Community Development Block Grants 2012 Annual Action Plan

DRAFT – 03-05-12

CITY OF PRESCOTT
ARIZONA
Everybody's Hometown

Please direct comments to:

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The 30-day comment period for the Draft Action Plan 2012 begins on March 8, 2012 and ends on April 6, 2012.

CITY OF PRESCOTT

2012 ANNUAL ACTION PLAN

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Marlin Kuykendall

City Council Members
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Alan Carlow (CDBG Liaison)
Steve Blair
John Hanna
Chris Kuknyo
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xx = TO BE ADDED AFTER PUBLIC COMMENT PERIOD ENDS AND PRIOR TO SUBMISSION TO HUD FOR APPROVAL.

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FY2012 ANNUAL ACTION PLAN

Executive Summary

The City of Prescott is proposing projects in the FY2012 Action Plan that address safety in the Dexter Neighborhood (LMI), facilities that provide shelter and treatment programs (LMC), and repairs to elderly, low-income housing. These projects include rehabilitation of West Yavapai Guidance Clinic transitional housing treatment facilities; Prescott Meals on Wheels weekend emergency meal funding to the elderly homebound and disabled; educational programs supporting fair housing; Catholic Charities weatherization of low- to moderate transitional housing units; Coalition for Compassionate Justice, roof, heating and cooling repairs to LMI owner-occupied households.

The proposed projects will create suitable living environments for the very low- to moderate-income population and will assist with decreasing homelessness in Prescott.

The City of Prescott supports those organizations providing housing for special needs populations as well as low-income housing projects. Projects within, but not administered by the City of Prescott, are identified in the body of this action plan.

Although the overall housing market is in decline and raw land prices are rising, affordable housing continues to be out of reach for a significant segment of the low- to moderate-income persons and families living in Prescott. Very few homes in the "affordable" price range have been, or are, on the market; and, ever-rising development costs continue to contribute to the lack of success in expanding the affordable housing arena.

The programs undertaken by the previous grants administrator are being continued and are now under the aegis of the Community Development Department.

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 clientele.

Prescott City Council continually supports the efforts of the Community Development Block Grants program.

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FY 2012 ANNUAL ACTION PLAN

Introduction

The Annual Action Plan for Federal Fiscal Year (FY) 2012 is the City of Prescott's third Action Plan under the 2010-2014 Consolidated Plan.

Prescott was notified of "Entitlement Status" by the U. S. Department of Housing and Urban Development (HUD) 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 2010-2014 Consolidated Plan identifies 22 priority goals and strategies:

- Homeless and special needs populations (3)
- Affordable housing (11)
- Minority and low-income neighborhoods (3)
- Barriers to affordable housing (2)
- Fair housing (1)
- Lead-based paint mitigation (1)
- Public infrastructure (1)

All of the individual goals are considered to have "equal weight" in relation to the needs of the community. 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.

Primary Activities of the FY11 Action Plan

The following projects and activities were suggested for funding during the community participation process that occurred as part of the FY11 Action Plan Process:

- Prescott Meals on Wheels – Homebound elderly program serving weekend emergency meals to the homebound and/or disabled. $15,000 public service support.

- AWEE (Arizona Women's Education and Employment) – Operational Costs for LMC Availability/Sustainability. $15,000.

- City of Prescott – Fair Housing education program. $3,000 public service support.

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- West Yavapai Guidance Clinic – facility improvements at multiple locations including Hillside Center and Cortez Center. LMC Availability/Sustainability FY10 Carryover $10,998, FY11 $157,840.

- Adult Day Care Center – new roof. $45,000 [the roof was installed prior to receiving HUD approval; therefore, an amendment to the FY2011 Annual Action Plan is currently being undertaken and is scheduled for the April 10, 2012 Council Public Hearing. The public comment period is March 8 through April 6, 2012].

- Project Aware – purchase of property at 502 S. Montezuma Street for six units of rental housing for the formerly homeless. $160,900. LMC Availability / Accessibility, Homeless Prevention [The FY2011 Annual Plan was amended on April 5, 2011 by City Council.

