	Expand housing resources and improve coordination of existing providers by developing a resource center at Paz de Cristo that includes assessment and prioritization of individuals and families experiencing homelessness.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 150 clients will be served
	Location Description	424 W. Broadway Rd.
17	Project Name	MesaCAN – Client Services
	Target Area	Citywide
	Goals Supported	Provide non-homeless public services
	Needs Addressed	Assistance to maintain housing
	Funding	CDBG: \$125,000
	Description	Provide rent, mortgage and/or utility assistance, case management, tax preparation, workforce development & resource referrals
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	4,307 clients
	Location Description	Citywide
18	Project Name	NEDCO Economic Development Program
	Target Area	West Mesa CDBG Target Area

	Goals Supported	Economic Growth and Workforce Development investment
	Needs Addressed	Invest in Economic Growth and Workforce Development
	Funding	CDBG: \$100,000
	Description	Personnel to provide technical assistance to businesses, job creation for low- and moderate income households.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	120 clients/48 businesses
	Location Description	10 West Main Street, Mesa, AZ 85201
19	Project Name	Save the Family- Homeless Families Intervention Case Coordination
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Provide Non-Homeless Public Services
	Needs Addressed	Decrease Homelessness
	Funding	CDBG: \$35,000
	Description	Public Service: Personnel costs to provide case management to assist homeless households in overcoming barriers that critically impair their stability and impede their ability to move out of poverty. Prepares homeless families to secure sustainable housing and begin movement out of poverty.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	30 homeless households (total of 90 adults and children)
	Location Description	125 E. University Drive, Mesa, AZ

20	Project Name	Save the Family- Conference Center Construction
	Target Area	West Mesa CDBG Target Area
	Goals Supported	Provide Non-Homeless Public Services
	Needs Addressed	Public Infrastructure
	Funding	CDBG: \$115,000
	Description	Construction of a one story, approximately 1800 square foot community and conference center. The center will be open to the public and available to non-profits and other agencies who need a larger meeting space.
	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	129 E. University Drive, Mesa, AZ

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The target area for the City of Mesa’s CDBG investments is outlined in blue on the map appearing in the Five Year Consolidated Plan. This CDBG target area includes an area generally referred to as the Main Street Corridor, which was referenced frequently by stakeholders as having a large share of the city’s older commercial structures, substandard housing stock, residential and commercial code violations, and a concentration of social service agencies, low-income housing, and accessible public transportation options.

The City of Mesa will focus on development and implementation of transit-oriented strategies designed to better connect “priority areas” with community resources and areas of opportunity. Areas that will be considered a first-priority must be low- and moderate-income neighborhoods where at least 65% of households are at or below 80% area median income (AMI).

Activities will include infrastructure improvements, new or improved public facilities, economic development, enhanced public services, removal and prevention of slum and blight, or construction of new affordable housing. Efforts will be in place to ensure that as these activities are undertaken throughout the City, they will result in better integration of transit facilities into the community and increased access to areas of opportunity.

Geographic Distribution

Target Area	Percentage of Funds
West Mesa CDBG	48
CDBG Target Area	52

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

As stated in the Consolidated Plan, significant issues were identified during the planning process which included the uneven distribution of community resources (including public transportation) and the opportunity to leverage substantial investment in Mesa’s new light rail corridor. By allocating resources in connection with transit and particularly the rail corridor, low- and moderate-income neighborhoods (and the City at-large) will be better positioned to attract other investment that is necessary to stabilize transitional areas, encourage economic growth, improve quality of life, and create opportunities.

Discussion

In addition to the above-referenced geographic targeting of the City’s CPD resources, the City has also established criteria under the regulation at 24 CFR 91.220 such that a preference for HOME Program beneficiaries be extended to:

1. Persons with disabilities as defined by HUD for the Community Planning and Development (CPD) program grants;
2. The elderly (age 62-74) and the frail elderly (age ≥75);
3. Homeless persons as defined by HUD for the CPD program grants; and
4. Professionals such as police officers, teachers, and artists.

The need for stable affordable housing, often with supportive services, for people who have become homeless is a high priority for the City. Housing the homeless population is often the first step in addressing the underlying causes of homelessness.

Finally, as discussed in the Consolidated Plan (section MA-45), service industry employees in retail as well as workers in the arts, recreation, accommodation, and food service sectors make up 20% of Mesa’s workforce. The City of Mesa’s focus on cultural, creative, and entertainment opportunities is reflected in a downtown entertainment district, the active programming schedule of the Mesa Arts Center, and

recruitment of innovative tech industry leaders to the City. Housing the professional and creative workforce necessary to support the City’s vision will be a key factor in Mesa’s success.

