

Housing and Human Services Commission Regular Meeting

April 10, 2024 | 6:00 p.m.

Neighborhood Resources Department
235 S. Arizona Ave., Chandler, AZ



Commission Members

Chair Heather Mattisson
Vice Chair Ryan Magel
Commissioner Antonio Alcala
Commissioner Sharyn Younger
Commissioner David Gonzalez
Commissioner Aimee Griffith-Johnson
Commissioner Julie Martin
Commissioner Lisa Loring
Commissioner Cecilia Hermosillo
Commissioner Jeff Reynolds
Commissioner Karen Tepper

Pursuant to Resolution No. 4464 of the City of Chandler and to A.R.S. § 38-431.02, notice is hereby given to the members of the Housing and Human Services Commission and to the general public that the Housing and Human Services Commission will hold a REGULAR MEETING open to the public on Wednesday, April 10, 2024, at 6:00 p.m., at Neighborhood Resources Office, 235 S. Arizona Avenue, Chandler, AZ. One or more Commissioners may be attending by telephone.

Persons with disabilities may request a reasonable modification or communication aids and services by contacting the City Clerk's office at (480) 782-2181(711 via AZRS). Please make requests in advance as it affords the City time to accommodate the request.

Agendas are available in the Office of the City Clerk, 175 S. Arizona Avenue.

Housing and Human Services Commission

Regular Meeting Agenda - April 10, 2024

Call to Order/Roll Call

Scheduled/Unscheduled Public Appearances

Members of the audience may address any item not on the agenda. State Statute prohibits the Board or Commission from discussing an item that is not on the agenda, but the Board or Commission does listen to your concerns and has staff follow up on any questions you raise.

Consent Agenda

Items listed on the Consent Agenda may be enacted by one motion and one vote. If a discussion is required by members of the Board or Commission, the item will be removed from the Consent Agenda for discussion and determination will be made if the item will be considered separately.

1. March 6, 2024, HHSC Regular Meeting Minutes.

Public Hearing

2. City of Chandler FY 2024-25 Annual Action Plan Including Community Development Block Grant (CDBG) Funding Recommendations.
 1. Open Public Hearing
 2. Staff Presentation
 3. Commission Discussion
 4. Close Public Hearing
3. City of Chandler FY 2024-25 Annual Action Plan HOME Investment Partnerships Program (HOME) Funding Recommendations.
 1. Open Public Hearing
 2. Staff Presentation
 3. Commission Discussion
 4. Close Public Hearing

Action Agenda

4. Approval of City of Chandler FY 2024-25 Annual Action Plan Including Community Development Grant (CDBG) Funding Recommendations.
5. Approval of City of Chandler FY 2024-25 Annual Action Plan HOME Investment Partnerships Program (HOME) Funding Recommendations.

6. Recommend Approval of the Ground Lease with Villas on McQueen, LLC.

Briefing

7. Human Services Allocations Process Update.

Member Comments/Announcements

Calendar

8. HHSC Youth Subcommittee Meeting Tuesday, April 16, 2024, at 5:30 p.m.
9. HHSC Special Populations Subcommittee Meeting Wednesday, April 24, 2024, at 5:15 p.m.
10. HHSC Basic Needs Subcommittee Meeting Thursday, April 25, 2024, at 5:30 p.m.
11. HHSC Regular Meeting Wednesday, May 8, 2024, at 6:00 p.m.

Information Items

Adjourn



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024
To: Housing and Human Services Commission
Subject: March 6, 2024, HHSC Regular Meeting Minutes.

Attachments

3.6.24 HHSC Meeting Minutes

MINUTES
HOUSING AND HUMAN SERVICES COMMISSION
NEIGHBORHOOD RESOURCES DEPARTMENT
235 S. Arizona Avenue, Chandler, AZ 85225
Wednesday, March 6, 2024, 6:00 p.m.

CALL TO ORDER / ROLL CALL

Commission Chair Heather Mattisson called the meeting to order at 6:04 p.m.

Commissioners present: Heather Mattisson, Ryan Magel, Lisa Loring, Jeff Reynolds, Julie Martin, Karin Tepper, and Sharyn Younger

Commissioners absent: Tony Alcala, David Gonzalez, Cecilia Hermosillo, and Aimee Griffith-Johnson.

