

Community Development Block Grants CDBG Annual Action Plan Program Year 2022



Community Development Department
Michelle Chavez, CDBG Coordinator
City of Prescott, 201 S. Cortez Street, Prescott, AZ 86303
Phone: 928-777-1205

Email: michelle.chavez@prescott-az.gov
Website: <http://www.prescott-az.gov/business-development/community-grants/community-development-block-grants/>

CITY OF PRESCOTT

ANNUAL ACTION PLAN Program Year 2022

CDBG Funding Cycle: July 1, 2022 – June 30, 2023



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CDBG ACTION PLAN PROGRAM YEAR 2022 PRESCOTT FISCAL BUDGET YEAR 2023

PROCESS OVERVIEW AP-05 EXECUTIVE SUMMARY

INTRODUCTION

Prescott comprises about 44.9 square miles of land and has over 45,000 residents as per the 2020 US Census. 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.

The City of Prescott's CDBG Program Year 2022 Annual Action Plan addresses the community public service and housing needs of low to moderate income residents living in the City of Prescott. Both the Consolidated Plan 2020-2024 and the 2022 Annual Action Plans are implemented by the City's Community Development Department.

The City of Prescott is proposing **ten projects** in the 2022 Annual Action Plan (PY22-2023) that implement goals spelled out in the City of Prescott CDBG Consolidated Plan 2020-2024. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2022 and June 30, 2023.

The City's General Plan acts as the primary guide for housing and community development practices. Currently, the approved General Plan in effect 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 first 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 2020-2024 Consolidated Plan identifies four priority areas with ten strategies.

5-year Consolidated Plan Goals			
Activity	Special Population	Priority Level	5-year Goal
1. Revitalization, Public Facilities & Infrastructure			
Facilities & Infrastructure in Target Areas		High	4,700 people
Facilities & Infrastructure for Housing	X	High	220 people
2. Public/Human Services & Economic Opportunities			
Services to Meet Basic Needs	X	High	400 people
Health Related Services		High	200 people

Support Services & Shelter for People Experiencing Homelessness	X	High	100 people
Job Creation and/or Retention		Low	40 jobs
3. Homelessness			
Add Emergency Shelter & Transitional Housing Beds	X	Low	20 beds
4. Decent Affordable Housing			
Owner-occupied Housing Unit Rehabilitation	X	High	50 units
Renter Services	X	Low	50 people
Direct Assistance to 1 st -time Homebuyers		Low	10 households

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 City added two new strategies as part of the 2020-2024 Consolidated Planning process. Those two strategies are ***Health Related Services and Renter Services***.

The City of Prescott can amend this Annual Action Plan if there are unused funds or new funds that become available via CDBG.

The application process for provider requests began in October of 2021 with a needs workshop for interested parties at the City's monthly CDBG Citizen Advisory Committee. There were 37 people present in person or via Zoom. City staff gave an overview of the CDBG program and answered questions from the community as well as the Citizen Advisory Committee.

An application workshop was held in December of 2021 for interested parties to learn how to apply for 2022 CDBG funds and ask questions about the application and program timelines. There were 38 people present in person or via Zoom. Staff gave a presentation on how to submit a successful proposal and what to expect if a project is funded.

The people who attend CDBG workshops primarily represent non-profit agencies, the Citizen Advisory Committee and the Prescott City Council. Ten funding requests were received from ten agencies for PY 2022.

RESOURCES

The development of the Five-Year Consolidated Plan and Annual Action Plan provide a foundation for the use of Federal, State and local resources to address community development priorities. The HUD Community Development Block Grant PY2022 allocation is projected at \$238,526 (subject to change upon release of funding).

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 PY2022 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 2022 sub-recipient agreement is signed or a "notice to proceed" is issued by the City of Prescott.

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:

Of the approximate \$238,526 amount, a maximum of 15% (\$35,778.90) may be used for public service projects; 20% for administrative costs (\$47,705.20) which include legal notification, advertisements, fair housing workshop, administrator training, personnel and (non-construction) contractor costs. The balance (\$155,041.90) will be programmed and available for infrastructure 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, Capital improvement one cent sales tax funds, and other local public and not for profit resources.

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

It is the City's responsibility to competitively select grant funded projects with public participation in accordance with federal guidelines. Community Development staff, community leaders, public service providers and homeless advocates encourage citizen participation throughout the Consolidated Plan and Annual Action Plan process. This includes consulting local service organizations, holding public meetings, and encouraging public comment during the 30-day public review period.

2022 OBJECTIVES AND OUTCOMES SUMMARY

The City's key objectives for the PY2022 funding period will address Public Services, Public Facility/Infrastructure Development, increased affordable housing, improved housing, and ongoing support for businesses and families affected by the Coronavirus pandemic.

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.