Requests Received for the FY2012 Action Plan

The following requests were submitted by 501(c)3 non-profit agencies for funding consideration during the 2012 cycle (alphabetically):

1. ***Catholic Charities*** – $32,306 for weatherization, window glazing, fencing, parking, grading of women's housing.
2. ***Coalition for Compassion and*** Justice -- $15,000 to assist in repairs to heating and roofs for low-income mobile homeowners.
3. ***Community Legal Services*** -- $20,000 for community outreach and operational costs.
4. ***Dexter Neighborhood (City of Prescott)***-- $ $61,800 to install sidewalks, ADA ramps and safety lighting in the neighborhood which houses low- to moderate-income persons.
5. ***Four County Conference on Disabilities*** -- $15,000 for life skills training and staffing for low- to moderate income persons/clientele..
6. ***Granite Peak Unitarian Universalist Congregation*** -- $8,700 for computer lab for ESL students, supplies, curriculum writing and instruction, advertising for neighborhood (Dexter) cleanups, tool program and part-time resource coordinator.
7. ***NAZCARE, Inc.*** -- $6,000 to rehabilitate lower-level including cooling/heating duct improvements, painting/drywall, computer cables and ADA entrances for low- to moderate clientele.
8. ***Prescott Area Habitat for Humanity*** -- $150,000 for Madison Park Cottages (6 single-family homes) infrastructure, permits and impact fees for low- to moderate clientele.
9. ***Prescott Area Women's Shelter*** -- $10,000 for flooring, carpeting, cabinetry and/or possible roof repair for low- to moderate clientele.

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10. ***Prescott Meals on Wheels*** -- $30,000 to provide weekend meals for the low- to moderate-income elderly homebound and disabled.
11. ***Project Aware*** – Demolition of uninhabitable house that is scheduled to be replaced with six units of low- to moderate income housing.
12. ***United States Veterans Initiative*** -- $21,000 to furnish eight studio apartments and six 2-bedroom units of housing for low- to moderate income persons.
13. ***West Yavapai Guidance Clinic*** -- $88,908 to replace two generators, replace steps and sidewalks to ADA standards and rehabilitate 639 Dameron Drive for the purpose of providing child services to low- to moderate-clientele.

The following is requested by the City of Prescott:

14. ***Dexter Neighborhood (City of Prescott)***-- $ $61,800 to install sidewalks, ADA ramps and safety lighting in the neighborhood which houses low- to moderate-income persons.

Lead Agency

The City of Prescott is the lead agency for implementation of the Consolidated Plan, Action Plans and the CDBG Program.

The FY 2012 Annual Action Plan includes the following:

1) Introduction
2) Citizen Participation
3) Community Profile
4) Sources of Funds for Community Development Activities
5) Annual Action Plan, including Activities to Occur in the City of Prescott's FY 13 and HUD FY12 funds
6) Other Community Needs/ CDBG/HUD Projects in Progress
7) Summary of City FY2011-2012 Budget
8) Relationship of Activities to Consolidated Plan Priorities
9) Minority and Low-Income Neighborhoods
10) Community Development Needs
11) Homeless and Special Needs Populations
12) Coordination with Other Organizations and Agencies
13) Affordable Housing
14) Barriers to Affordable Housing
15) Public Housing
16) Anti Poverty Strategy
17) Lead-Based Paint Hazard Reduction
18) Fair Housing
19) Geographic Distribution
20) Monitoring Plan
21) HUD Forms, Application (to be included in final plan)
22) Local Government Certifications (to be included in final plan)

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Citizen Participation in Consolidated and Action Plan Development

A six-member Citizens Advisory was reappointed by the Mayor to work with City staff, advisors and the community on issues and subjects associated with housing and community development.

- The committee held regular meetings on the following dates:

  January 4, 2012 (Committee meeting to set timeline, elect chairman)
  February 15, 2012 (Prioritize/rank requests from non-profit providers)
  February 29, 2012 (review 1st draft of annual plan)
  April 11, 2012 (review annual plan, add public comments)

- Three public hearings were held (or will occur) on the following dates:

  February 8, 2012 (requests non-profit providers and public commentary)
  March 27, 2012 (draft annual plan presented at City Council)
  April 10, 2012 (substantial amendment to the FY11 Annual Action Plan)
  May 8, 2012 (approval of annual plan at City Council)

The City of Prescott actively solicited participation of residents, community stakeholders, and other local non-profit agencies in identifying housing and community development needs in Prescott and prioritizing the expenditure of CDBG funds. Public meetings and public hearings were conducted at City Hall which is ADA accessible. A Spanish translator is on staff to answer questions, both spoken and written, that may arise on any aspect of the CDBG program.

During March a 30-day comment period began on March 8, 2012 and ended on April 6, 2012. The FY 12 Action Plan was made available for public review during this period. Copies were made available at: City Hall, Office of Grants Administration and in the lobby area, 201 S. Cortez Street Prescott; Prescott Downtown Library 215 E. Goodwin Street; and on the City's website, www.cityofprescott.net.