Staff present: Riann Balch, Community Resources Senior Manager, Karin Bishop, Community Development Senior Program Manager, Dylan Raymond, Management Analyst Senior, Angie Saucedo, Housing Assistance Senior Program Manager, and Elizabeth Garcia, Community Development Coordinator.

Public present: None.

SCHEDULED/UNSCHEDULED PUBLIC APPEARANCES/CALL TO PUBLIC

Members of the audience may address any item not on the agenda. State Statute prohibits the Board or Commission from discussing an item that is not on the agenda, but the Board or Commission does listen to your concerns and has staff follow up on any questions you raise.

CONSENT AGENDA

Items listed on the Consent Agenda may be enacted by one motion and one vote. If a discussion is required by members of the Board or Commission, the item will be removed from the Consent Agenda for discussion and determination will be made if the item will be considered separately.

1. February 7, 2024, HHSC Regular Meeting Minutes.
2. February 12, 2024, HHSC Subcommittee Evaluation Meeting Minutes.

Motion: Commissioner Jeff Reynolds made a motion to approve the Consent Agenda. Commissioner Julie Martin seconded the motion.

Discussion: None.

Results: The motion was approved 7-0.

PUBLIC HEARING

3. City of Chandler 2024 Annual Action Plan

Commission Chair Mattisson opened the public hearing at 6:06 p.m., and introduced Community Resources Senior Manager, Karin Bishop, to provide a staff presentation.

Ms. Bishop explained that the City of Chandler is in the process of preparing its draft Annual Action Plan for Program Year 2024-2025, which details the use of Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME) funds for the program year.

The one-year action plan is based on the priorities identified in the Five-Year 2020-2025 Consolidated Plan. The anticipated funding for each of these programs in the next fiscal year is:

- CDBG: Approximately \$1,343,477
- HOME: Approximately \$442,726

The action plan guides the allocation of resources and other investment decisions and includes projected performance goals for the upcoming year. The City of Chandler is currently conducting a community development and housing needs survey, which is available on the City's website. Paper copies are also available in English and Spanish at multiple city facilities and have been distributed at meetings such as the PHA Resident Advisory Board meeting.

The purpose of this public hearing is to solicit feedback regarding housing and community development needs for the upcoming draft Annual Action Plan for Program Year 2024-2025. Interested parties may provide comments on this plan.

There were no comments from the public. Chair Mattison closed the public hearing at 6:10 p.m.

ACTION AGENDA

4. A Motion to approve Resolution No. H0178 Approving the Submission of the City of Chandler Housing and Redevelopment 2024 Annual Plan and Capital Fund for the Fiscal Year beginning July 1, 2024, and Certifying Compliance with Related Regulations.

Commission Chair Mattisson called on Housing Assistance Senior Program Manager, Angie Saucedo to present information on this item. Ms. Saucedo shared that the City of Chandler Housing and Redevelopment Division administers 303 units of Low Rent Public Housing and 495 Housing Choice Vouchers (formerly known as Section 8).

The Public Housing Agency (PHA) is required to submit the PHA Annual Plan to the U.S. Department of Housing and Urban Development (HUD) by April 12, 2024, for its housing programs. The Annual Plan is a comprehensive guide to PHA policies, programs, operations, and strategies for meeting local housing needs and goals. This year the City of Chandler will be submitting the 2024 Annual Plan and Capital Fund. The process allows community input from program participants, residents, and the general public. The 2024 Annual Housing Plan public comment period started on January 19, 2024, and closed on March 5, 2024. Two Resident Advisory Board (RAB) meetings were conducted on December 14, 2024, and January 24, 2024. The draft 2024 Annual Plan and Capital Fund can be found at the following website:

www.chandleraz.gov/affordablehousing.

Motion: Commissioner Sharyn Younger made a motion to approve Resolution No. H0178 Approving the Submission of the City of Chandler Housing and Redevelopment 2024 Annual Plan

and Capital Fund for the Fiscal Year beginning July 1, 2024, and Certifying Compliance with Related Regulations. Commissioner Reynolds seconded the motion.

Discussion: None.

Results: The motion was approved 7-0

MEMBERS COMMENTS / ANNOUNCEMENTS

None.

CALENDAR

5. HHSC Regular Meeting, Wednesday, April 10, 2024, at 6:00 p.m.
6. HHSC Regular Meeting, Wednesday, May 8, 2024, at 6:00 p.m.
7. HHSC Regular Meeting, Wednesday, June 12, 2024, at 6:00 p.m.