Some of Mesa’s largest employers are school districts and governments. As housing costs in the City increase, it will be important to maintain housing affordability for employees in these important public service-oriented sectors who traditionally earn less than those in other industry sectors. These professional employees would include teachers and police officers.

By specifying the above set of preferences, the City of Mesa will have enhanced flexibility to meet the housing needs of vulnerable and at-risk groups while ensuring affordable housing options are available to workforce group’s key to Mesa’s safety and progress.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Mesa will utilize its CDBG, HOME, and ESG funds to rehabilitate and to support the construction of new affordable housing units. The one year goals for affordable housing in the City for FY 2017-2018 are as follows:

One Year Goals for the Number of Households to be Supported	
Homeless	340
Non-Homeless	6
Special-Needs	2,000
Total	2,346

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	300
The Production of New Units	0
Rehab of Existing Units	45
Acquisition of Existing Units	0
Total	345

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

The City will undertake the following affordable housing activities:

- Housing Rehabilitation Assistance for low and moderate-income homeowners
- Down payment assistance and closing costs for low and moderate-income homebuyers
- Rehabilitation for Home Ownership
- Acquisition and new construction of rental housing
- Sustain implementation of the Housing Choice Voucher Program for low-income renters
- Security and utility deposits for low-and moderate-income renters

In 2013, HUD established new homeownership value limits for HOME Participating Jurisdictions. The City of Mesa uses the new *HOME Homeownership Value Limits* published by HUD for both newly-constructed and existing HOME units, which are 95% of the median purchase price for the area based on Federal Housing Administration single-family mortgage program data.

AP-60 Public Housing – 91.220(h)

Introduction

The Mesa Housing Authority is the lead entity overseeing Housing Choice Vouchers (HCV) in the City of Mesa. The Housing Authority is part of the City’s Housing and Community Development Division, which administers a variety of programs designed to assist Mesa’s low-and/or moderate-income individuals and families. The City of Mesa does not directly own or operate any public housing units within its corporate limits but provides HCV to help address affordable housing needs.

The City has several housing programs available including rental assistance and homeownership programs, as well as a homeowner emergency repair assistance and major homeowner rehabilitation programs. Its rental assistance programs include: the Housing Choice Voucher program (Section 8); rental and utility and security deposit assistance under the Tenant-Based Rental Assistance (TBRA) program; Project Based Vouchers; the HUD Veterans Affairs Supportive Housing (VASH) program; and the Shelter Plus Care program. Homebuyer programs include the Neighborhood Stabilization Program (NSP) and Home Investment Partnerships Act Program (HOME). Existing homeowner rehabilitation and accessible modifications are funded under Community Development Block Grant (CDBG).

Actions planned during the next year to address the needs to public housing

The City of Mesa’s Public Housing Authority (PHA) will continue to seek additional funding to address public housing needs and will apply for additional HCV when available. Lack of funding is a barrier in addressing public housing needs and has created lengthy waiting lists and long waiting periods. The Housing Authority will continue to provide housing assistance and social service needs to residents and will maintain efforts to implement more programs as funding allows.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The City's Family Self Sufficiency program encourages participants in the HCV programs to work toward improving their quality of life through counseling and guidance, to become less reliant on federal assistance, and eventually to move toward the path to homeownership. The City offers a couple of homebuyer programs to get them achieve the goal of homeownership.

If the PHA is designated as troubled, describe the way that financial assistance will be provided or other assistance

The City of Mesa's Housing Authority is in good standing and not designated as a troubled agency.

Discussion

The need for continued low-income housing rental assistance is a great need in the City of Mesa. With the uncertain HUD future funding, the PHA will continue its efforts to streamline processes and automate correspondence to landlords and participants. The PHA will be innovative by finding cost-saving solutions and assist City of Mesa low-income families and individuals by using all City of Mesa's allocated Section 8 Housing Choice Voucher Program vouchers.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Mesa is a participant in the Maricopa County Continuum of Care Committee on Homelessness and the Homeless Planning Sub-committee. This is a regional initiative staffed by the Maricopa Association of Governments (MAG). As part of the Continuum of Care, Maricopa County completes a regular “Point-in-Time Survey” each January to determine the number of homeless individuals and families in the County. Based on the “Point-In-Time Survey,” conducted on January 24, 2017 the following numbers of homeless persons were reported:

- Unsheltered: 2,059
- Transitional Housing: 1,271
- Safe Haven: 21
- Emergency Shelter: 2,254

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Providing funding for both local shelters and rapid rehousing programs to have a safe place for citizens in need. The City of Mesa’s homeless providers are strong and have great capacity to address homelessness. We also have seen incredible improvements in the homeless system and implementing best practices.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Continuum of Care (CoC) reached out to homeless persons (especially unsheltered persons) through soup kitchens, day programs, drop-in centers, and hospitals. In addition, information is collected annually using the Point In Time Survey form and is then summarized. The Point In Time Surveys are one-on-one interviews also held with the consumers. Additionally, outreach teams regularly go under bridges, visit camps, and go to other known homeless areas to tend to the needs of the homeless. The City also funds street outreach and navigation programs to better serve the homeless. When homeless veterans are identified, efforts are made to get them assistance through the VA.

The priority homeless needs in the City of Mesa are as follows:

- Emergency shelters family beds – low priority Individual beds – medium priority
- Permanent supportive housing family beds – medium priority Individual beds – medium priority
- Safe-haven Family beds – low priority Individual beds – medium priority

The CoC has a long-term goal of increasing the number of homeless moving from transitional housing to permanent housing, which is now a necessity since funding for transitional housing is being phased out.

To achieve this objective, the CoC meets regularly with providers to monitor and review their progress. The CoC also works toward strengthening relationships with affordable housing providers (such as housing authorities) to assist consumer transitions into permanent housing. Effective services and support while in transitional housing are critical to the effective move into permanent housing.

Addressing the emergency shelter needs of homeless persons

The City of Mesa continues to support MAG's Regional Plan to End Homelessness by:

1. Collaborating with other municipalities through the Maricopa Association of Governments and League of Arizona Cities and Towns to maintain current funding for the Continuum of Care and to support efforts to develop new funding potential;
2. Continued participation in the Homeless Street Count;
3. Supporting non-profit organizations that provide affordable housing opportunities for low- and moderate-income individuals and families; and
4. Serving on ESG Committee, COC Planning Committee and Coordinated Entry Oversight Workgroup

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Mesa continues to support MAG's Regional Plan to End Homelessness by:

1. Collaborating with other municipalities through the Maricopa Association of Governments and League of Arizona Cities and Towns to maintain current funding for the Continuum of Care and to support efforts to develop new funding potential.
2. Continued participation in the Homeless Street Count.
3. Supporting non-profit organizations that provide affordable housing opportunities for low- and moderate-income individuals and families.
4. Providing CDBG funds for programs that help maintain Mesa's housing stock, and enable low-income individuals to stay in their homes through the Home-Owner Rehabilitation program.
6. Contributing/cooperating with the City of Chandler, the Town of Gilbert, City of Scottsdale, and the City of Tempe to assist in the operational cost of a New Leaf's East Valley Men's Center, New Leaf's East Valley Women's Shelter, La Mesita Family Shelter, and Autumn House Domestic Violence Shelter, and the Child Crisis Arizona Emergency Children Shelter located in Mesa.
7. Examining alternative housing projects which could include a more viable use of group homes for housing of previously homeless, supportive housing projects termed "Housing First" rather than shelter services as the first option, and shelter alternatives that allow mental health or substance abuse issues to be addressed while in supportive housing.

8. Advocating to secure funding for homeless programs and participates in policy development through the Arizona Coalition to End Homelessness.
9. Serving on the ESG Committee, the COC Planning Committee, and the Coordinated Entry Oversight Workgroup

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Continuum of Care has outlined its discharge policy for assisting persons aging out of foster care, and being released from health care facilities, mental health facilities, and correction facilities.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The City of Mesa has identified the lack of decent or safe affordable housing units that are available as one of the barriers to affordable housing. There are other practices or policies impeding the City of Mesa's ability to meet affordable housing needs which is further discussed in the City's Analysis to Impediments and the current Consolidated Plan.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

There are several circumstances that may exist that prevent the market from providing affordable housing. Therefore, the following list cannot be considered complete but does provide an outline for some of the potential barriers to providing affordable housing in the City of Mesa.