The City worked proactively with agencies throughout the process. Thirteen agencies submitted requests for the FY12 Annual Action Plan. Contact was made with 38 provider agencies informing them of the process and dates of meetings and public hearings. Requests from non-profit providers showed an increase of approximately 10% over the FY2011 Annual Action Plan.

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History

Prescott was founded in 1863 and incorporated in 1883. During the late 1800s, Prescott twice served as the territorial capital of Arizona. The Governor's Mansion is now preserved on the grounds of the Sharlot Hall Museum.

In 1864, the town site of Prescott was surveyed and laid out along Granite Creek where gold had been panned. The town was designated the capital of the new territory of Arizona after it was separated from New Mexico. President Lincoln wanted the territorial capital in the northern part of the territory, far away from the Confederate sympathizing cities to the south.

Lincoln also decided to populate this new capital with Northerners and Mid-westerners; and, this decision resulted in Prescott being the most Mid-western looking city in Arizona. Victorian homes and peaked-roof houses were built—a far cry from the adobe structures that were more common in the Southwest.

The early economy of the area centered on cattle ranching and mining. In July of 1900, a fire destroyed much of Prescott's commercial district. Within hours, makeshift shelters were erected on the Courthouse Plaza, and businesses began rebuilding. Following the fire, most buildings in the downtown area were reconstructed of brick, providing today's rich architectural heritage.

Dubbed "Everyone's Hometown," Prescott is culturally diverse--from its downtown Courthouse Plaza, famous "Whiskey Row", historic preservation emphasis with 809 buildings on the National Register of Historic Places, the World's Oldest Rodeo, Prescott Fine Arts Association, Sharlot Hall Museum, Phippen Art Museum, Folk Arts Fair, Frontier Days and Territorial Day--to the official designation by the State of Arizona as "Arizona's Christmas City". On February 14, 2012, the City of Prescott celebrated 100 years of statehood with the opening of a time capsule from 1962; consequently, sesquicentennial candidates will, once again, open the time capsule in 2062.

Location

Located in the mountains of north central Arizona approximately 90 miles northwest of Phoenix and 90 miles southwest of Flagstaff, the City borders the Prescott National Forest to the south and west. The average elevation is 5,400 feet. The local climate is mild, with average high temperatures ranging form 50° to 90° Fahrenheit; and, the average precipitation recorded at 19.8 inches, most of which is rain. Prescott and the nearby towns of Chino Valley, Prescott Valley and the newly-incorporated Dewey-Humboldt form what is known locally as the "Quad-City" area.

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City Government

The council-manager form of government was adopted in 1958. The mayor is elected on a non-partisan ballot to represent the City of Prescott for a two-year term. The six members of the City Council are elected at large for four-year terms on a nonpartisan ballot. Three of the six positions and the mayor's position are up for re-election at the same time. Under the provisions of the City Charter, City Council appoints a city manager responsible for carrying out its established policies and administering operations.

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, amended in October 2009; and, an 11-member 2011 General Plan Committee, appointed by the mayor and council, is working to update the plan during 2012. 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 Consolidated and Action Plans.

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Source of Funds for Community Development Activity &
Annual Action Plan Activities to Occur in Federal Fiscal Year 2012

The development of the 2010-2014 Consolidated Plan and this FY2012 Action Plan provide a foundation for the use of federal, state and local resources to address community development priorities. For this, the third year program, the HUD Community Development Block Grant FY2012 allocation is projected at $222,897.

A city 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:

PROGRAM NAME	PROGRAM TYPE	FUNDING AMOUNT
Fair Housing	Fair housing programs, events, education ***Public Services***	FY12 Funds $1,430
Prescott Meals on Wheels	Weekend emergency meals to homebound elderly and special needs populations. LMC Availability/Sustainability ***Public Services***	FY12 Funds $32,000
Catholic Charities	Weatherization repair costs for low-to moderate income women LMC Availability/Sustainability ***Decent Housing***	FY12 Funds $11,200
Coalition for Compassion & Justice	Repair heating / roofing in senior low-income mobile homes LMC Availability/Sustainability ***Decent Housing***	FY12 Funds $15,000
Dexter Neighborhood	Sidewalk, ADA ramps, safety lighting improvements LMI/ Sustainability	FY12 Funds $60,473
West Yavapai Guidance Clinic	Improvements at Hillside Center and Cortez Center LMC Availability/Sustainability	FY12 Funds $57,000
Administration, general	All administrative costs to provide implementation and completion of the FY12 grant, including: advertising, noticing, bid preparation costs, wages, postage, etc.	FY12 Funds $45,794
	Anticipated Total FY2012	**$222,897**

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Other Community Projects Supported by the City

LIHTC / LITFC
Bradshaw Senior Apartments

The Bradshaws 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 income qualify to be able to rent these apartments.

