

Community Development Block Grants
CDBG

Annual Action Plan

Program Year 2015



Office of Grants Administration
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For Submittal to HUD May 15th, 2015

CITY OF PRESCOTT

ANNUAL ACTION PLAN Program Year 2015

CDBG Funding Cycle: July 1, 2015 – June 30, 2016

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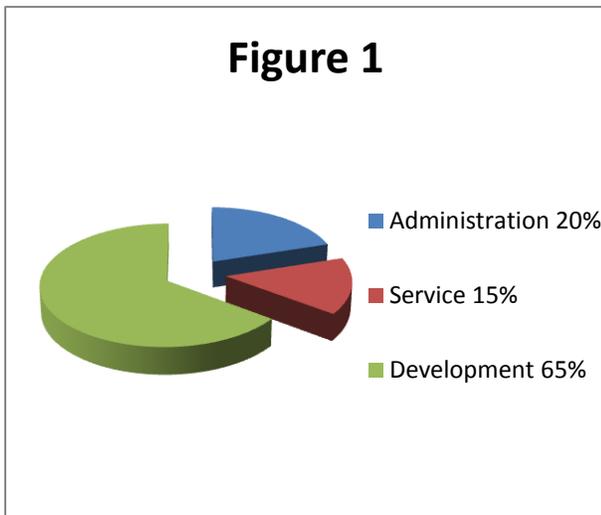
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CDBG ACTION PLAN PROGRAM YEAR 2015 – FISCAL BUDGET YEAR 2016

EXECUTIVE SUMMARY 91.220(B)

The City of Prescott is proposing projects in this our first program year 2015 Annual Action Plan (FY2015-2016) that implement the goals enumerated in the City of Prescott Consolidated Plan 2015-2019. Both the Consolidated Plan 2015-2019 and Annual Action Plans are implemented by the City’s Community Development Department.

As an entitlement community, the City will receive federal funds in the amount of \$234,142 from Housing and Urban Development (HUD), Community Development Block Grant (CDBG) program. **Figure 1** CDBG Allowed Allocation Chart Program Year 2015.



Funding guidelines are based on HUD –CDBG program annual funding allocation. Funding is obligated utilizing the following formula:

- A. Program Administration – 20% of annual allocation
- B. Public Service Projects - 15% of annual allocation
- C. Public Facility Development - 65% of annual allocation

Community Development staff, community leaders, public service providers and homeless advocates encourage citizen participation throughout the Consolidated Plan and Action Plan process. This includes consulting local service organizations, holding public meetings, and encouraging public comment during the public review period. Using research and input from the public, City staff formulated the objectives and outcomes that are briefly described below.

OBJECTIVES

The City’s key objectives for the PY2015 funding period will address Public Services and Public Facility/Infrastructure Development.

The public service projects address the community activities that will directly serve at least 51% Low to Moderate Clientele: Projects include the following services provided by eligible 501c3 organizations.

Public Services

15% funding allocation \$35,121

- Provide housing assistance and case-mentoring for homeless families transitioning to permanent housing.
- Strengthen resources for families, caregivers and patients afflicted with Alzheimer's.
- Support efforts to help area homeless families and at risk Prescott residents secure temporary and permanent housing and support services.
- Provide nutritional meals and wellness visits for Prescott homebound elderly, disabled and special needs population.

Public Facility/Infrastructure Development

65% funding allocation \$152,192

- Provide renovations to support growing youth program serving primarily low-income and at-risk children and teens.
- Install Kitchen vent hood to meet fire code requirements in facility serving meals to homeless and low-income residents.
- Assist with critical home repairs for low income homeowners in Prescott.
- Replace a failing parking lot, which serves residents seeking assistance with mental health issues, crisis, and substance abuse, the majority of whom are low to moderate income.

CDBG Program Administration

20% funding allocation \$46,829

- Managing and administrating the Action Plan according to federal guidelines.
- Coordinate with non-profits to ensure compliant execution of projects.
- Purchase operational supplies and services associated with delivering the CDBG program.

OUTCOMES

The City's outcomes for this planning period are directed at increased social service availability; and building improvements which serve low income, homeless and persons with disabilities. The City anticipates the following outcomes from its PY 2015 Action Plan activities:

- Nutritious hot meals and wellness visits will benefit hundreds of our homebound elderly and disabled and special need residents.
- Alzheimer's patients, caregivers and interested persons will be provided with supportive educational services in the City of Prescott.
- Homeless families (10) or individuals (20) will be provided with transitional living guidance and matching rental subsidy or utility deposits to secure permanent housing.
- Approximately fifteen (15) low-income homeowners who need emergency repairs or health and safety repairs will be assisted to keep persons in their homes.

- Approximately 400 residents seeking assistance with mental health issues, crisis, and substance abuse will have improved access to services with reconstruction of the parking lot.
- Low-income and at-risk youth (113) will be better served by facility renovations which will improve/enhance the program and allow for anticipated growth.
- Satisfying building code requirements will allow facility to continue serving meals to 200 homeless and low income residents.
- Six individuals transitioning from homelessness to permanent housing will be assisted with mentoring and housing assistance.

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) requires all government entities receiving federal Community Development Block Grant (CDBG) funds to prepare an annual Action Plan. The 2015 Action Plan outlines funding priorities and discusses how activities will meet the community needs identified in the Consolidated Plan 2015-2019. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2015 and June 30, 2016. The Annual Action Plan for Program Year PY2015 is the City of Prescott's first Action Plan under the 2015-2019 Consolidated Plan.

