



HHSC Memorandum

Neighborhood Resources - Memo No. NR25-014

Date: April 9, 2025

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: Recommend that City Council pass and adopt Resolution No. 5895 approving and authorizing the City Manager to execute and submit the Community Development Block Grant ("CDBG") 2025-2029 Consolidated Plan and Fiscal Year ("FY") 2025-2026 Annual Action Plan to the United States Department of Housing and Urban Development ("HUD"); authorizing execution of all subrecipient contracts; and authorizing the City Manager to take all action necessary or prudent to implement the approved FY 2025-2026 Annual Action Plan.

Background: Each year, the City of Chandler receives federal CDBG funding, administered by 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 every five (5) years, to prepare and submit a Five-Year Consolidated Plan that includes an Annual Action Plan, to be sent to HUD to establish priorities for future funding decisions.

Included in the Five-Year Consolidated Plan is the city's FY 2025-2026 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 Consolidated Plan covering Fiscal Years 2025-2029.

From September 10, 2024, to January 31, 2025, the city conducted a public community survey and stakeholder survey for respondents to identify and prioritize community needs in the areas of housing, public services, public facilities, public improvements, economic development and neighborhood revitalization. The survey, which was available in English and Spanish, was distributed widely through mechanisms including the city's website and social media, public facilities, the Housing and Human Services Commission, and community non-profit partners. Additionally, Chandler residents and stakeholders were also invited to respond to Maricopa County's survey. A total of 304 responses were received from Chandler residents. Two public meetings were held on September 11, 2024. Those in attendance included 22 individuals that have received assistance from city programs, and 15 residents and service providers. Affordable housing was identified as the top priority, followed closely by public improvements, public facilities and economic development.

In compliance with HUD regulations and the Citizen Participation Plan, the city held a 30-day public comment period regarding the draft 2025–2029 Consolidated Plan and FY 2025–2026 Annual Action Plan, which included the CDBG funding recommendations based on formula funding expected in FY 2025–2026 and a contingency plan for a potential increase or decrease in funding. The public comment period began Monday, March 3, 2025, and ended Friday, April 4, 2025. In addition, two public hearings were held on February 12, 2025, and on March 5, 2025, to ensure multiple opportunities for input from the community regarding the draft 2025–2029 Consolidated Plan and FY 2025–2026 Annual Action Plan. Public comments received during the public comment period will be included in the finalized report submitted to HUD. A copy of the 2025–2029 Consolidated Plan and FY 2025–2026 Annual Action Plan is available on the city's website for review at <https://www.chandleraz.gov/residents/neighborhood-resources/community-development/plans-and-reports>.

As a member of the Maricopa County HOME Consortium, the City of Chandler will comply with the citizen participation plan prepared by the Maricopa County Human Services Department on behalf of all HOME Consortium members. The Maricopa County HOME Consortium Citizen Participation Plan for 2025–2029 is available on the city's website for review at <https://www.chandleraz.gov/residents/neighborhood-resources/community-development/plans-and-reports>.

Discussion: To date, HUD has not released the FY 2025–2026 annual allocation to Grantees. At HUD's guidance, the City of Chandler has prepared funding recommendations, and a contingency plan based on anticipated formula funding that it received in the prior fiscal year. A total of \$1,682,855 in CDBG funding recommendations are included in the FY 2025–2026 Annual Action Plan, which includes \$250,000 from a prior program year that was planned for relocation assistance and will be reallocated to capital projects. The city will

utilize \$286,571 for program administration, \$214,928 for Public Services, and \$1,181,356 for Capital Projects, Housing, and Neighborhood Revitalization.

The contingency plan states that any increase or decrease in CDBG funding for FY 2025-2026 will be applied to the City of Chandler's Community Navigation and Client Services Program and to the City of Chandler's Public Housing Youth Program ("PHYP"). The PHYP will not be reduced below \$40,000. Funding for Public Services will adhere to the fifteen percent statutory cap. Any increase or decrease for Capital Projects, Housing, and Neighborhood Revitalization will be primarily applied to Capital Projects. The formula amount for program administration will also be adjusted based on the total CDBG allocation to the city. The city's FY 2025-2026 CDBG Program Descriptions and Funding Recommendations are attached.

Financial Implications: The City of Chandler will utilize CDBG federal entitlement funds to support recommended program activities. No match is required. The City of Chandler pays for services supported by CDBG funds and then submits a request for reimbursement to HUD.

Attachments:

A – Resolution No. 5895

B – FY 2025-2026 CDBG Program Descriptions and Funding Recommendations

RESOLUTION NO. 5895

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND SUBMIT THE COMMUNITY DEVELOPMENT BLOCK GRANT 2025–2029 CONSOLIDATED PLAN AND FISCAL YEAR 2025-2026 ANNUAL ACTION PLAN TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AUTHORIZING EXECUTION OF ALL SUBRECIPIENT CONTRACTS; AND AUTHORIZING THE CITY MANAGER TO TAKE ALL ACTION NECESSARY OR PRUDENT TO IMPLEMENT THE APPROVED FISCAL YEAR 2025-2026 ANNUAL ACTION PLAN.