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 planned by Michael Payatek, Architect. 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 – plans for six single-family homes are in the planning stage. The platting process will be submitted to the City in 2013. Along with alternate sources of funding, Habitat will request CDBG funding for engineering, infrastructure, etc.

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City of Prescott FY2012-13 Budget Process:

Budget Amendments and Basis of Presentation

FY2012-2013 Budget Calendar	
January 31, 2012	Council Budget Action Plan session
February 9, 2012	Departments/Divisions provided with budget preparation instructions fo FY2012-13. Instructions located on the City's portal under link, "Budget Blog."
March 9, 2012	Base budgets due
March 23, 2012	Capital requests for FY2013, including estimated endings and carry overs of FY2012 projects. Anticipated FY2013 grants information due
April (mid)	Review of base budgets, capital, new personnel and issues identified by city manager, budget and all departments.
May 24, 2012	Budget presented to City Council and the public at a workshop.
June 12, 2012	Council adopts "tentative budget" and sets date for public hearing on final budget, expenditure limitation, and tax levy
June 26, 2012	Public hearing on final budget, Council adoption of final budget and five-year capital improvement program as well as establishment of expenditure limitation.
July 10, 2012	Council adoption of tax levy ordinance.

AMENDING THE BUDGET, BUDGET BASIS, AND FUND STRUCTURE

AMENDING THE BUDGET

Control of each legally adopted annual budget, according to City Charter, is at the department level. The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (object codes) within an office, department or agency. The City Manager generally gives authority to department heads to exceed one line item as long as other line items are reduced by a like amount. These arrangements are usually made directly between the requesting department and the Budget and Finance Department.

At the request of the City Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between one office, department or agency to another.

The other option in amending the budget, according to state law, is for the Council to declare an emergency and then transfer the monies from one project to another. In essence, any approved Council transfers do amend the budget although the budget is never reprinted. All transfers are reflected on the following year's legal schedules as required by the Auditor General's Office.

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BUDGET BASIS

The City of Prescott budget as adopted is substantially consistent with generally accepted accounting principles (GAAP) with major differences being (1) encumbrances are treated as expenditures at fiscal year end; (2) certain liabilities, such as vacation and sick pay, are not accrued at year end for budget purposes; (3) interest expense has been accrued for GAAP in some General Fund departments, but not expenses in the budget comparisons; (4) depreciation is not budgeted as an expenditure in budgetary accounting; and (5) capital outlay is an expenditure in budgetary accounting and an asset in GAAP.

FUND STRUCTURE

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City of Prescott uses the following funds in its budget process:

The **GENERAL FUND** is established for the revenue and expenditures necessary to carry out basic governmental activities of the City such as police protection, recreation, planning, legal services, administrative services, etc. General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements such as parks or streets are accounted for elsewhere in the Special Revenue Funds, Capital Project Funds, Enterprise Funds or Expendable Trust Funds.

SPECIAL REVENUE FUNDS are used to account for revenues derived from specific Budgetary Funds, Governmental Funds, Proprietary Funds, General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Fund, Fleet Maintenance, Risk Management, Engineering, Facilities Maintenance, Water, Wastewater, Solid Waste/Transfer Station, Airport, Golf Course, Parking Garage, Streets, Open Space, and Transient Occupancy, Grants, Impact Fees, Miscellaneous Gifts and Donations, Debt Service Funds, Permanent Funds and Acker Trust.

Streets and Open Space – 1% Additional Tax and Highway User Revenues
In September, 1995, the voters approved increasing the sales tax rate from 1.0% to 2.0% for the purpose of street repairs and improvements for a ten year period effective January 1, 1996. In May, 2000, the voters expanded the use of the funds to include open space acquisitions and extended the sunset to January 1, 2016. In September of 2009, the voters approved the extension of this tax at ¾% for street repairs and improvements. Financing for this fund is also provided by

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the City's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain or construct streets. Beginning in FY2011, the Highway User Fund and Streets and Open Space Funds were combined. The accumulation and expenditure of these funds are accounted for in this area.