The City's General Plan acts as the primary guide for housing and community development practices. The General Plan was ratified by voters in May 2004. An updated General Plan was adopted by City Council in April 2015, but awaits voter ratification. The General Plan approved in 2004 remains in effect and includes the following elements: Land Use, Growth and Cost of Development, Circulation, Open Space, Environmental Planning, Water Resources, Economic Development and Community Quality. Goals and strategies that address the varied needs of Prescott's low- and moderate-income households are found throughout the General Plan. Many of these goals and strategies are incorporated into the CDBG Consolidated and Annual Action Plans.

Prescott has "Entitlement Status" by the U. S. Department of Housing and Urban Development (HUD) which occurred in August, 2003. The City of Prescott initiated activity associated with the development of its first Consolidated Plan and Action Plan in autumn, 2004. Both plans were adopted by City Council in May, 2005 and approved by HUD in July, 2005.

The 2015-2019 Consolidated Plan identifies 5 priority goals and 8 strategies:

- **Revitalization, Public Facilities & Infrastructure (2)**
- **Public/Human Services & Economic Opportunities (2)**
- **Homelessness (1)**
- **Decent Affordable Housing (2)**
- **Economic Development (1)**

The goals are considered to have either a high or a low priority in relation to the needs of the community and the ability of the City to affect changes in each activity area. An annual review of the goals occurs as part of the planning process for the Action Plan. The process includes the evaluation of proposed projects in relation to the goals and the readiness of a project for funding.

The application process for non-profit provider requests for both construction and public service activities was presented at the third annual CDBG workshop held on February 4, 2015. There were 17 persons in attendance primarily representing non-profit agencies. The workshop encouraged applicants to address new direct service activities, consider collaborative projects and was also an opportunity to introduce the community to the program administration process. Twelve funding requests were received for PY 2015.

The major objectives of activities undertaken during the Program Year 2015, Fiscal Year 2016 will be:

- Housing repairs that prolong the life of affordable housing stock and thus provide housing opportunities for low and moderate-income households and promote the supply of decent, safe, and affordable housing;
- Support efforts to help homeless or near-homeless Prescott residents secure adequate temporary and permanent housing and receive necessary supportive services;
- Improve accessibility to community services directed to youth, elderly and special needs populations.

BACKGROUND

Prescott comprises about 42.6 square miles of land and has over 40,000 residents. The community's residents are older; more educated, and generally have higher income than the residents of Yavapai County. Nonetheless, Prescott does have significant low-income households. The community needs found within Prescott revolve heavily around the lack of affordable housing, homelessness resources, and social service needs.

Over the last five years, Prescott has focused efforts on providing acquisition, and rehabilitation for family, senior, and special needs households, providing rental assistance, and offering rehabilitation assistance for owners. The City has also provided more than \$2 million in federal, state, and local funds to serve a wide range of the service needs of lower-income households. The City has prioritized assistance to the homeless, youth, seniors, and people with disabilities.

The City of Prescott Community Development Department serves as the lead agency for the administration of CDBG funds. The department, through an extensive public process, coordinates the development of the five year Consolidated Plan 2015-2019, which serves as a five-year strategy to address the needs of low-income residents in Prescott. The plan identifies community needs and provides a strategy to address those needs using CDBG, as well as other federal, state, and local resources. In addition to the Consolidated Plan, the City

prepares an annual Action Plan. The Action Plan describes how funds will be spent each year to address the needs identified in the Consolidated Plan. The Action Plan is submitted to HUD 45 days prior to the start of the City's fiscal year.

RESOURCES

The development of the 2015-2019 Consolidated Plan and this 2015-2016 Action Plan provide a foundation for the use of federal, state and local resources to address community development priorities. For this, the first CDBG year of the new consolidated program plan, the HUD Community Development Block Grant PY2015 allocation is projected at \$234,142 (subject to change upon release of funding).

Projects are listed on the table on page 17. Agencies requesting CDBG funds are advised that these are anticipated funding amounts; consequently, funds may be eliminated, reduced or increased when the actual HUD funding allocations for PY2015 occur.

Potential recipients of funds are advised that program administration requires that no expenditures or contracts for service are allowed before an actual CDBG PY 2015 sub recipient agreement is signed or a "notice to proceed" is issued by the City of Prescott, Office of Grants Administration.

A City and HUD CDBG program goal is to increase the ability to leverage federal, state and local funds to support community development and housing improvements. The following amounts are based on the *anticipated* funding and are subject to change:

The *anticipated* funding allocation for CDBG Program Year 2015 is \$234,142. Of this amount, a maximum of 15% (\$35,121) may be used for public service projects; 20% for administrative costs (\$46,829) which include legal notification, advertisements, fair housing workshop, administrator training, personnel and (non-construction) contractor costs. The balance (\$152,192) will be programmed and available for public facility development.

In order to address community needs and the goals identified in the Consolidated Plan the City may augment CDBG funds using additional funding sources. These funding sources may include the City's General Fund, Public works, capitol improvement one cent sales tax funds, and other local public and not for profit resources. A full listing of potential funding sources is available in **Appendix A – PUBLIC AND PRIVATE RESOURCES FOR COMMUNITY DEVELOPMENT BLOCK GRANT ACTIVITIES** and **Appendix B – CITY FUND STRUCTURE**.

GOALS

City of Prescott receives CDBG funding and also uses a variety of other local state and federal resources in support of housing and community development activities. The overall goal of these programs is to serve low-income persons by developing viable urban communities through the following actions:

- Provide decent housing

- Provide suitable living environment
- Expand economic opportunities

The City has identified a range of goals in its 2015-2019 CDBG Consolidated Plan, and these include improving the lives of low-income persons and special needs groups through capital improvements, social services, and housing activities. In our Program Year 2015 – Fiscal Year 2016, the City will continue to support emergency, health and safety, minor housing and accessibility rehabilitation, rental subsidy, accessibility improvements for people with disabilities, youth, elderly and homeless service provision. Detailed descriptions of the activities the City will fund or undertake during Program Year 2015 are detailed in a later section of this Action Plan.