2022 Public Services Objectives

- Providing workforce readiness training to low to moderate youth via Arizona Serve at Prescott College
- Providing essential transportation assistance for elderly and disabled adults primarily LMI via People Who Care and New Horizons Disability Empowerment Center
- Providing subsidized rental assistance to formerly incarcerated Prescott residents via the MATFORCE Yavapai Re-entry Project (YRP)
- Provide a workforce development needs assessment for youth 18-24 via the Yavapai Big Brothers Big Sisters program
- Provide a senior peer mentoring program to Prescott residents via Polara Health

2022 Public Facility/Infrastructure Objectives

- Provide improved LMI rental housing for formerly homeless veterans via US VETS by remodeling the former Officer's Quarters at the Prescott VA.
- Provide accessible nature trails at the Community Nature Center via the City of Prescott Recreation Services department.
- Provide improved residential housing quality for 10 LMI, elderly and disabled residents of Prescott via a new Minor Home Repair Program.

- Improve the quality of transitional housing for formerly homeless families at Agape House (Pre-Approved from 2021)

2022 CDBG Program Administration Objectives

- Continue to expand partnerships with non-profit groups, government agencies, and private entities to widen the reach of the Prescott CDBG Program.
- Lead and administer the PY22 CDBG Annual Action Plan according to federal guidelines.
- Work with the Prescott CDBG Citizen Advisory Committee to execute the CDBG 2020-2024 Comprehensive Plan.
- Coordinate with sub-recipients to ensure execution of projects and timely reporting of outcomes.
- Work to ensure completion of past CDBG programs and projects.
- Ensure required expenditures of CDBG program funds are met in a timely fashion.
- Purchase operational supplies and services associated with delivering the CDBG program.

2022 OUTCOMES SUMMARY

The City's outcomes for this planning period are directed at increased social service availability; increased economic opportunities, and housing and accessibility improvements which serve LMI veterans and people with disabilities. The City anticipates the following outcomes from its PY22 Action Plan activities will serve 1476 LMI Prescott Residents.

- Free rides for approximately 405 people to meet transportation needs for the elderly, disabled and those with physical challenges in the City of Prescott (225 PwC) and (180 NH).
- Provide 10 Prescott LMI youth with workforce development training and job placement services and assist 98 LMI Prescott household members.
- Provide improved economic opportunities for 65 LMI youth ages 18-24 via Yavapai Big Brothers Big Sisters.
- Provide up to 124 low income, formerly homeless veteran Prescott residents with improved housing at the VA.
- Provide senior peer mentoring to 125 Prescott residents.
- Provide 10 formerly incarcerated LMI residents with stable, affordable housing.
- Double the number of accessible nature trails in the City of Prescott at the Community Nature Center which serves over 4,000 residents annually 600 which are LMI.
- Improve the quality of housing for 10 LMI, elderly and disabled Prescott residents.
- Improve the quality of transitional housing for 9 formerly homeless families with up to 29 members at Agape House

EVALUATION OF PAST PERFORMANCE 2021

Public Services

- New Horizons Disability Empowerment (PY20) – Free Ride Advocacy Program. Awarded \$12,150.00 in public service funding to assist disabled and non-ambulatory Low Moderate Clientele (LMC). Program is ongoing and they plan on expending funds by June 30, 2022. They are about 50% spent.
- People Who Care (PY20) – Serving Prescott residents with transportation services and provide a much-needed door-to-door assistance that helps them live in their own homes. Awarded \$12,150.00 Program is on-going, and they are 50% spent. They are on track to spend entire grant by June 30, 2022.
- The Launch Pad Workforce Development / Project Launch – Awarded \$5,000 and program will be completed by the end of PY21 Program Year. Expect the invoice before June 30, 2022.

- Arizona Serve at Prescott College – Awarded \$8,000 and expect to spend entire amount by end of PY21.

Construction Projects

- Agape House of Prescott (AHOP) – Was awarded a three-year grant of \$50K per year. Has begun spending down their PY21 grant on internal improvements to transitional housing. They have approximately \$7K invoiced. They expect to spend down all of their PY21 funds by June 30, 2022.
- The Launch Pad Interior Renovation (PY20) –Creating Classrooms and Coffeeshop. Awarded \$50,000. Grand Opening in the Spring of 2022. Will be invoicing for interior renovations by end of PY21.
- Prescott Area Shelter Services (PY20) – Project Restore Phase 4. External Painting. Awarded \$6,000 and will invoice the City before the end of PY21.
- Boys and Girls Club Warming Kitchen (PY20) – Originally awarded \$38,970 and the bids came in high. The City did a substantial amendment and combined PY20 and PY21 for a total \$73,970. Project was re-bid as via a sealed process and lead bidder is a female owned contractor business. Should be completed by end of summer 2022. No invoices have been received yet.

Prescott Cares – CDBG-CV Dollars PY20

- The City of Prescott awarded the Prescott Chamber of Commerce Foundation a sub-recipient contract in early PY21 to administer the CDBG-CV (CARES ACT) dollars that the City was allocated. The City was awarded \$427,198 with 15% allocated to administering the program.
- So far, the City has spent \$155,173.82 in CDBG-CV dollars
- 20 Small and Micro Businesses have been assisted with Prescott Cares Dollars
- 16 Low Income Prescott residents have been assisted with Prescott Cares Dollars.