INFORMATION ITEMS

Ms. Riann Balch shared some exciting news about Misty Gustafson, the Homeless Program Supervisor. Misty was named and honored as the 2023 Beth McDonald Woman of the Year. During the year an outstanding woman is honored each month and from 12 nominees, one is selected as Woman of the Year.

ADJOURN

The meeting adjourned at 6:41 p.m.

Dated: _____

Chair Heather Mattisson

Recording Secretary Elizabeth Garcia



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: City of Chandler FY 2024-25 Annual Action Plan Including Community Development Block Grant (CDBG) Funding Recommendations.

1. Open Public Hearing
2. Staff Presentation
3. Commission Discussion
4. Close Public Hearing

Attachments

Public Hearing on Fiscal Year 2024-2025 Annual Action Plan Including Community Development Block Grant (CDBG) Funding Recommendations



HHSC Memorandum

Neighborhood Resources - Memo No. NR24-010

Date: April 10, 2024

To: Housing and Human Services Commission

Thru: Leah Powell, Neighborhood Resources Director
Riann Balch, Community Resources Senior Manager

From: Karin Bishop, Community Development Senior Program Manager

Subject: Public Hearing on Fiscal Year 2024-2025 Annual Action Plan Including Community Development Block Grant (CDBG) Funding Recommendations

Background: Each year, the City of Chandler receives federal CDBG funding, administered by the United States Department of Housing and Urban Development (HUD), to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for persons with low- and moderate-income. Funds support a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

As a prerequisite for receiving CDBG funding, the City of Chandler is required to prepare and submit an Annual Action Plan that serves as the formal application for the use of entitlement funds that are received by the City of Chandler. The Annual Action Plan defines the one-year activities in relationship to the five-year goals and objectives of the 2020-2025 Consolidated Plan approved by City Council on June 25, 2020.

From January 22, 2024, through March 13, 2024, the city conducted a public survey to identify community development priorities in Chandler. The survey, which was available in English and Spanish, was distributed widely through mechanisms including the city's website and social media, public facilities such as libraries, advisory boards and commissions, as well as through community partners including the Chandler Unified School District and non-profit organizations. Responses were received from 98 individuals; a summary is included in the draft Annual Action Plan document. Seventy-two percent of respondents were Chandler homeowners, and 18 percent were Chandler renters. Creating and preserving housing for all incomes was identified as the top priority followed closely by maintaining owner-occupied housing.

In compliance with HUD regulations and the Citizen Participation Plan, the city is holding a 30-day public comment period regarding the draft FY 2024-2025 Annual Action Plan, which includes CDBG funding recommendations based on anticipated formula funding for FY 2024-2025. The public comment period began Friday, March 15, 2024, and ends on Sunday, April 14, 2024. In addition, a public hearing was held on March 6, 2024, during the development of the FY 2024-2025 Annual Action Plan, and a second public is scheduled for April 10, 2024, to ensure multiple opportunities for input from the community regarding the draft FY 2024-2025 Annual Action Plan. The draft FY 2024-2025 Annual Action Plan is available for review on the city's website at: <https://www.chandleraz.gov/residents/neighborhood-resources/community-development/plans-and-reports>. Hardcopies of the annual action plan are also available upon request. Public comments received during the public comment period will be included in the finalized report submitted to HUD.

Discussion: To date, HUD has not released the FY 2024-2025 annual allocation to Grantees. At HUD's guidance, the City of Chandler has prepared funding recommendations and a contingency plan based on the anticipated formula funding that it received in the prior fiscal year. A total of \$1,343,477 in CDBG funding recommendations are included in the FY 2024-2025 Annual Action Plan. The city will utilize \$268,695 for program administration, \$201,521 for Public Services, and \$873,261 for Capital Projects, Housing, and Neighborhood Revitalization. The contingency plan states that any increase or decrease in CDBG funding for FY 2024-2025 will be applied to the City of Chandler's Community Navigation and Client Services Program, adhering to the fifteen percent statutory cap for public service activities, and to Homeowner Rehabilitation Program Activities. The formula amount for program administration will also be adjusted based on the total CDBG allocation to the city. The city's FY 2024-2025 CDBG Program Descriptions and Funding Recommendations are also attached.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: City of Chandler FY 2024-25 Annual Action Plan HOME Investment Partnerships Program (HOME) Funding Recommendations.