PUBLIC PARTICIPATION

The City of Prescott encourages citizen involvement in the planning, implementation and evaluation of its housing and community development program funding plan. The Action Plan includes activities intended to assist residents of the City, particularly those with low incomes and those with supportive housing needs. The following section details the opportunities for public involvement in the preparation of this Action Plan.

The City of Prescott's Annual Action Plan for Program Year 2015 has been developed in conjunction with input from citizens, social service agencies, non-profit providers, the Citizens Advisory Committee and other interested persons.

Public Hearings

On March 4, 2015, the Citizen Advisory Committee (CAC) held the first public meeting to discuss priorities for the 2016 fiscal year, requests and presentations from non-profit providers and provisions for public commentary were provided to allow the public to share their perspective on needs and priorities.

Additionally on March 24, 2015 the Prescott City Council held the second public hearing. The Community Development Director presented the 2015 Action Plan to the community. Members of the public were again provided with an opportunity to comment. Finally on May 12, 2015, at the final Public Hearing, City Council will be asked to adopt the PY2015 Action Plan and approve by resolution the CDBG Action Plan for Program Year 2015 – Fiscal Year 2016.

Public Comment Period

A draft of the Program Year 2015 Action Plan is made available for public review and comment for a 30 day period. The public comment period began on April 10, 2015 and will end on May 10, 2015. The draft document was made available at: City Hall, Office of Grants Administration and in the City Hall lobby area, 201 S. Cortez Street, Prescott; Prescott Downtown Library, 215 E. Goodwin Street, Prescott; and is posted on the City's Leadership

heading of the official city website, <http://www.cityofprescott.net/leadership/grants.php>. Public notices and public comment is incorporated in **Appendix C – PUBLIC PARTICIPATION**.

Commissions and Advisory Boards

The Citizens Advisory Committee (CAC), appointed by the Mayor and City Council is made up of a committee of seven persons. The CAC works with City staff, advisors and the community on issues and subjects associated with housing and community needs and advise the City Council on the best way to address those needs. The Commission and advisory board meeting are open to the public. Prescott City Council continually supports the CAC recommendations and collective community service providers' efforts in delivering programs and projects funded by Community Development Block Grants.

CDBG ACTION PLAN - PROGRAM YEAR 2015, FISCAL YEAR 2016

The City of Prescott CDBG program has allocated in the fiscal Year 2016 budget an amount of \$234,142 in CDBG entitlement funding for Program Year 2015-2016. At the time of this publication, the PY2015 funding allocation has been released by HUD; therefore, non-profit requests have been prioritized. Funded projects are not to assume that the request will receive funding until the Official Notice to Proceed is delivered to the eligible organization and only after all required sub recipient agreements and environmental reviews are recorded in project records for the program year.

The City of Prescott CDBG public service funds are earmarked to support funding needs of community organizations whose mission is to provide new or increased services for homeless and special needs population who are proven to be low to moderate income persons or households. Projects and activities within the City of Prescott are identified in the body of this action plan. Public Facility funds are specific to the development projects usually requiring physical development or improvements to infrastructure or public facilities that serve program target residents.

Efforts will continue in reducing homelessness, caring for Prescott's special needs populations, and providing CDBG funding to those organizations that are providing services to the low- to moderate-income population and/or clientele.

RELATIONSHIP OF ACTIVITIES TO CONSOLIDATED PLAN 2015-2019 PRIORITIES

The City of Prescott's 2010 – 2014 Consolidated Plan identifies housing and community development activities to be pursued in order to provide decent, affordable and safe housing along with needed community services and facilities for its residents. While the Consolidated Plan identifies a number of priority needs and strategies, the City will not pursue all areas of need in each program year because of limited resources.

The City, during 2015-2016, will focus its resources and efforts on increasing services for the special needs populations; continuation of providing nutritious meals to the homeless, and to the elderly homebound and disabled; critical home repairs for low income homeowners; facility

improvements for youth-at-risk programs; supportive services to Alzheimer Patient and Family caregivers; and supportive transitional housing support for families transitioning out of area shelters. All the projects being undertaken meet one of the three national objectives and will benefit low- to moderate-income persons and clientele.

The following priorities identified in the City of Prescott's Consolidated Plan follow. [A complete list of the City's Consolidated Plan Goals, Strategies and Priorities is available for viewing at the Office of the Grants Administrator, City Hall, 201 S. Cortez Street and on the City's website: www.cityofprescott.net.]

Homeless and Special Needs Population

Goal: Increase supportive services to homeless and special populations.

Project: Prescott Meals-on Wheels - Delivery of nutritious meals including weekend and emergency meals. (PMOW also receives funding from NACOG for weekday meals; however, NACOG does not fund weekend meals and funding has been reduced).

Project: Agape House of Prescott – Assist families transitioning from homelessness with housing and case mentoring.

Project: Coalition for Compassion and Justice – Purchase a range hood to bring the kitchen into compliance with fire codes and enable meals to be provided to homeless and low income residents.

Project: Alzheimer's Association, Desert SW Chapter, Northern Arizona Region. Promote and expand Prescott Alzheimer's Care and Support Program.

Project: Prescott Area Shelter Services – provide financial support grants to families transitioning out of the shelter to permanent housing.

Priority Strategy: Support organizations that provide supportive services to homeless and special populations.

Objective: Decent Living Environment

Outcome: Availability/Accessibility

The organizations represented include those serving special populations: Seniors, the seriously mentally ill, veterans, individuals recovering from drug and alcohol dependency and the chronically homeless as well as those serving the basic needs of homeless, at-risk and low-income families.