- Some property owners are unwilling or unable to maintain and improve housing conditions to levels determined to be safe, decent, or sanitary. A portion of these property owners are located out of state and hard to notify about repairs that need to be made.
- Elderly low-income residents are physically and financially unable to afford to make necessary repairs or improvements to their homes and lack financial capacity to pay for a contractor to complete repairs.
- Low-income households that are larger in number have limited access to affordable housing options that have three or more bedrooms to accommodate families with three or more children.
- Over 14% of housing units in Mesa are categorized as mobile homes, per 2008-2012 ACS data. Mobile home unit's value depreciates at a faster rate, removing equity of the home from the homeowner. Manufactured housing units are also increasing in size and are overcrowding lots established for older and smaller manufactured units.
- Limited capacity and resources of nonprofit service providers and housing developers constrain their abilities to meet affordable housing needs.

AP-85 Other Actions – 91.220(k)

Introduction

The City of Mesa will continue to take the following actions throughout the 2015-2019 consolidated planning cycle to address the challenges listed below:

Actions planned to address obstacles to meeting underserved needs

Outreach efforts include ongoing participation with the Maricopa Association of Governments (MAG) with the continuum of Care Coordinated Entry Workgroup, Planning and ESG Committees to coordinate Rapid Rehousing and Shelter efforts, as well as pooling financial resources to house homeless clients in a timelier manner.

The City of Mesa also works with the following local shelter providers:

- A New Leaf
- CASS (Central AZ Shelter Svcs.)
- Child Crisis Arizona
- Chrysalis
- Save the Family

In determining the funding priorities for the FY 2017/18 Annual Action Plan, the City of Mesa utilized the 2015-2019 Consolidated Plan as the guide to eliminate the obstacles to the identified underserved needs. To reduce the number of obstacles keeping the City of Mesa from meeting the needs of the underserved populations in the community and help improve service delivery, Mesa's Housing & Community Development Division will assist with facilitating more City-wide collaborations in coordinating the work of social service organizations, eliminating duplication of efforts, spearheading community-wide solutions to local needs, and disseminating information, news, and data that will assist all participant organizations a part of this collaborative effort.

Actions planned to foster and maintain affordable housing

The City has the following programs to assist those in need of affordable housing:

- VASH – 191 vouchers
- NSP - \$500,000
- Housing Rehab Program - \$650,000

The City of Mesa will continue to invest grant funds into affordable housing projects that provide rental and homeownership opportunities for low- and moderate- income households. By offering Section 8 Housing Choice Vouchers to homeless families and Veterans Affairs Supportive Housing (VASH) rental assistance, Mesa will continue investing in the improvement of rental accessibility for very low-income households (below 50% AMI) and veterans battling potential homelessness.

Homeownership will equally play a vital role in The City of Mesa's future of HUD grant investments. By providing down payment assistance and rehabilitating properties through the Neighborhood Stabilization Program (NSP) and the HOME Investment Partnership program, the City is improving access and affordability to homeownership opportunities for low- and moderate income households. The City of Mesa is also increasing the affordability of properties currently occupied by low-income households by providing a rehabilitation program to ensure long-term, sustainable housing by using more durable materials and building in energy efficiencies into the homes.

The City of Mesa will also continue to seek collaborative partnerships with developers, non-profits, and private institutions to construct new opportunities for affordable housing or acquire vacant properties to make available as affordable housing.

Actions planned to reduce lead-based paint hazards

The reduction of Lead Based Paint (LBP) hazards in the City's housing stock is an annual objective in Mesa. As a part of its CDBG and HOME-funded Housing Rehabilitation Program, the City of Mesa aids homeowners in making repairs and addressing code violations and safety issues. One of the first procedures of this rehabilitation program is to have certified Lead Based Paint (LBP) inspectors and risk assessors perform inspections and assessments on all properties built prior to January 1st, 1978 to test for lead. When any units test positive for lead, certified contractors are hired for remediation and abatement of the lead. Occupants are not allowed back into the unit until the property has been completely remediated.

The City will also continue to educate all recipients of HOME, NSP, and CDBG funds on the hazards and dangers of lead-based paint. The City of Mesa distributes the pamphlet "Protect Your Family from Lead Based Paint" to all program recipients. This pamphlet informs homeowners how to prevent lead from becoming a health concern in the home.

Actions planned to reduce the number of poverty-level families

In addition to offering rental and homeowner assistance to poverty-level households, the City of Mesa also plans to reduce the number of poverty-level residents by continuing to participate with the Maricopa Continuum of Care, in which elected officials and City staff will ensure availability of services and programs offered, such as homeless navigation services in order to increase funding for shelters.