SUMMARY OF CITIZEN PARTICIPATION PROCESS AND CONSULTATION PROCESS

The City of Prescott encourages citizen involvement in the planning, implementation and evaluation of its CDBG Annual Action Plan. This 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 2022 has been developed in conjunction with input from citizens, social service agencies, non-profit providers, the Prescott CDBG Citizens Advisory Committee (CAC) and other interested persons.

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

Public Meetings, Hearings, and Notifications

The application process for provider requests began in October of 2021 with a needs workshop for interested parties at the City's monthly CDBG Citizen Advisory Committee. There were 37 people present in person or via Zoom. City staff gave an overview of the CDBG program and answered questions from the community as well as the Citizen Advisory Committee (CAC).

An application workshop was held in December of 2021 for interested parties to learn how to apply for 2022 CDBG funds and ask questions about the application and program timelines. There were 38 people present in person or via Zoom. Staff gave a presentation on how to submit a successful proposal and what to expect if a project is funded (Published in the Daily Courier 15 days in advance).

On January 19, 2022, The Citizen Advisory Committee heard presentations from all 2022 CDBG Applications. There were 10 presentations.

On February 16, 2022, the CAC made their final recommendations to move forward to the City Council in April after Public Review and Comment.

On March 16th, 2021, the Citizen Advisory Committee held a public hearing regarding the Annual Action Plan and opened the 30-day review and comment period (March 16th to April 15th, 2022). (Published in the Daily Courier 15 days in advance).

A draft of the 2022 CDBG Annual Action Plan 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 CDBG web page.

On April 26th the Prescott City Council held the 2nd Public Hearing (Published in the Daily Courier 15 days in advance). The Community Development Staff presented the 2022 Annual Action Plan to the City Council. Members of the public were provided an opportunity to comment. The Council action included a resolution, and permission to submit the Prescott 2022 Annual Action Plan to HUD.

SUMMARY OF PUBLIC COMMENTS

The City has received several public comments regarding the CDBG Annual Action Plan for 2022 via two workshops in 2021, the Citizen Advisory Committee meetings in 2022, and City Council meeting.

All Public Comments will be included in the public meeting minutes and submitted along with the 2022 Annual Action Plan to HUD.

SUMMARY OF PUBLIC COMMENTS OR VIEWS NOT ACCEPTED AND REASONING

There were no public comments or views that were not accepted. All of the questions were part of an open dialogue about the CDBG program and all participants seem to understand the program goals, rules and regulations.

EXECUTIVE SUMMARY

The City's outcomes for this planning period are directed at increased social service availability; increased economic opportunities, and housing and accessibility improvements which serve LMI veterans, elderly and people with disabilities. The City anticipates the sub recipients who are administering the PY22 Annual Action Plan will serve 1476 LMI Prescott Residents.

New items for 2022 are:

- ***Prescott Minor Home Repair Program*** for LMI Owner Occupied Homes which will be administered similar to the Prescott Cares Program via the Prescott Chamber of Commerce Foundation. Pilot Project goals is to do minor repairs in 10 homes.
- ***New Public Service Sub-Recipient – MATFORCE*** – Providing affordable rents to formerly incarcerated residents who are in the Yavapai Re Entry Program (YRP).

- New Construction Projects at the **VA / US VETS** and **Prescott Community Nature Center** (as described on pp 7).

Returning Agencies for PY22 are: **Arizona Serve of Prescott, People Who Care, New Horizons, Polara Health, Yavapai Big Brothers Big Sisters and Agape House** (as described on pp 7).

Pr-05 Lead & Responsible Agencies

NARRATIVE

The City of Prescott Community Development Department administers the Prescott CDBG Program. The program is executed via a variety of sub-recipient non-profit and government agencies as outlined in the Annual Action Plan Executive Summary.

AP-10 Consultation

INTRODUCTION

The City of Prescott encourages citizen involvement in the planning, implementation and evaluation of its CDBG Annual Action Plan. This 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 2022 has been developed in conjunction with input from citizens, social service agencies, non-profit providers, the Prescott CDBG Citizens Advisory Committee (CAC) and other interested persons.

SUMMARY OF COORDINATION BETWEEN ASSISTED HOUSING PROVIDERS AND GOVERNMENT, MENTAL HEALTH AND SERVICE AGENCIES

The City of Prescott and County do not currently have a Public Housing Authority. The City does participate in the Continuum of Care and hears regular feedback between public and private agencies regarding mental health and social services needed and provided.

COORDINATION WITH CONTINUUM OF CARE (COC)

The City participates in monthly two-hour meetings with the Continuum of Care. This group includes all the local homeless providers, Veterans Services, public and private agencies. All of the CoC agencies that are eligible are current or past sub recipients of the City of Prescott CDBG program. They have done a tremendous job leveraging their CDBG dollars to greatly improve services and housing for homeless vets, families, and those transitioning out of homelessness.