These individuals and organizations confirm the significant, unmet need for emergency, transitional and permanent services for seniors, at-risk and low-income households.

The greatest identified, unmet need is for housing and services for homeless families. It is agreed that this population represents the silent and unseen homeless, primarily because families fear the loss of their children to temporary, or even permanent, state custody.

Coordination with the Public, Agencies and Service Providers

Many of the organizations that serve the special needs population and those with low- to moderate-incomes participate in the Affordable Housing and Homeless Advocates (AHHA). The advocate group provides an avenue for the member organizations to work cooperatively towards meeting unmet needs. A perceived lack of a concentrated effort by the City to address affordable housing and homelessness issues continues to be a major concern, as has the lack of coordination among local government jurisdictions.

The list of projects and activities provided in the Introduction and Executive Summary of this action plan is intended to assist with future coordination between the City and other organizations wanting to develop housing projects. The City participates in a regional coalition to find solutions to the impediments to workforce and affordable housing issues. Municipalities participating in the regional coalition include the City of Prescott, the Town of Prescott Valley and Chino Valley.

With the availability of CDBG funds annually, and with a CDBG-dedicated staff person, the delivery system may be further refined as follows:

Goal: Increase coordination within city government, with other organizations and with organizations that serve low- and moderate-income and special needs populations.

Project: Update and maintain a current list of non-profit 501(c)(3) providers; and, offer a workshop for understanding the goals, eligible and ineligible activities, timeliness, monitoring and reporting requirements of the CDBG program.

Strategy: Participate in the Affordable Housing and Homeless Advocate Meetings.

Strategy: Continue participation in the Central Yavapai Metropolitan Planning Organization.

Strategy: Participate in the Dexter Neighborhood area meetings when possible.

Barriers to Affordable Housing

The Prescott City Council has identified workforce housing as a planning priority with an expectation that a housing plan will be developed. A General Plan Committee was appointed by the Mayor and Council in 2011 and has updated the General Plan. The General Plan and the Consolidated Plan support efforts to improve the availability of workforce housing. Both plans offer policies, regulations and procedures to reduce impediments to development and

costs of development of workforce level housing. Both plans provide information on the local real estate market, land values and construction costs.

Goal: Provide for a balanced community with a diversity of neighborhoods and residential housing types and prices.

Priority Strategy: Rezone property and allocate water to housing development that provides a diversity of residential housing types and prices, including units affordable to low- and moderate-income households in accordance with the affordable housing strategy.

City Council previously allocated 20% of the remaining water supply for affordable and/or workforce housing. The allocation is still in effect in 2015.

Objective: Decent Housing
Outcome: Availability/Accessibility

Priority Strategy: Evaluate the effectiveness of waiving or paying permit fees and paying impact fees for housing that is affordable for low- to moderate-income households.

Objective: Decent Housing
Outcome: Availability/Accessibility

Public Housing

The City of Prescott does not participate in, or operate, a public housing program. No program of this type exists within the community. The city administrative grant staff has attended and agrees to technically support the work of an ad-hoc group researching the potential to develop a Yavapai County Housing Authority.

Anti-Poverty Strategy

Consistent with the Consolidated Plan, reducing the number of households living below the poverty level include the following goal and related strategies:

Goal: Reduce the number of impoverished households in Prescott.

Strategy: Identify the populations with the greatest poverty level and incorporate housing and services for these populations into program development.

Strategy: Support Low Income Housing Tax Credit and other similar projects that incorporate housing and/or services for poverty-level households.

Strategy: Expand job availability for low-income persons through the enforcement of the Section 3 initiative which mandates that contractors on federally-funded construction projects attempt to recruit low-income subcontractors and employees.

Lead-Based Paint Hazard Reduction

The Residential Lead-Based Paint Hazard Reduction Act of 1992 emphasizes prevention of childhood lead poisoning through housing-based approaches. The City has established the following goals and strategies to address lead-based paint hazards. Houses or facilities built before 1978 that are being rehabilitated with CDBG assistance will be tested for lead in painted surfaces; consequently, if lead is present, it will be abated through removal or encapsulation as part of the rehabilitation contract.

Goal: Strengthen efforts to educate the public and private sector about lead-based paint poisoning hazards.

Project: Conduct a fair housing workshop / seminar for residents of Prescott, landlord/tenants, non-profit agencies, real estate agents, homeowner association representatives, LIHTC personnel, etc.

Strategy: Incorporate lead-based paint information and notification procedures into appropriate city-operated and sponsored housing and public service programs.

Strategy: Ensure sufficient equipment and environmental service resources are available to provide the testing necessary to conduct public facility and housing rehabilitation programs or projects.

Fair Housing

The City of Prescott was notified of CDBG “Entitlement” eligibility in August 2003; consequently, there was a requirement to update the Analysis of Impediments to Fair Housing (AI), a supporting document to the Consolidated Plan. The 2005 Analysis of Impediments to Fair Housing was outsourced to the Southwest Fair Housing Council (SWFHC) and was approved by Council on July 26, 2005. Due to constraints in the current economy, the updated Analysis of Impediments (AI) to Fair Housing (AI) was accomplished under the aegis of the Community Development Department planning staff. The revision to the AI was approved by City Council on August 31, 2010.

The City has and continues to make use of media tools (public service announcements, advertisements and mailings) to apprise the public on fair housing topics including predatory lending practices and landlord-tenant rights. A joint City of Prescott and NACOG fair housing workshop was held at NACOG on April 22nd, 2015 by the Southwest Fair Housing Council. Area non-profits, governmental agencies, and the general public were invited. 10 persons representing multiple organizations were in attendance.