Additional funding was also allocated for programs that provide services for those with special needs. The list of 2017-2018 projects to be funded by the Office of Human Services is provided in the Appendix. Mesa's City Council in past years has funded anti-poverty programs that target prevention, crisis services, transitional services, and long-term support for homeless individuals.

Actions planned to develop institutional structure

The City of Mesa is developing and improving relationships with various partnering agencies as follows:

- Continuum of Care (CoC) - The City is actively involved in the development of policies and evaluation of projects that serve to provide housing to those experiencing homelessness. Other CoC workgroups the City is involved in is with the coordinated entry oversight and the ESG program in which the group is collectively working to align forms, contracts and policies for the ESG program.
- Developing a strategic plan for efforts in ending homelessness with the Mesa United Way and community homeless providers which will assist the City of Mesa in its planning and funding of projects with federal funding sources. The discussion has resulted in following identified gaps:
 - Difficulty to access coordinated entry due to distance and minimal access points
 - Lack of inventory in affordable units and rising rental costs
 - Difficulty to assist those, particularly families, during non-business hours
 - Lack of data around homelessness in Mesa

This workgroup is tasked to address the gaps and provide recommendations in addressing these gaps to Mesa City Council and other funders.

- City Council is looking closely at community development planning and asked the Housing and community development department to develop a master housing plan which will guide the planning and policies for future community development projects. The Master Housing Plan will be presented in fall 2017.

Actions planned to enhance coordination between public and private housing and social service agencies

To enhance coordination between public and private housing with services and resources facilitated by social service agencies, the City of Mesa will continue to encourage non-profit and private developers, as well as capital and financial institutions, to increase new residential development located near social service agencies. Since the biggest barrier present in connecting low-income residents to social services is the lack of affordable transportation, the City of Mesa partners with local non-profits to increase transportation access.

While installation of the light rail will provide some low-income residents access to these resources, some stakeholders stated that they would like to see an increase in the amount of social services and non-profit agencies in west and east Mesa for those that do not have access to cheaper modes of transportation.

Some of the projects being funded this year to address housing are:

- Artspace, Rental Production - \$500,000
- City of Mesa, Tenant Based Rental/Utility Assistance Program - \$100,000
- Community Bridges, Tenant Based Rental/Utility Assistance Program - \$210,168

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

The City of Mesa receives an annual allocation of CDBG, HOME, and ESG funds. Since the City receives these federal allocations, the applicable questions below have been completed.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|--|-----------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two, or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. | 80.00% |
| 3. Specify the years covered that include this Annual Action Plan. | 2017/2018 |

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City of Mesa does not use forms of investment not described in §92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities, as required in 92.254, is as follows:

The City will implement the home resale or recapture options based on each home activity subsidy. The City will require sub-recipients, CHDOs, and other entities to utilize the resale/recapture provisions outlined in the Annual Action Plan. A copy of the City of Mesa's Resale/Recapture provisions are provided in the attachment to this Plan.

Under the Resale provision, the City will ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, that housing is made available for a subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The Resale requirement will also ensure that the price at resale provides the original owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. Under the Resale provision, "fair return on investment" shall be defined and determined as follows:

Fair Return on Investment – a monetary gain or loss, dependent on market conditions, due to the sale of the property.

Capital improvements performed on the property will be considered as a basis for calculating fair return on investment. To be considered capital improvements, the upgrades (such as upgraded bathrooms and kitchens with new cabinets, granite or marble countertops, and natural stone flooring such as travertine, granite, and marble, solar panels, swimming pool) or additions (livable square footage or usable square footage such as a covered patio, detached garage, storage building, or guest house) must add value to the property. However, the value of these upgrades and additions are dependent upon what the current sales market will support, so not all upgrades or additions will add value above what the owner's original purchase price was for the property. In addition, any of the upgrades or additions must have been done with the required building permits and in compliance with all local building and zoning codes. The workmanship of the construction shall be equal to or greater than the industry standard and as defined by the State of Arizona Registrar of Contractors.

The following formula will be used to determine the owner's fair return on investment:

Sales Price (based on Market value)

- Senior lien balance

- Closing Costs

- Realtor fees

- Owner's Original Contribution

= Proceeds multiplied by the percentage of time the owner occupied the property during the period of affordability equals "Fair return of Investment".