1. Open Public Hearing
2. Staff Presentation
3. Commission Discussion
4. Close Public Hearing

Attachments

Public Hearing on Fiscal Year 2024-2025 HOME Investment Partnerships (HOME) Program Funding Recommendations



HHSC Memorandum

Neighborhood Resources - Memo No. NR24-011

Date: April 10, 2024

To: Housing and Human Services Commission

Thru: Leah Powell, Neighborhood Resources Director
Riann Balch, Community Resources Senior Manager

From: Karin Bishop, Community Development Senior Program Manager

Subject: Public Hearing on Fiscal Year 2024-2025 HOME Investment Partnerships (HOME) Program Funding Recommendations

Background: Each year, the City of Chandler receives federal HOME funding, administered by the United States Department of Housing and Urban Development (HUD), through the Maricopa HOME Consortium. Eligible HOME activities include building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to individuals with low- and moderate-income. HOME-funded activities proposed by the city are included in Maricopa County's Consolidated Plan and Annual Action Plan submitted to HUD.

FY 2024-2025 HOME funds are proposed to be allocated to continue to support the Tenant-Based Rental Assistance (TBRA) Program, housing individuals and family households experiencing homelessness in Chandler. An increase or decrease in funds available for allocation will be applied to the TBRA Program.

In compliance with HUD regulations and the Citizen Participation Plan, the city is holding a 30-day public comment period regarding the initial HOME funding recommendations and contingency plan. The public comment period began Friday, March 15, 2024, and ends Sunday, April 14, 2024. In addition, a public hearing was held on March 6, 2024, during the development of the annual action plan, and a second public is scheduled for April 10, 2024, to ensure multiple opportunities for input from the community regarding the initial HOME funding recommendations for FY 2024–2025 and contingency plan.

A link to the draft Maricopa HOME Consortium's FY 2024-2025 Annual Action Plan is available on the city's website at: <https://www.chandleraz.gov/residents/neighborhood-resources/community-development/plans-and-reports> or can be accessed directly at:

<https://www.maricopa.gov/DocumentCenter/View/92043/DRAFT-Maricopa-County-2024-Annual-Action-Plan?bidId=>. Hardcopies of the annual action plan are also available upon request. Public comments received during the public comment period regarding the HOME funding recommendations will be sent to Maricopa County for inclusion in the finalized report submitted to HUD.

Discussion: To date, HUD has not released the FY 2024-2025 annual allocation to Grantees. At HUD's guidance, the City of Chandler has prepared funding recommendations and a contingency plan based on the anticipated formula funding that it received in the prior fiscal year. The City of Chandler recommends funding in the amount of \$415,056 to continue to support the Tenant-Based Rental Assistance (TBRA) Program, housing individuals and family households experiencing homelessness in Chandler, and utilize \$27,670 for program administration. The contingency plan states that any increase or decrease in HOME funding for FY 2024-2025 will be applied to the TBRA program. The formula amount for program administration will also be adjusted based on the total HOME allocation to the city. FY 2024-2025 HOME Program Description and Funding Recommendation is attached.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: Approval of City of Chandler FY 2024-25 Annual Action Plan Including
Community Development Grant (CDBG) Funding Recommendations.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: Approval of City of Chandler FY 2024-25 Annual Action Plan HOME Investment Partnerships Program (HOME) Funding Recommendations.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: Recommend Approval of the Ground Lease with Villas on McQueen, LLC.

Attachments

HHSC Memo-Ground Lease
Ordinance 5092



HHSC Memorandum Neighborhood Resources Department- Memo No. HD24-05

Date: April 10, 2024

To: Housing and Human Services Commission

Thru: Leah Powell, Neighborhood Resources Director

From: Amy Jacobson, Housing and Redevelopment Senior Manager

Subject: Introduce and tentatively adopt Ordinance No. 5092, approving a ground lease at 77 North McQueen Road with Villas on McQueen, LLC

Recommendation: Staff proposes to the Housing and Human Services Commission (HHSC) members the recommendation to the City of Chandler Council approving the Ground Lease with Villas on McQueen, LLC.