The fair housing seminar notification was promoted utilizing multi outreach methods including: e-mail, radio announcement, website posting, and Fair Housing posters are always on display throughout high-traffic areas of the city. Additionally, Fair Housing Month was acknowledged by City Council with a proclamation on April 7th, 2015.

Goal: Ensure equal housing access for all persons regardless of race, color, religion, sex, handicap, familial status or national origin.

Project:

Conduct a fair housing workshop for residents of Prescott, Landlord/tenants, non-profit agencies, real estate agents, homeowner association representatives, LIHTC personnel, etc.

Strategy:

Develop a partnership with the local real estate sales industry to promote fair housing and justice in determining housing values and insurance ratings, especially in older neighborhoods and those undergoing transition.

FUNDING SUMMARY

Table 1 PY2015 CDBG Funding Plan provides a description of the activities the City will fund or projects we agree to undertake during the CDBG first year, 2015 Action Plan. As required the activities will assist Prescott residents who are at risk and are very low- to moderate-income. Vulnerable populations will have improved access to direct support services. Public Services will be targeted to our eligible homebound seniors, residents impacted by Alzheimer's, and the homeless population. Improved public facilities will benefit our school age at risk youth, low income residents in crisis, and homeless. The projects are designed to benefit eligible persons and families who live in Prescott. The funding and sub recipient contract terms of this plan are from July 1, 2015 through June 30, 2016.

Table 1 - PY2015 CDBG Funding Plan

2015 CDBG APPLICATION SUMMARY

TOTAL AVAILABLE FOR CONSTRUCTION PROJECTS = \$152,192

TOTAL AVAILABLE FOR PUBLIC SERVICE PROJECTS = \$35,121

<u>FY 2015 APPLICANT</u>	<u>CONSTRUCTION PROJECTS</u>	<u>CDBG REQUESTED</u>	<u>MATCH / OTHER</u>	<u>TOTAL PROJECT</u>	<u>FUNDING ALLOTTED</u>
BOYS AND GIRLS CLUBS OF CENTRAL ARIZONA	1) Renovations at Miller Valley for New BGCCAZ Location	25,100	5,400	30,500	
	2) Aubrey Street Recreational Facilities (construct B-ball Court & Field)	57,140	20,310	77,450	32,632
COALITION FOR COMPASSION AND JUSTICE / OPEN DOOR	Commercial Range Hood for Code Compliance	17,889		17,889	17,889
PRESCOTT AREA HABITAT FOR HUMANITY	Critical Home Repair Program	40,000	5,000	45,000	40,000
WEST YAVAPAI GUIDANCE CLINIC	Parking Lot Asphalt Removal and Replacement at WYGC Cortez Clinic	61,671	6,852	68,523	61,671
TOTAL					152,192

<u>FY 2015 APPLICANT</u>	<u>PUBLIC SERVICE PROJECTS</u>	<u>CDBG REQUESTED</u>	<u>MATCH / OTHER</u>	<u>TOTAL PROJECT</u>	<u>FUNDING ALLOTTED</u>
AGAPE HOUSE OF PRESCOTT	Housing / Case Mentoring	6,525	24,270	30,312	6,525
ALZHEIMERS ASSOCIATION	Helpline Calls / Home Visits / Support Groups for Caregivers and Families	7,500	19,075	26,575	7,500
PRESCOTT AREA SHELTER SERVICES	Rent Deposit / Utility Deposit	10,000	25,000	35,000	10,000
PRESCOTT MEALS ON WHEELS	Help Subsidize Meal Costs	22,118	198,373	220,491	11,096
TOTAL					35,121



PRIMARY ACTIVITIES AND PROGRAMS

The following projects and activities were suggested for funding during the community participation process that occurred as part of the Program Year 2015 Action Plan Process. The CAC and program administrator will, in support of community development and the public interest, provide funding and technical program administration to all *prioritized* requests received; though not necessarily guarantee request amount availability in full. Service providers are bound by the sub recipient agreement and reporting requirements of the program.

The following requests were submitted by 501(c)3 non-profit agencies for funding consideration during the 2015 Program Year cycle:

Community Facilities

- Boys and Girls Clubs of Central Arizona – 1) Renovations for New BGCCAZ Location (at Miller Valley or Washington School). Requested \$25,100 in community facilities funding assisting Low Moderate Clientele (LMC). 2) If renovation project does not come through, B&GC would like to construct a basketball court and field at the current Aubrey location. Requested \$57,140 in community facilities funding assisting Low Moderate Clientele (LMC).

Funding Plan \$32,632

- Catholic Charities – Renovate 4-bedroom home and two apartments to provide low income housing to homeless disabled veterans or veterans’ families. Requested \$107,000 in community facilities funding support assisting Low Moderate Clientele (LMC).

Funding Plan \$0

- Coalition for Compassion and Justice / Open Door - Commercial Range Hood for Code Compliance. Requested \$17,889 in community facilities funding assisting Low Moderate Clientele (LMC).

Funding Plan \$17,889

- Open Space Alliance – Drainage improvements at Grove and Lincoln. Requested \$30,000 in public facilities funding assisting a Low Moderate Income Area (LMA).

Funding Plan \$0

- West Yavapai Guidance Clinic – Parking Lot Asphalt Removal and Replacement at WYGC Cortez Facility. Requested \$61,671 in community facilities funding support assisting Low Moderate Clientele (LMC).

Funding Plan \$61,679

Housing

- Prescott Area Habitat for Humanity – Critical Home Repair Program. Requested \$40,000 in housing assistance funding assisting Low Moderate Clientele (LMC).

Funding Plan \$40,000

Public Services

- Agape House – Provide transitional housing and case mentoring for persons and families transitioning from homelessness. Requested \$6,525 in public service funding to assist Low Moderate Clientele (LMC).