Transient Occupancy Tax Fund – In 1987 the voters established a two percent (2.0%) transient occupancy (hotel/bed) tax. By ballot provision, these revenues can only be used for tourism promotion and development of recreational facilities.
Grants Fund – This represents projects which expend grant monies received for various projects. Grant funds must be used for the stated purpose of the grant and must meet grantor expenditure guidelines.

Impact Fee Funds – These funds represent accounts to expend impact fees received to offset the cost of growth related projects.

Miscellaneous Gifts Fund – Provide an account to track any contributions for miscellaneous gifts which the City may receive as well as the expenditures made.

PERMANENT FUNDS – Used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Acker Trust Fund – Accounts for the assets willed to the City by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreational purposes only.

DEBT SERVICE FUNDS are established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City of Prescott's Debt Service Fund was established during FY1999 to pay for the principal and interest of general obligation debt for the police station construction and the Watson and Willow Lakes water rights and land purchase as well as improvement district bond payments.

ENTERPRISE FUNDS are established to account for operations that (1) are financed and operated in a manner similar to private business operations where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City of Prescott has six enterprise funds as follows:

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Water Fund – To account for the provision of water services to the residents of the City and some residents of the County. All activities necessary to provide for water services are accounted for in this fund.
for the provision of wastewater services to the residents of the City. All activities necessary to provide for wastewater services are accounted for in this fund.

Golf Course Fund – To account for the provision of year-around golf to the residents of the City, county and visitors to the area. Beginning in FY1994, the Golf Course was established as a separate department. Prior to FY1994 the Golf Course was under direction of Recreation Services.

Airport Fund – To account for the provision of airport services to the general aviation and commercial flying public. Services include fueling, hangar and tie down rentals, etc.

Solid Waste/Transfer Station Fund – To account for sanitation, landfill, and recycling services provided to City and County residents along with the operations of the City's transfer station facility that opened in September, 1991. All activities necessary to provide these services are accounted for in this fund. Since April of 1994, only fill materials have been accepted at the City's landfill.

Parking Garage Fund – To account for the operations of the City's parking garage. This facility was opened in June, 2005 and all activities necessary to maintain and operate the parking garage facility are accounted for in this fund.

INTERNAL SERVICE FUNDS are used to account for services and commodities furnished by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Fleet Maintenance – To account for the cost of operating a maintenance facility for automotive and other equipment used by various departments. These costs are billed to the various using departments. The various user departments who acquire automotive and other equipment are responsible for replacement costs.

Risk Management – To account for the costs, both direct and indirect, of maintaining comprehensive property damage and general liability and workers' compensation insurance coverage. Revenue to this fund is derived from charges to City departments.

Engineering Services – To account for the costs, both direct and indirect, of the engineering department, which does work for other departments of the City. Revenue to this fund is derived from charges to City departments based on the work performed for the department.

Facilities Maintenance – To provide maintenance and custodial service to all city owned facilities.

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Relationship of Activities to Consolidated Plan Priorities

The City of Prescott's FY 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 FY12, will focus its resources and efforts on housing for the homeless and special needs populations; continuation of the Meals on Wheels program to the elderly and disabled; and repairs to service provider buildings who identify with special clientele. All the projects being undertaken meet one of the three national objectives and will benefit very-low- to moderate- income persons, limited clientele and homeless prevention and infrastructure projects in the Dexter Neighborhood.

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 the supply of permanent housing for homeless and other special needs populations.

Priority Strategy: Support organizations that develop and provide permanent supportive housing and other populations including those moving from transitional housing.

Objective: Decent Housing
Outcome: Affordability/Accessibility

Goal: Increase supportive services to homeless and special populations.

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

Objective: Suitable Living Environment
Outcome: Availability/Accessibility

The City's General Plan and the Consolidated Plan both list affordable housing as a major issue. The Consolidated Plan includes the following goals and priority strategies to address affordable housing. In the current economic environment

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housing prices, although lower in cost, are still not in the range to be affordable for the workforce income-to-payment ratio. Additionally, financial institutions have tightened loan qualifications.

Goal: Rehabilitate existing housing stock.

> ***Priority Strategy***: Support owner-occupied housing rehabilitation programs for low- and moderate-income homeowners.
>
> ***Objective***: Decent Housing
> ***Outcome***: Affordability/Accessibility

Goal: Increase the supply of rental units affordable in close proximity to employment and services to extremely low-income households.