WHEREAS, as a prerequisite for receiving federal Community Development Block Grant (“CDBG”) funding, the City of Chandler is required every five (5) years to prepare and adopt a Five-Year Consolidated Plan, that includes an Annual Action Plan, to be sent to the United States Department of Housing and Urban Development (“HUD”) to establish priorities for future funding decisions; and

WHEREAS, the City of Chandler, as a member of the Maricopa County HOME Consortium, has agreed to comply with the Citizen Participation Plan prepared by the Maricopa County Human Services Department on behalf of all HOME Consortium members for both CDBG and HOME Investment Partnerships Program funds; and

WHEREAS, the City of Chandler, in coordination with the City’s Housing and Human Services Commission, assessed needs, held two public hearings, and presented the draft 2025-2029 Consolidated Plan and Fiscal Year (“FY”) 2025–2026 Annual Action Plan, along with the draft Citizen Participation Plan, for public consideration by making it available for public comment for the HUD required 30-day citizen participation review and comment period; and

WHEREAS, this Council has determined by reviewing all pertinent information that it is necessary and in the best interest of the City of Chandler to approve and authorize the submittal of the 2025-2029 Consolidated Plan and FY 2025–2026 Annual Action Plan to HUD.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chandler, Arizona as follows:

- Section 1. Approves and adopts the 2025-2029 Consolidated Plan and FY 2025–2026 Annual Action Plan, a copy of which will be kept on file in the office of the City of Chandler’s Director of Neighborhood Resources.
- Section 2. Authorizes the City Manager, or his designee, to execute and submit the 2025-2029 Consolidated Plan and FY 2025–2026 Annual Action Plan with all documents and materials as may be required to HUD for final approval.

Section 3. Authorizes the City Manager, or his designee, to take those actions necessary or prudent to implement the City's CDBG program for FY 2025-2026, including, but not limited to, executing subrecipient contracts, expending funds, hiring personnel or contractors, scheduling activities, establishing procedures for monitoring and evaluating program activities, and other steps necessary to ensure that the CDBG program can be carried out in a timely and effective manner, including but not limited to establishing administrative procedures not inconsistent with federal, state or local law.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ____ day of _____, 2025.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 5895 was duly passed and adopted by the City Council of the Chandler, Arizona, at a regular meeting held on the ____ day of _____, 2025 and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

DMG

CITY OF CHANDLER
FISCAL YEAR 2025-2026
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PROGRAM DESCRIPTIONS AND FUNDING RECOMMENDATIONS

CDBG Public Services:

COC Community Development and Resources – Community Navigation and Client Services

Recommendation: \$164,928

Funding to continue to provide community navigation and client services to individuals experiencing unsheltered homelessness in Chandler. This funding helps to identify and establish relationships; coordinate care and communications with appropriate service providers; facilitate access to housing; and provide support and advocacy necessary to maintain housing.

COC Housing and Redevelopment – Public Housing Youth Program

Recommendation: \$50,000

Funding to continue to provide after school and intersession programming to youth, ages 6-18, who reside in Chandler's four Public Housing family sites. Activities include academic support; mentoring; youth development; arts; books and reading services; and sports and recreation. Programming is offered Monday through Friday on regular school days at each public housing site. During intersession, youth from all four sites come together to participate in regular programming and special events. In the summer months, activities are offered in the morning for younger children, in the afternoon for all ages, and in the evening for teens.

CDBG Capital Projects, Housing, and Neighborhood Revitalization:

COC Community Development and Resources – Homeowner Rehabilitation Operations

Recommendation: \$75,000

Funding to continue support for staff who identify, assess, and prepare single-family Chandler homeowners with low- and moderate-income that have significant housing rehabilitation needs to receive assistance. The city will process client applications to determine eligibility for program assistance. The Homeowner Rehabilitation program works in tandem with a third-party contractor which provides emergency repairs, minor repairs, ADA modifications and exterior improvements. The city is evaluating the ability to include additional eligible services that are covered under the housing rehabilitation program.

Homeowner Rehabilitation Program Activities**Recommendation: \$125,000**

Funding to continue emergency repairs, minor repairs, ADA modifications and exterior improvements for eligible Chandler residents with low- and moderate-income who own and occupy a single-family home. Programs benefit households by: (1) addressing the health, safety, or welfare of households; (2) making improvements or modifications to remove accessibility barriers; and (3) elevating neighborhoods. The city is evaluating the ability to include additional eligible services.

Public Facilities and Infrastructure Improvements**Recommendation: \$881,356**

Funding will support public facility and infrastructure improvements in low- and moderate-income areas within the City of Chandler.

COC Neighborhood Preservation - Code Enforcement in Low-Mod Neighborhoods**Recommendation: \$100,000**

Funding to continue the systematic, proactive inspection program in CDBG eligible areas, with an emphasis on north Chandler. The program supports a Code Inspector specifically assigned to low- and moderate-income areas to initiate code enforcement inspections and take necessary enforcement actions to remediate neighborhood degradation. Residents receive an advisory notice providing information about common code violations for self-evaluation and correction prior to inspection.