Funding Plan \$6,525

- Alzheimer’s Association, Desert SW Chapter, Northern Arizona Region - Expand Prescott Alzheimer’s care and support program for patients and with an emphasis on the caregivers’ education and support. Funding requested is \$7,500 in public service funding to assist Low Moderate Clientele (LMC).

Funding Plan \$7,500

- Community Counts – Provide a certificate course for individuals re-entering Prescott from an Arizona prison and assign a Job Developer/Mentor to help secure jobs for program participants. Funding requested is \$22,384 in public service funding to assist Low Moderate Clientele (LMC).

Funding Plan \$0

- Northern Arizona Council of Governments - Develop and grow Career Pathways Program serving youth with significant barriers to employment. The funding will support assessment, career planning, and education upgrades. Funding requested is \$37,000 in public service funding to assist Low Moderate Clientele (LMC).

Funding Plan \$0

- Prescott Area Shelter Services – Homeless Transition Project proposed to offer households or individuals transitional housing support services and proposed matching funds to pay for moving expenses including utility and rental deposits. Requested \$10,000 in public service support that is directly assisting Low Moderate Clientele (LMC).

Funding Plan \$10,000

- Prescott Meals on Wheels – Homebound elderly program serving nutritious daily, weekend and emergency meals to the homebound and/or disabled. Requested \$22,118 in public service support that is directly assisting Low Moderate Clientele (LMC).

Funding Plan \$11,096

Program Administration

- Program Administrative costs including staffing, legal and professional services as required to administer the projects and entitlement funds of the CDBG PY 2015.

Funding Plan \$46,629

- Fair Housing education and outreach program.

Funding Plan \$200

GEOGRAPHIC DISTRIBUTION

Depending on the type of need being addressed, resources may or may not be geographically targeted. All of the CDBG public service programs will be available to eligible low/ moderate income residents citywide. The public facility development projects will be available in specific areas:

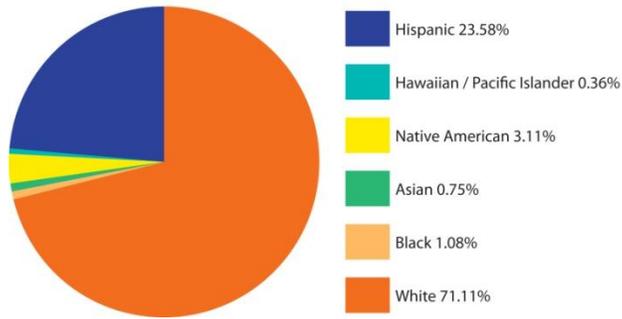
Public Facilities

- Off site street improvements will be constructed according to developed standards on Short Street and Meany Street, located in a CDBG eligible Low / Moderate Income area, known locally as the Dexter Neighborhood.
- Safety, accessibility and building code required improvements to offer transitional housing will support Prescott Area Family Shelter mission. Location: 337 N. Rush Street
- Accessibility, patient safety and barrier removal activities will improve the exterior patient environment for the Susan J. Rheem, Adult Day Center. Location: 826 Sunset Avenues.

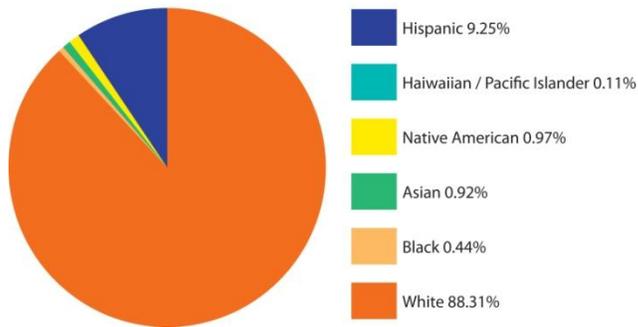
Community Development Target Areas are a HUD term for areas where at least 51% of the population in a Census Block Group is low and moderate income (LMI). However, Prescott is an “exception” community and at least 46.42% of the population in a Census Block Group must be LMI for the area to be considered. The City identified nine Census Block Groups that meet the 46.42% LMI exception. There are 10,547 households in these block groups: 5,681 (53.86%) are LMI; 1,376 (13%) are Hispanic; and 1,310 (12%) are minorities.

In general, CDBG facilities and infrastructure funding will be targeted to these areas. Potential projects include paving streets, replacing water mains, and storm water and ADA accessibility improvements. In the event that activities are proposed in an area that does not meet the exception criteria, a special survey will be conducted to ensure the activity meets CDBG requirements. The following map depicts areas that are LMI.

Dexter Neighborhood



City of Prescott



Source: Bureau of the Census: 2010 Census of Population and Housing: Race, Combinations of Two Races, and Not Hispanic or Latino: Prescott City Blocks. Summary File 1, Tables p. 8 and p. 9. Washington, D.C.: Bureau of the Census, 2010.

FIGURE 3 MINORITY CONCENTRATION COMPARISON CHART

Houshold Median Income for Block Groups within Census Tract 9, Yavapai County, AZ

This chart illustrates the number of households that fall below or meet the 80% income threshold for the block groups containing the Dexter neighborhood. Block groups 2 & 3, specifically comprise 98% of the Dexter neighborhood and are indicated with a grey box around their census data. Based on calculations for the U.S. Department of Housing and Urban Development the 80% income threshold for a 4 person household is **\$46,150**. Data that falls below this standard is demonstrated in **red** while the income breakdown that contains the 80% threshold is demonstrated in **blue**. It is important to note due to the aggregated nature of economic census data there is no way to definitively ascertain how many households in the \$45,000 to \$49,999 are either below or meet the 80% income threshold.