LIST OF AGENCIES AND GROUPS WHO CONSULTED ON THE PLAN, THE TYPE OF AGENCY AND WHAT SECTION OF THE PLAN WAS ADDRESSED BY THE CONSULTATION

United Way of Yavapai County – Overall Community Needs and Services

Northern Arizona Council of Governments – LMI Home Repair Program and Eligibility

City of Prescott – Recreation Services - Needs at the Community Nature Center and Coordination of Upgrades

- Planning Department – Challenges and trends in the City regarding development, affordable housing, transportation, and other planning needs.
- Building Department – Home Repair Needs, Frequent Code Violations

CDBG Citizen Advisory Committee – Overall Community Needs including Economic Development, Mental Health, Re-Entry Programs, Elderly and Disabled Needs, Workforce Development and Training Needs, Homelessness Needs, Transitional Housing Needs, Urgent Needs.

CDBG Sub Recipients and Applicants: Polara Health, People Who Care, New Horizons, Solari Inc., Prescott Chamber of Commerce, Agape House, US VETS, Arizona Serve of Prescott, Yavapai Big Brothers Big Sisters RE: - Overall Community Needs including Economic Development, Mental Health, Re-Entry Programs, Elderly and Disabled Needs, Workforce Development and Training Needs, Homelessness Needs, Transitional Housing Needs, Urgent Needs.

The general public who calls the City for emergency housing and emergency basic needs.

LIST OF ANY AGENCY TYPES NOT CONSULTED AND RATIONALE FOR NOT CONSULTING

The City CDBG Program typically only consults the State of Arizona via their website at this time. Primary use is to refer residents to Public Housing resources.

OTHER LOCAL, REGIONAL, STATE, FEDERAL PLANNING EFFORTS THAT WERE CONSIDERED WHEN PREPARING THE PLAN

The City meets monthly or as needed with the HUD Office in Phoenix and gets feed back on the programming and projects being considered. The City keeps in touch with other Yavapai County jurisdictions via the Continuum of Care / Collective Impact Group. This includes other Cities such as Cottonwood and Prescott Valley. It also includes Verde Valley Homeless Coalition and CYMPO - Central Yavapai Metropolitan Planning Organization.

ANNUAL ACTION PLAN AP-15 Expected Resources

INTRODUCTION

The City has not yet received its grant award letter from the US Dept. of Housing and Urban Development but the initial allocation announced on May 13, 2022 is \$238,526. No more than 15 percent of CDBG may be spent on Public Service projects and no more than 20 percent may be spent on administration of the program.

The City received a total of ten applications for PY22 CDBG dollars. There were eight public service applications and two construction applications. A majority of the agencies applying are previous CDBG grantees. There were three new public service applicants in 2022.

The total amount requested from the community was \$270,672 with matching dollars in the amount of approximately \$29.1 million.

All members of the Citizen Advisory Committee reviewed and scored the applications. A subcommittee met on February 9th to discuss the scores, applications, and funding available. The total amount of funding recommended by the subcommittee and full CAC is \$35,778.90 for Public Service and \$107,930.26 plus \$47,111.64 for Agape House (year two of their three-year grant). Total recommended for funding is \$190,820.80 and \$47,705.20 for administration.

The 2022 Annual Action Plan was presented at the March 16th CAC meeting and April 26th City Council meeting.

If appropriate, describe publicly owned land or property that may be used to address the needs

in the plan

The City owns the land and manages the Community Nature Center under the Recreation Services Department. The 2022 Annual Action Plan will double the amount of accessible nature trails within the City limits.

AP-20 ANNUAL GOALS AND OBJECTIVES

BASIC NEEDS

The 2022 Annual Action Plan will serve approximately 415 residents with services that meet their basic needs such as housing, food, transportation and medical care.

EMERGENCY AND TRANSITIONAL SHELTER

The 2022 Plan will improve the quality of nine transitional shelter units that serve formerly homeless families.

ECONOMIC DEVELOPMENT

The Plan will serve 65 Prescott residents with job training and placement to improve the lives of LMI youth. The 2022 plan will assist 10 formerly incarcerated residents with stable housing so they may remain employed.

FACILITIES AND INFRASTRUCTURE IMPROVEMENTS

The plan will improve the nature trail at the Prescott Community Nature Center by paving it. This will double the number of accessible trails in the City limits.

ESTIMATED LMI FAMILIES WHO WILL GAIN ACCESS TO AFFORDABLE HOUSING

This plan will help create 24 new affordable apartments for LMI Veterans and their families. The project is located at the VA in the former Officers Quarters homes.

AP-35 PROJECTS

INTRODUCTION

The City of Prescott is recommending funding for administration of the program, six public service projects, three construction projects, and one home repair program. All of these projects fall within our Five-Year Consolidated Plan Goals.