For example: The market sales price for the house is \$100,000. The closing costs are \$5,000. The realtor fees are \$6,000. The down payment assistance provide to the owner was \$15,000. The affordability period is 15 years. The owner lived in the house 6 years and 3 months. The owner purchased the house for \$90,000 and provided \$5,000 in down payment when it was purchased.

Sale Price - \$100,000

Senior Lien Balance - \$68,800

Closing Cost - \$5,000

Realtor Fees - \$6,000

Owner's Original Contribution - \$5,000

Proceeds - \$15,200

Since the owner occupied the property for 6 years and 3 months, the percentage of time that the owner occupied the property would be 75 months (6 years & 3 months) divided by 180 months (15-year affordability period) equals 41.6 percent. So the "Fair Return of Investment" would be 41.6 percent of \$15,200 or \$6,323.20. All remaining proceeds will be provided to the new HOME low-income eligible homebuyer if needed to make the home affordable. If the new homebuyer does not need the remaining proceeds to make the property affordable, then the owner may keep all the remaining proceeds; however, a minimum of \$2,000.00 of the remaining proceeds will go to the new homebuyer for closing costs assistance.

In addition, the resale provision will ensure that the housing will remain affordable to a "reasonable range of low-income homebuyers". The "reasonable range of low-income homebuyers" will be defined as those households at or between 60%-80% of area median income (AMI). To ensure affordability for the next buyer, the City will provide down payment and closing cost assistance so the mortgage payment is within the Front- end and Back-end percentages established under the City of Mesa Down Payment and Closing Costs Assistance Program. Upon the purchase of the property by the next buyer, the affordability period will reset based upon the Affordability Period table for the total amount of the HOME funds that have been invested in the property.

The period of affordability will be based on the total amount of HOME funds invested in the housing.

The City will use a declaration of restrictive covenants placed on the property to ensure that the property is sold to another qualified low-income family who agrees to make it their principal residence for the remainder of the period of affordability. The affordability restrictions may terminate upon occurrence of any of the following events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The City may use purchase options, rights of refusal, or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived per the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

The Resale provision will be used where the City, sub-recipient, CHDO, or other entity will be financing the loan for the homebuyer and the sub-recipient, CHDO, or other entity have a long-term vested interest in the project (such as land trust), or where the sub-recipient, CHDO or other entity has established an agreement with the homebuyer's lender that will ensure compliance with the resale provisions even in the event of a foreclosure or transfer in lieu of.

Recapture Provision

Under the Recapture Provision, if the homebuyer transfers the property, voluntarily or involuntarily, the City will recapture only HOME funds that were used as a direct subsidy to the homebuyer for the purchase of the property. The direct subsidy can only be recaptured from the "net proceeds" of the sale of the property. The "net proceeds" shall be defined as sales price minus superior loan repayment (other than HOME funds) and any closing costs. The City will not recapture more than what is available from the "net proceeds" of the sale of the property.

The following Recapture options will be used for all direct subsidies to a HOME low-income eligible homebuyer:

Reduction during the Period of Affordability. This option will be used if the only HOME funds in the property were in the form of a direct subsidy to the homebuyer to reduce the amount of the mortgage and pay for closing costs; or in addition to a direct subsidy, HOME funds were used to rehabilitate the property and the amount of the rehabilitation was less than the direct HOME subsidy. The City will reduce the amount of the direct HOME subsidy on a pro-rata basis for the time the homebuyer has owned and occupied the property, measured against the required period of affordability. The following ratio will be used to determine the amount of the direct HOME subsidy that will be captured from the available "net proceeds".

- Divide the number of years the homebuyer occupied the home by the period of affordability,
- Multiply the resulting figure by the total amount of direct HOME subsidy originally provided to the homebuyer.

Number of years the homebuyer occupied the home X Total direct HOME subsidy = Recapture Amount
Period of affordability.

Shared and Prorated Net Proceeds. This option will be used if the amount of HOME funds used to rehabilitate the property were equal to or greater than the amount of the direct subsidy to the homebuyer. The homebuyer shall receive a pro rata share of the net proceeds based on a percentage of time (monthly basis) the homebuyer has occupied the property as the principle residence during the period of affordability and the City shall receive all the remaining net proceeds. The homebuyer's percentage of the net proceeds is calculated by taking the number of months the homebuyer has occupied the property (rounding up) divided by the number of months in the period of affordability.