Block Groups	Less than 10000	10000 to 14999	15000 to 19999	20000 to 24999	25000 to 29999	30000 to 34999	35000 to 39999	40000 to 44999	45000 to 49999
1	56	48	15	67	56	110	12	49	13
2	66	40	74	82	27	27	14	105	63
3	0	12	69	74	29	0	39	13	0
4	118	94	53	111	27	12	33	30	29



Sources:
 2006-2010 American Community Survey Arizona. Population and Housing Characteristics. Washington, DC: Bureau of the Census, December 2011
 "FY 2012 Income Limits Summary, Yavapai County, Arizona." FY 2012 Income Limits Documentation System. U.S. Department of Housing and Urban Development. 13-12-2011. Web. 11 Jun 2012. <<http://www.huduser.org/portal/datasets/il/il2012/2012summary.odp>>

FIGURE 4 HOUSEHOLD AND INCOME - CENSUS TRACT 9

INCOME LIMITS – PROGRAM PARTICIPATION

Program Year 2015 – CDBG income limits offer the public and citizens a guide to determine their eligibility to receive assistance through CDBG supported public service programs. CDBG PY 2015 funded service providers generally will require specific intake procedures and proof of income documentation in an effort to document need and program year delivered services.

Table 2 State of Arizona CDBG Program Income Limits – Yavapai County.

2015 ARIZONA CDBG INCOME LIMITS

ARIZONA COUNTIES <small>Revised 4/21/15</small>	State of Arizona - CDBG Programs CDBG Program Income Limits								
		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON*
Yavapai County	30%	11800	15930	20090	24250	28410	32500*	34750*	37000*
MEDIAN HOUSEHOLD 56000	50% (Very Low-Income)	19600	22400	25200	28000	30250	32500	34750	37000
	80% (Low-Income)	31400	35850	40350	44800	48400	52000	55600	59150

Table 2 CDBG Program Income Limits

CDBG MONITORING PLAN

In order for the CDBG program to be effective, housing policies, goals, strategies and activities must be consistently monitored and revised as necessary. The City of Prescott has a dedicated grants administrator to coordinate and implement the CDBG program. The grants administrator will conduct monitoring reviews on a quarterly basis with service providers to insure that the programs and activities are being carried out in a timely manner in accordance with the Consolidated Plan and Annual Action Plan and funded activities.

Monitoring will occur to insure that the statutory and regulatory requirements of the CDBG program are being met. The grants administrator will determine whether a project is eligible under the CDBG program and the National Objectives of the HUD Program: 1) benefiting low- and moderate-income persons/clientele; 2) preventing or eliminating slums or blight on a spot or area basis; and, 3) addressing an urgent community need.

In addition, the grants administrator will monitor costs associated with each on-going funded activity. Monitoring will include: determining that costs are necessary and reasonable in relation to federal guidelines and policies; environmental review; clearance; and reporting procedures.

The City of Prescott will employ several tools of measuring the success of the CDBG activities in meeting local housing and community development needs. HUD requirements will be followed in carrying out the program goals of both the Consolidated Plan and the Consolidated Annual Performance and Evaluation Report (CAPER).

To increase CDBG program success, the grants administrator and members of the Citizen Advisory Committee are working on the following program plan for program year 2015:

1. Offer a timely and educational grant application workshop to non-profit organizations outlining the application process, monitoring practices, sub recipient agreements, timeliness requirements and recordkeeping for non-profit agencies.
2. Make available well in advance of CDBG application deadlines the CDBG Public Service non-profit application form to include pertinent information—i.e., project cost estimation, project timeline, proposed budget, program team, technical review and project development as requested for organizations that seek funding for new direct service programs or how may propose partnership opportunities to fund development projects.
3. Attend CDBG Program Administration training workshops when offered by HUD.
4. Consult and prepare resources necessary to research opportunities for funding and leveraging area resource, meeting with stakeholders and preparing to develop the Community Development Block Grant Program 2015-2019 Consolidated Plan.

PROGRAM YEAR 2014 CDBG – PROGRESS REPORT ON CURRENT ACTION PLAN

Current activity for projects funded in the CDBG 2014 program year (PY14) is on schedule, and public service and development projects will be accomplished within the funding year.

Public Service Activities

According to monitoring and reporting requirements of the program, the following public service projects have directly served our area low moderate residents with the following programs:

1. **Prescott Meals on Wheels** is providing home delivery and wellness checks to eligible homebound elderly and disabled residents. The dedicated volunteers have served almost 300 low to moderate persons with home delivered, weekend and emergency meals for a total of 3,108 hot nutritious meals.
2. **Cornucopia, Prescott Area Restorative Justice** has conducted facilitator training workshops and is assisting our local safety officers, court systems and at risk youth and families with this unique restorative initiative community service.
3. **Coalition for Compassion and Justice** emergency repair funds are being used for three residential emergency home repair projects consisting of roof repairs or replacements, two water heater replacements and one furnace replacement. Bids are currently being received for these projects.

4. **Prescott Area Shelter Services** has assisted 7 individuals transitioning from homelessness to a permanent residence with matching rent and utility deposit funds.
5. **New Horizons Disability Empowerment Center** is providing rides to disabled residents of Prescott seeking employment and requiring transportation to the DES facility in Prescott Valley. The program has assisted 18 disabled jobseekers so far.
6. **Fair housing education has been promoted with a joint training by Southwest Fair Housing, NACOG and City of Prescott**, with an event held on April 23rd, 2015. Information and resources on fair housing is also posted on the city website. The city is committed to furthering fair housing education and outreach.