2022 PROJECT LIST

2022 CDBG Application Overview and Funding Recommendations					Funding Available
PUBLIC SERVICE PROJECTS	Project Description	Funding Requested	Match	Funding Recommended	
People Who Care	Transportation Program for low income and disabled people	\$13,000.00	\$329,384.00	\$7,438.00	\$7,104.81
Arizona Serve of Prescott College	Economic Opportunity, AmeriCorps Members	\$10,000.00	\$54,000.00	\$7,000.00	\$8,666.81
WYGC dba Polara Health	Senior Peer Mentoring	\$25,000.00	\$97,598.00	\$9,000.00	\$8,666.82
MATFORCE	Yavapai Rentry Project / Rental Assistance	\$9,600.00	\$18,400.00	\$6,000.00	\$5,666.82
Yavapai Big Brothers Big Sisters	Youth Workforce Development 18-24	\$2,340.00	\$8,315.33	\$2,340.00	\$2,006.82
New Horizons Disability Transportation	Transportation Program for low income and disabled people	\$16,000.00	\$0.00	\$6,000.00	\$5,666.82
Prescott Chamber of Commerce Foundation	Technical Assistance to Businesses	\$10,000.00	\$11,400.00	\$0.00	
Solari Inc.	Transportation Navigation for Prescott Residents	\$10,000.00	\$750,000.00	\$0.00	
TOTAL PUBLIC SERVICE PROJECTS		\$95,940.00	\$1,269,097.33	\$37,778.00	\$35,778.90
CONSTRUCTION PROJECTS	Project Description	Funding Requested	Match	Funding Recommended	
US VETS	Rehab of old Officer's Quarters into Veterans Housing	\$125,732.00	\$27,874,268.00	\$64,707.00	\$61,818.63
City of Prescott	Rec Services / Community Nature Center / Accessibility Improvements	\$49,000.00	\$31,000.00	\$49,000.00	\$46,111.63
Agape House of Prescott	9 unit Apartment Renovation	\$60,000.00	\$44,700.00	\$50,000.00	\$47,111.64
TOTAL CONSTRUCTION PROJECTS		\$ 174,732.00	\$ 27,905,268.00	\$163,707.00	\$155,041.90
Total amount requested		\$270,672.00	\$29,174,365.33	\$201,485.00	

* All amounts allocated are estimated and subject to change based on the HUD final allocations.

REASONS FOR ALLOCATION PRIORITIES AND CHALLENGES TO ADDRESSING UNDERSERVED NEEDS

All of the allocation priorities fall under our five-year plan goals. We are especially excited to start the new home repair pilot program. The challenge currently is we have many more public service-related requests than we are allowed to fund per the HUD funding distribution rules. It would be good to have more flexibility in how we can allocate dollars between services and construction projects.

AP-50 Geographic Distribution

All of the 2022 CDBG public service programs and construction projects are channeling the funds to support low- to moderate income and disabled residents. **Figure 1** is an updated CDBG LMI map with the HUD exception criteria. If the City decides to apply CDBG funds to benefit an eligible area, this is the map that will determine which areas are eligible.