- Divide the number of months the homebuyer occupied the home by the number of months in the period of affordability,
- Multiply the resulting figure by the total amount of net proceeds

Number of month's homebuyer occupied the home X Total Net Proceeds = Recapture Amount

Number of months in Period of Affordability

The period of affordability will be based on the total amount of direct HOME subsidy (down payment assistance, home buyer subsidy, closing costs) provide to the homebuyer. The City will use a promissory note, which will be secured with a deed of trust placed on the property, and Declaration of Restricted Land Use Covenant to ensure that the period of affordability is met. In the event the property is sold; the City will recapture from the available "net proceeds" all or a portion of the direct HOME subsidy provided to the homebuyer.

The affordability restrictions may terminate upon occurrence of any of the following events: sale, short sale, foreclosure, and transfer in lieu of foreclosure or assignment of an FHA insure mortgage to HUD. The City may use purchase options, rights of refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability.

The Recapture provision will be used where the homebuyer uses a financial institution, such as, but not limited to, a bank, mortgage company, or credit union, to finance the principal amount of the purchase of the property and the City, sub-recipient, CHDO, or other entity does not have an agreement with the homebuyer's lender to ensure the period of affordability through the resale provision.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:

The City will use the following in determining the Period of Affordability for the Resale provisions of homebuyer activities:

Total HOME Investment in Unit Period of Affordability

Homeownership assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Direct HOME Subsidy in Unit Period of Affordability

Homeownership assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

*Note: Repayment of the direct HOME subsidy does not terminate the period of affordability and the homebuyer is still subject to the principal residence requirement unless the repayment is the result of a transfer, either voluntarily or involuntarily. ***

Rental Project Activities

The City will use the following table in determining the Period of Affordability for all rental project activities:

Total HOME Investment in rental Project Period of Affordability

HOME Assistance for Rental Housing Activity	Minimum Period of Affordability in Years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

The City will use either the resale or recapture provisions as outlined in number 2 above to enforce the period of affordability for homebuyers. All written agreements with the homebuyers will outline the period of affordability, principal residence requirement, and the resale or recapture provision that will be used to ensure the period of affordability. The City will secure all HOME investments for homebuyer and rental activities with proper security instruments, such as promissory notes, deeds of trust, and declarations of restrictive covenants placed upon the property to ensure the period of affordability.

Upon the satisfaction of the period of affordability by the homebuyer, the homebuyer shall be entitled to all “net proceeds” for the sale of the property and/or will no longer be obligated to use the property as their principal residence.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

- The City of Mesa does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Emergency Solutions Grant (ESG) Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

During this Action Plan period, the City's ESG subrecipients will continue to evaluate client eligibility and household needs in accordance with the centralized assessment requirements of the Maricopa County Continuum of Care, which include the following:

- The program participant must meet the criteria under paragraph (1) the "at risk of homelessness" definition or who meet the criteria in paragraph (2), (3), or (4) of the homeless definition in 576.2 for homeless prevention assistance.
- City of Mesa resident for at least 3 months or evicted from Mesa residence within past 1-4 months.
- Households must meet the following circumstances:
 - (1) no appropriate subsequent housing options have been identified; and
 - (2) the household lacks the financial recourses.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The City of Mesa will continue to coordinate with the Maricopa COC to streamline a centralized or coordinated assessment system in accordance with HUD requirements. The implementation of the coordinated system will include emergency and essential services providers, homeless prevention and rapid re-housing assistance providers, other homeless assistance providers, and housing providers who currently utilize the homeless management information system (HMIS).

3. Identify the process for making sub-awards and describe how the ESG allocation is made available to private nonprofit organizations (including community and faith-based organizations).

The City of Mesa will continue to allocate ESG funds through a competitive grant application process, as directed by the City's Housing and Community Development Advisory Board.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City of Mesa meets the homeless participation requirement found in 24 CFR 576.405(a) through the Maricopa County Continuum of Care's. Several organizations representing the homeless were contacted for input during the planning process and the public meeting was advertised and homeless persons were informed of the meeting at the time of their housing and social services

were provided. Homeless participation will continue to be secured through consultation with the Maricopa Association of Governments.

5. Describe performance standards for evaluating ESG.

The City of Mesa will utilize the following evaluation standards for ESG activities:

Case Management Services:

- 80% of program participants have a monthly services transaction and housing plan in HMIS
- 30% of program participants will see an increase in self-sufficiency scores by 20 percent

Coordination of Services:

- Improved Care coordination between housing partners and mainstream resources

Tenant Based Rental Support Under Rapid Re-Housing:

- At Least 300 households assisted with rental support

Housing Relocation & Stabilization Services Under Rapid Re-Housing:

- At least 198 households assisted.