The City is the acting local reporting agency for the public to voice their concerns if they suspect housing discrimination. The CDBG Program Administrator is assigned this duty and shall document and direct citizen complaints on fair housing. The website and resources have been reviewed to confirm current information, posters and fair housing information is also available at City Hall or by contacting the CDBG grant administrator at cdbg@prescott-az.gov or by calling 928-777-1143.

Public Facility Projects:

Prescott Area Shelter Services is completing code compliance conditions and facility improvements for their new family shelter facility scheduled to open summer 2015. The project's fire alarm system has been installed; additional code requirements including an ADA bathroom, egress windows, and a fire sprinkler system, have been bid out and awarded, and are expected to be completed by July 2015.

The Susan J. Rheem, Family Day Care Services public facility project – outdoor facility improvements which include, drainage improvements, security fencing, patio replacement and a covered Ramada area, is currently under construction and expected to be completed by the end of the 2014 program year, June 2015.

The Dexter Neighborhood continues to receive CDBG funding support using local capital and CDBG development funds to sustain an ongoing low to moderate income area revitalization. In program year PY2013, the Short and Meany Street road development project included engineering services to design off site road improvements.

The PY2014 allocated \$200,000 to the South Dexter Neighborhood road construction budget leveraging \$140,000 of CDBG funds with \$60,000 of City of Prescott capital improvement funds. The outcome is projected to complete construction of the Short and Meany Street by the end of June 2015. The offsite road improvements are scheduled to be completed by the end of calendar year 2016 and will provide needed neighborhood infrastructure road improvements. The road construction is near a proposed local housing project that is ready to develop five affordable single family homes.

Collective public and private intentions are to develop required public infrastructure that supports organizations ready and able to increase affordable housing stock that offer access to shopping, schools and the hospital.

COMMUNITY DEVELOPMENT PROJECTS SUPPORTED BY THE CITY AND/OR FEDERAL, STATE OR LOCAL RESOURCES

Low Income Housing Tax Credits (LIHTC) / LITFC Bradshaw Senior Apartments

The Bradshaw Senior Apartments, a LIHTC tax-credited complex, consists of 170 units of non-assisted, independent living for seniors who are 62 years of age or older or disabled persons. Currently, 162 units are completed with a waiting list of prospective tenants. This project is located in central Prescott, approximately one mile east of the Courthouse Plaza and within one block of public transportation.

The project received site-plan approval in 2008, and the water service agreement was reached with a portion of the City's water supply allocation that was set aside by City Council for affordable housing and workforce housing. According to the last update, 52.2% of the units are rented by households with incomes at or below 50% AMGI; and, 41.3% of the units are rented by households with incomes at or below 40% AMGI. Persons must incomes qualify to be able to rent these apartments.

In February 2015 the Prescott City Council adopted Resolution No. 4278-1487 committing up to \$125,000 for the Bradshaw Senior III project. As a result of the City's commitment affordable senior housing, this project will receive 10 points for Local Government contribution to qualify the project as part of the Arizona Department of Housing 2015 LIHTC Qualified Allocation Plan.

- Phase I: A 46-unit, 3-story senior apartment with 1- 2- and 3-bedroom units. (LIHTC)
- Phase II: A 52-unit family apartment complex of 3 buildings with 2- and 3-bedroom units. (LIHTC)
- Phase III: A 46-unit, 3-story senior apartment building similar to Phase 1. (LIHTC)
- Phase IV: A 20-unit, a 2.5 and 3-story apartment building with 2- and 3-bedroom units. (LITFC)
- Phase V: An 8-unit, 2-story apartment building of 1 bedroom units is still to be constructed.

Habitat for Humanity

Habitat for Humanity has two major, on-going affordable housing projects in addition to several smaller rehabilitation projects. The major projects include:

- Sonora Street – a multi-family, phased development project. The development of this affordable housing project is scheduled to take place within a three- to five-year time frame; however, due to the slow economy, there has been no progress since 2010.
- Madison Cottages – development for five single-family homes are in the planning stage. The platting process was submitted to the City in 2013-2014. The preliminary plat is approved and development is conditional to Short and Meany road construction and offsite improvements.

In support of increasing available affordable housing stock CDBG funds are committed to roadway infrastructure development. In PY2013 funds have been received for engineering services and authorized in the amount of \$25,000 in funding. Development of the roadway and offsite infrastructure cost are proposed for the PY2014. With the development of this public improvement, the habitat for humanity housing project is anticipated to receive final plat approval and the opportunity for housing will increase in the neighborhood by an estimated 5 housing units.

CDBG PROGRAM CONCLUSION

In order for the CDBG program to be effective, housing policies, goals, strategies and activities must be consistently monitored and revised as necessary. The City of Prescott has dedicated planning and engineering staff to coordinate and implement the CDBG program.

Monitoring will occur to insure that the statutory and regulatory requirements of the CDBG program are being met. The grants administrator will determine whether a project is eligible under the CDBG program and the National Objectives of the HUD Program: 1) benefiting low- and moderate-income persons/clientele; 2) preventing or eliminating slums or blight on a spot or area basis; and, 3) addressing an urgent community need.

The grants administrator will conduct monitoring reviews to insure that the programs and activities are being carried out in a timely manner in accordance with the Five-Year Consolidated Plan and Annual Action Plan. In addition, the grants administrator will monitor costs associated with each on-going funded activity. Monitoring will include: determining that the costs are necessary and reasonable in relation to federal guidelines and policies; environmental review; clearance procedures; and reporting procedures.

The City of Prescott will employ several tools of measuring the success of the CDBG activities in meeting local housing and community development needs. HUD requirements will be followed in carrying out the program goals of both the Consolidated Plan and the PY2015 Consolidated Annual Performance and Evaluation Report (CAPER).