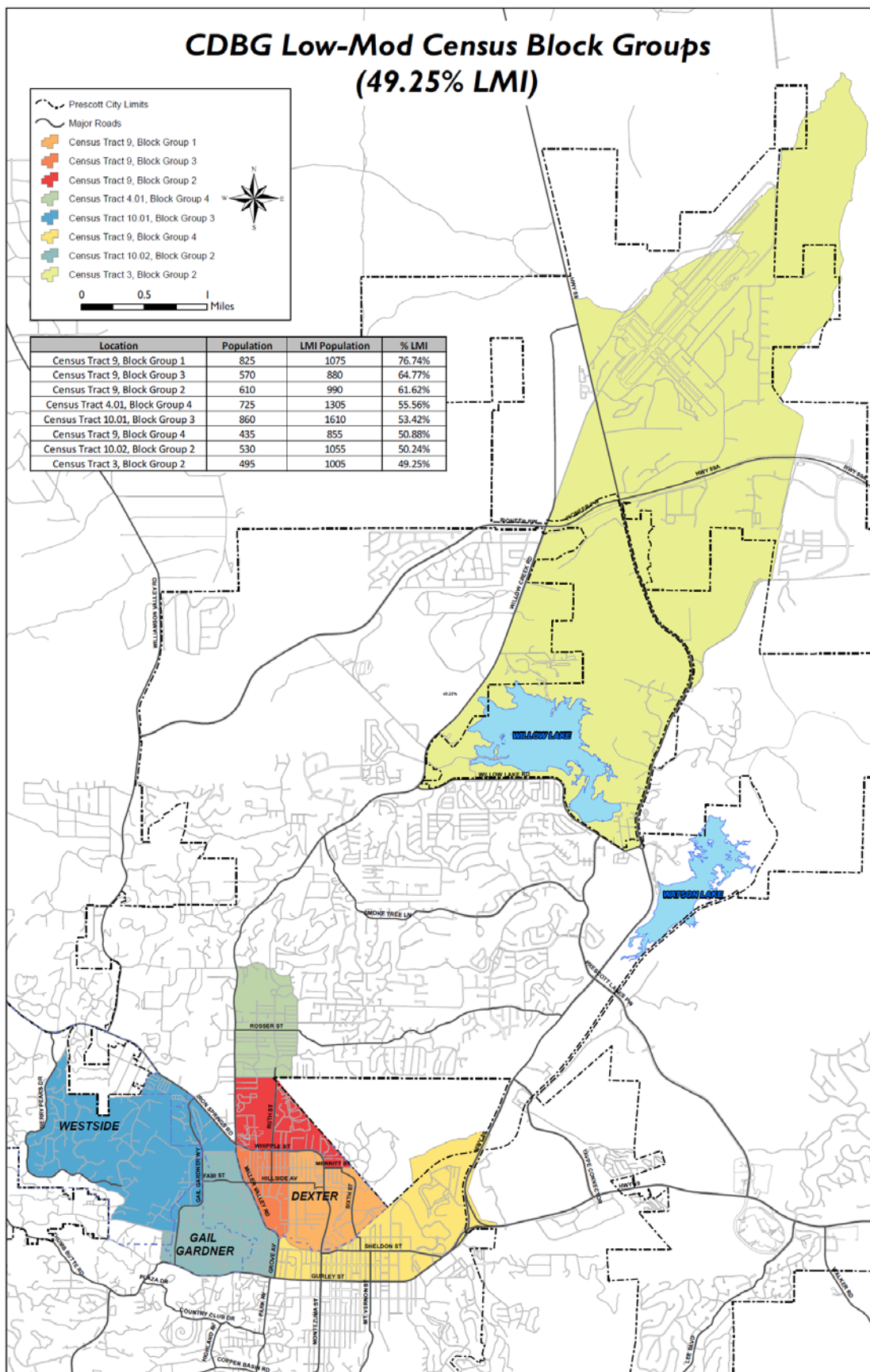


Figure 1. City of Prescott LMI Map using HUD Exception Criteria

AP-55 Affordable Housing

Introduction

Prescott comprises about 44.9 square miles of land and has 45,827 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.

Housing is generally considered affordable when a household pays not more than 30% of gross household income for total housing cost (rent plus utilities or mortgage). Households paying more than 30% of household income for housing are considered cost burdened, while households paying more than 50% of household income for housing are considered severely cost burdened.

Simply stated, housing cost burdened lower-income households may have little remaining to pay for the essentials such as clothing, food, transportation and child-care, while higher income households may choose to pay more for housing and still have sufficient income remaining for the essentials. Cost burdened households at all income levels impact local businesses that rely on discretionary spending.

<i>One Year Goals for number of households to be supported</i>	
Homeless –	151(124 US Vets Project) (27Agape House of Prescott)
Non-Homeless –	52
Special Needs –	203
Total	406
<i>One Year Goals for Rental Assistance, Production of New Units, Rehab of Existing Units, Acquisition of Existing Units</i>	
Rental Assistance -	10
Production of New Units -	0
Rehab of Existing Units –	42 (23 US Vets) (9 Agape House) (10 Prescott Home Repair)
Acquisition of Existing Units –	0
Total –	61

Discussion

According to the most recent Comprehensive Housing Affordability Strategy (CHAS) Data (2014-2018) and 2020 Census Data, the City of Prescott has 19,632 total households and of these 5,525 of them are cost burdened*** (Greater than 30% of total income goes to housing).

The most recent data also shows that 5,780 households have at least one housing problem*. 2,935 households have at least one of four severe housing problems**.

*1. The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.

**2. The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%.

***3. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

With 28% of the population being cost burdened when it comes to housing, the City of Prescott will continue to focus on how to alleviate the housing cost burdens and eliminate housing quality problems with CDBG dollars.

AP-60 Public Housing

Introduction

The City of Prescott does not currently have a public housing authority.

Action Planned for Public Housing

We have been in discussion with the Continuum of Care and the University of Arizona in terms of the public housing needs here in Yavapai County. We do not feel that it is our City's role to manage the Public Housing Authority. We see the housing crisis as a regional issue and believe that if there is a Public Housing Authority set up, it should be a County-Wide, regional body with representatives from local towns and cities.

Actions planned to encourage public housing residents to become more involved in mgmt. and participate in home ownership (N/A)

We will continue to collaborate with our Continuum of Care partners, Yavapai County, and other Cities and Towns in the Quad City Area of Arizona. There is little coordination with the state housing authority that serves Yavapai County because they only offer 89 vouchers for Section 8 and the waiting list is closed. The best that the City of Prescott can do to assist residents with affordable housing and statewide public housing is to connect them to the three links that ADOH has on their web page. There they can sort by area, find all statewide Public Housing Contacts, and also link to a HUD GIS map that shows where all low-income tax credit apartments and senior housing is in the State.