Background: The City of Chandler is seeking approval of a lease with Villas on McQueen, LLC. This Lease is entered into in conjunction with Landlord's goal of establishing and preserving the City of Chandler's public and affordable housing. Specifically, the Resolution No. 5604 approved by the Chandler City Council on July 14, 2022 (the "Resolution") to allow Landlord (City of Chandler) to take the necessary steps to enter a U.S. Department of Housing and Urban Development's ("HUD") Rental Assistance Demonstration program ("RAD Program") for property known as Villas on McQueen, located at 77 North McQueen Road in Chandler, Arizona. This Lease is made in accordance with the Resolution 5604.

Discussion: The basic terms of the lease are:

- A 99 year lease of the land located at 77 North McQueen
- Tenant shall have the right to construct a 157 unit apartment complex and related improvements (collectively, and together with such other improvements to the Land made from time to time by Tenant under this Lease, the "Improvements") on the Premises and to use the Premises and the Improvements as an affordable housing project in accordance with Applicable Laws, the terms of this Lease and the CC&Rs for the duration of the Term.
- The initial ground lease rate is \$4,000.00 per year during the first year of the term, increasing at a rate of three percent per annum (3%)

- The lease defines the restrictions to affordable housing and may not be used for another purpose without written consent of the city
- Families residing in Chandler Public Housing sites at 210 North McQueen and 73 South Hamilton will occupy 78 of these units
- There is a preference for seniors, veterans, and persons with disabilities
- Construction of Villas on McQueen will be completed in 2026
- Landlord and Tenant acknowledge and agree that Tenant shall pay for all costs of constructing the improvements

The agreement also includes updated contractual language regarding insurance, indemnification, environmental liability, property inspections and other business matters.

Proposed Motion: Move to recommend Ordinance 5092 approving a Ground Lease at 77 North McQueen Road with Villas on McQueen, LLC.,

ORDINANCE NO. 5092

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF CHANDLER AND VILLAS ON MCQUEEN, LLC AN ARIZONA LIMITED LIABILITY COMPANY, RELATING TO THE LEASING AND DEVELOPMENT OF REAL PROPERTY LOCATED AT 77 N. MCQUEEN; AND AUTHORIZING EXECUTION OF THE LEASE AGREEMENT AND ALL RELATED DOCUMENTS.

WHEREAS, the City of Chandler owns a parcel of land located at 77 N. McQueen (the “Leased Premises”) that is the subject of a Development Agreement and Gorman & Company, LLC, a Wisconsin limited liability company for the development of an affordable housing project known as Villas on McQueen (the “Project”); and

WHEREAS, as part of the development, the Project owner, Villas on McQueen, LLC, must enter into a ground lease with the City; and

WHEREAS, the City of Chandler desires to lease the Leased Premises to Villas on McQueen, LLC and Villas on McQueen, LLC desires to lease the Leased Premises from the City of Chandler substantially in accordance with the terms and conditions set out in the form of lease shown in attached Exhibit A, or as may be modified as required by the Project financing partners.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

Section 1. The City Council of the City of Chandler, Arizona does hereby authorize and approve the lease of the Leased Premises to Villas on McQueen, LLC substantially in accordance with the terms and conditions set out in the form of lease shown in attached Exhibit A, or as may be modified as required by the Project financing partners upon approval of the Chandler City Attorney.

Section 2. The Mayor of the City of Chandler, Arizona is hereby authorized to execute the lease and the City Manager or a designee is authorized to execute related documents, all upon approval as to form by the Chandler City Attorney.

INTRODUCED AND TENTATIVELY APPROVED by the City Council of the City of Chandler, Arizona, this ____ day of _____, 2024.

ATTEST:

CITY CLERK

MAYOR

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this _____ day of _____, 2024.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 5092 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2024 and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

DMG

Published in the Arizona Republic on:

EXHIBIT "A"



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024
To: Housing and Human Services Commission
Subject: Human Services Allocations Process Update.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: HHSC Youth Subcommittee Meeting Tuesday, April 16, 2024, at 5:30 p.m.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: HHSC Special Populations Subcommittee Meeting Wednesday, April 24, 2024, at 5:15 p.m.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: HHSC Basic Needs Subcommittee Meeting Thursday, April 25, 2024, at 5:30 p.m.



Housing and Human Services Commission Neighborhood Resources

Date: 04/10/2024

To: Housing and Human Services Commission

Subject: HHSC Regular Meeting Wednesday, May 8, 2024, at 6:00 p.m.