The composition and procedures for monitoring ESG activities will be reviewed and modified annually as necessary as new program guidelines are published by HUD.

Discussion

Mesa is working with other stakeholders within Maricopa County to align policies and best practices with Subrecipients of ESG funding. In order to streamline processes, Mesa has adopted the Maricopa County ESG monitoring tool and has agreed to be part of a joint monitoring team.

Appendix

FY 17/18 Human Services Funded Projects

Agency	Project Title	Project Summary	Recommended Funding
A New Leaf	Rapid Rehousing	Provide rental financial assistance for up to 12 months	\$50,000.00
A New Leaf	Emergency Shelter	Funding for homeless shelters and basic needs (food, clothing, toiletries, first aid products, etc.)	\$27,000.00
A New Leaf, Inc.	Autumn House Domestic Violence Shelter	Supportive services to assist residents in attaining self-sufficiency and independence from their abuser	\$55,000.00
Boys and Girls Clubs of the East Valley	Formula for Impact: Elevating Mesa's Youth	Mentors for school age Mesa youth to correct behaviors, school data and program participation throughout the school year	\$15,000.00
Central Arizona Shelter Services (CASS)	Shelter Services	Homeless shelter services	\$22,500.00
Child Crisis Arizona	Family Education	Classes, workshops, support and playgroups, clinics and socialization activities	\$15,000.00
Child Crisis Arizona	Placement Services	Safely house children while the State works to bring their cases to resolution.	\$15,000.00
Community Legal Services, Inc.	Removing Barriers to Justice for Low-Income Mesa Residents	Legal assistance concerning housing issues, family law/domestic violence assistance, overturning illegal denials of health care/gov't benefit program, consumer fraud, employment issues	\$45,000.00
Early Childhood Enrichment Project	Early Education Enrichment Project	Provide early childhood enrichment services to Mesa's low-moderate income families with children under the age of 5, in partnership with Mesa Public Schools	\$60,000.00
East Valley Adult Resources, Inc.	Assistance for Independent Living / Volunteer Services	Provide assistance with grocery shopping, transportation, visits & phone calls	\$25,000.00
East Valley Adult Resources, Inc.	Meals on Wheels - Home Delivered Meals	Provide meals for those 60 & over who are unable to leave their home	\$25,000.00
East Valley Hispanic Chamber of Commerce	Minority/Female Business Directory - Phase 2	Continuation of creation of a MBE/WBE database	\$22,500.00

House of Refuge, Inc	House of Refuge Adopt A House	Adoption of 4 houses & administration fees	\$48,000.00
Local First Arizona Foundation	Fuerza Local	Six-month small business accelerator program that supports the Latino business community expansion into Mesa.	\$25,000.00
Lutheran Social Services of the Southwest	I-HELP (Interfaith Emergency Lodging Program)	Shelter & meals for up to 25 women per night	\$25,000.00
Maggie's Place, Inc.	The Hannah House	Shelter, basic needs & wrap-around services for homeless/pregnant women & their children in Mesa	\$18,000.00
Marc Community Resources, Inc.	Employment Training and Placement	Provide Center-Based training, Mobile Community Work Crews & Direct Placement	\$30,000.00
Oakwood Creative Care, Inc.	Long Term Support: Adult Day Health Services	Provide support for adults 55 and older with cognitive/physical challenges and their care partners	\$36,000.00
Paz de Cristo Community Center	Employment Opportunity Program	Provide job search assistance (computers, clothing, showers, etc.)	\$25,000.00
Paz de Cristo Community Center	Showers for the Homeless	Shower program for those who are homeless seeking employment	\$25,000.00
Save the Family	Homeless Case Management and Supportive Services	Provide intensive case management for Mesa low-income adults, to remove barriers to gaining and sustaining their independent living	\$125,000.00
Teen Lifeline	Crisis Hotline Programs	Confidential peer-supported hotline available to troubled teens 365 days a year	\$18,000.00
United Food Bank	Emergency and Supplemental Food Assistance Program (E&SFAP)	Acquisition & distribution of approx. 9,600,000 pounds of emergency & supplemental food in the City of Mesa	\$18,000.00
Valley of the Sun YMCA/Mesa	Mesa Family YMCA Diversion Class	Provide life skills for youth ages 8-17 who have been referred by the courts for misdemeanors or status offenses	\$10,000.00