AP-65 Homeless and Other Special Needs Activities

Introduction

The City of Prescott CDBG Program works with the non-profit community each year to address the needs of the homeless population as well as special needs. All of our programs serve homeless and special needs population to some extent.

Virtually all of the local and County-Wide organizations that serve the homeless and special needs populations participate in "Collective Impact" which also serves as our area's CoC. This group convenes on a monthly basis to discuss progress on ending homelessness and serving those who are highly mobile or choosing to live outdoors. The City meets with the CoC each month.

This group has a "Housing First" approach to meeting the needs of the homeless and highly mobile population. They help produce a resource brochure and are uniquely connected to track services as they are provided. All of the homeless serving organizations in Prescott practice "Coordinated Intake" to make sure that special populations are not falling through the cracks.

Given the limited financial resources and the combined capacity of the City and other jurisdictions to deliver needed housing services, the system functions satisfactorily. With the availability of CDBG funds annually, and with a CDBG-dedicated staff person, the delivery system may be further refined as needed.

Outreach to Homeless to reduce homelessness

The City has the opportunity to volunteer for the Point in Time Count each year and can speak directly with homeless and highly mobile residents. Residents call the CDBG Grant Coordinator to get emergency housing and services information. The City coordinates outreach via our subrecipients also.

Emergency Shelter and Transitional Housing Needs

The City has improved the quality of our family shelters at PASS and transitional housing at Agape House of Prescott by replacing roofs, adding an addition, improving accessibility, and much more. The City will continue outreach and engagement to all homeless services and encourage them to apply for annual CDBG funds.

Helping the homeless persons (especially chronically homeless families, individuals, veterans, unaccompanied youth make the transition to permanent housing and prevent these folks from being homeless again.

The City's CDBG Coordinator works with the Collective Impact Coalition to reach out to the agencies who serve the homeless, mentally ill, formerly incarcerated, and others to provide access to CDBG dollars. CDBG Funded Agencies: PASS, Agape House, US VETS, Polara Health, and MATFORCE and The Launch Pad all work with these populations to help them and prevent them from slipping into homelessness again.

AP-75 Barriers to affordable housing

Introduction

The Prescott City Council has identified workforce housing as a planning priority with an expectation that a housing plan will be developed. The City's General Plan will be updated in the next five years and will include a more robust focus on affordable housing.

Both the five-year plan and general plan address government policies, regulations and procedures that may impede development and/or increase the cost of development. Both plans provide information on the local real estate market, the increasing land values and increasing construction costs. Other impacts will be explored such as the impact of vacation rental home conversions and remote work policies.

Actions planned to remove or ameliorate the negative effects of public policies

The City prioritizes keeping the variety of zoning options that allow for trailers, modular homes, etc. within the City limits. The goal of the City is to keep our housing options flexible. The City will undertake a housing needs assessment as part of our General Plan Update.

AP-85 Other Actions

Actions planned to meet other underserved needs

Fair Housing

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. The City holds annual Fair Housing Workshops with SWFHC. Our target audience are our local realtors, landlords and tenants.

The fair housing seminar notification was promoted on-line, radio ads, and emailed out to interested stakeholders.

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

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.

Actions planned to foster and maintain affordable housing

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

Update the General Plan and Five-Year Consolidated Plan to include a housing needs assessment.

Update the plans on affordability and newest data from CHAS on cost burdened households.

Actions planned to reduce lead-based paint hazards

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.

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

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

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

Actions planned to reduce the number of poverty-level families

The City will continue to support LMI families with basic needs, transportation, rental assistance, home repair and more. Supporting these functions allows families to stay out of poverty.

Planning future affordable housing needs will reduce the amount of cost burdened families.

Provide job training and placement services for LMI youth will help them avoid poverty by obtaining living wage jobs.

Actions planned to develop institutional structure

Continue to work with the Continuum of Care organizations who implement the programs that have shown the most success.

Continue to update the General Plan and Five-Year Consolidated plan to come up with assessments and strategies to develop an institutional structure.

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

Work with Yavapai County and other jurisdictions on coordinating our services to maximize impact and success.

AP-90 Program Specific Requirements

Summary of Program Income, Section 108 Loans, Surplus funds

The City does not generate program income with CDBG dollars. Nor do we have any Section 108 loans.

Summary of percentages – LMI, Urgent Need, Slum and Blight

100 Percent of the CDBG Dollars will be used to serve Low to Moderate income Prescott residents.

CONCLUSION

The City of Prescott was designated a “CDBG Entitlement Community” through HUD in 2003 and has updated its Consolidated Plan for 2020-2024. Since designation, the City of Prescott has submitted HUD approved annual plans which include sub-recipient grants for HUD approved programs and projects.

Since 2014, the City of Prescott has awarded over 2.3 million dollars in CDBG funds to improve the quality of life for Prescott residents primarily of low to moderate income (LMI). The chart shown in **Figure 2 explains the breakout of the funds. Overall, the funds break out to 31% Public Service** and 21% Neighborhood Revitalization and 48% Construction.**

The Draft CDBG Annual Action Plan for 2022 is similar to what the City of Prescott has funded in past years and assists residents who are most in need of services and housing improvement.

Two new items in the 2022 Annual Action Plan are the creation of a Minor Home Repair Program for City of Prescott LMI homeowners, and funding for formerly incarcerated residents via MATFORCE.

*****This is higher than the typical HUD requirements of 15% Public Service because this figure includes the CARES Act money in which the Public Service Cap was waived due to the Coronavirus pandemic.***

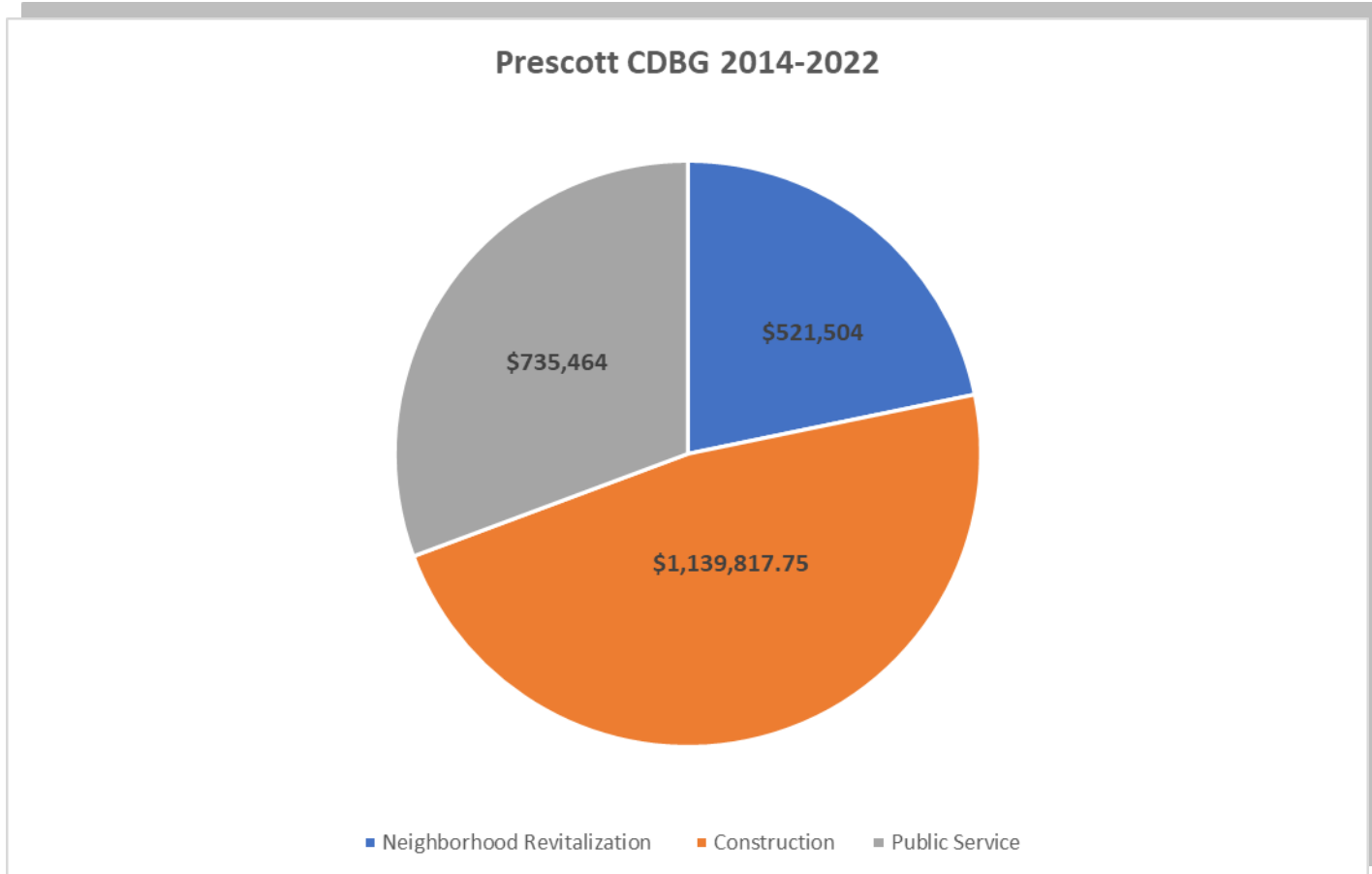


Figure 2

Program monitoring will ensure that the statutory and regulatory requirements of the CDBG program are being met. City staff 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.

City staff will conduct required environmental assessments, assist with competitive bidding processes, and assure all projects and programs comply with local, state and federal regulations.

Staff and sub recipients will report program performance and evaluation in an annual report (CAPER).