> ***Priority Strategy***: Support the development of rental units affordable to extremely low-income households.
>
> ***Objective***: Decent Housing
> ***Outcome***: Affordability

The organizations represented include those serving special populations: 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 housing and services for homeless, 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. The following chart is located in the Consolidated Plan 2010-2014:

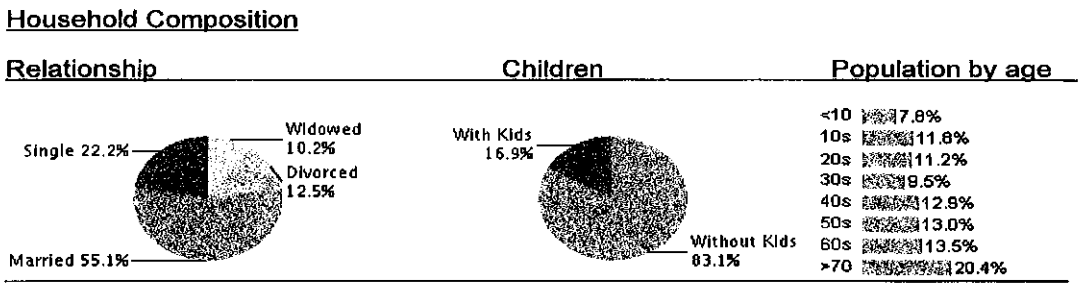

Table 1A
Homeless and Special Needs Populations

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
		Individuals		
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	67		42
	Transitional Housing	107		45
	Permanent Supportive Housing	14	6	50
	Total	188	6	137
		Persons in Families With Children		
Beds	Emergency Shelter	43		100
	Transitional Housing	40		75
	Permanent Supportive Housing	0		40
	Total	83		215

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households):	13	98/	92	200
1. Number of Persons in Families with Children	8	3	5	16
2. Number of Single Individuals and Persons in Households without children	19	6	15	40
(Add Lines Numbered 1 & 2 Total Persons)	30	104	107	240
Part 2: Homeless Subpopulations	**Sheltered**		**Unsheltered**	**Total**
a. Chronically Homeless	40		292	332
b. Seriously Mentally Ill	49			
c. Chronic Substance Abuse	93			
d. Veterans	97			
e. Persons with HIV/AIDS	0			
f. Victims of Domestic Violence	6			
g. Unaccompanied Youth (Under 18)	7			

Goal: Increase the supply of transitional housing for families.

Priority Strategy: Support organizations that develop and provide transitional housing for families. The City of Prescott is working with several organizations to increase the number of transitional and permanent housing units (examples: Project Aware, Habitat for Humanity).

Objective: Decent Housing

Outcome: Availability/Accessibility

Goal: Increase supportive services to homeless and special populations.

Priority Strategy: Support organizations that provide supportive services to the homeless and special needs populations. The Consolidated Plan's planning process generated significant discussion about affordable housing and the homeless/special needs population, with the focus of directing CDBG funds toward housing issues. (examples: Meals on Wheels, West Yavapai Guidance Clinic).

Objective: Suitable Living Environment
Outcome: Availability/Accessibility

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 Coalition. The Coalition 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.

Given the limited financial resources and the combined capacity of the City and other organizations 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 follows:

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

Strategy: Participate in the Affordable Housing and Homeless Coalition Meetings.
Strategy: Continue participation in the Central Yavapai Metropolitan Planning Organization.

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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, appointed by the mayor and council and tasked with updating the General Plan has been meeting since May 2011. Both the Consolidated Plan and the General Plan support this effort. Both plans suggest that government policies, regulations and procedures may impede development and/or increase the cost of development. Both plans provide discussion on: the local real estate market, the increasing land values, and the construction costs; and, the following priority strategies involve the local decision-making process.

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.
>
> ***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.

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 poverty-level households in Prescott.

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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.

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

Strategy: Incorporate lead 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 2004; consequently, there is 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 to Fair Housing (AI) was accomplished under the aegis of the Community Development Department planning staff. The AI was approved by City Council on August 31, 2010.

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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 fair housing workshop is scheduled for April 6, 2012 by the Southwest Fair Housing Council. Additionally, Fair Housing month is acknowledged by City Council with a proclamation on April 3, 2012.

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

> ***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.

Geographic Distribution

The City, with limited resources and identified housing and community development needs, has elected to maximize the effectiveness of current CDBG funds by channeling the funds to support low- to moderate-income neighborhood improvements. These activities are located within two- to five-miles of the city center and within five miles of major employment centers.

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 dedicated a full-time grants administrator to coordinate and implement the CDBG program. 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.

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 the costs are

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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 Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Prescott has established financial management (Munis) and procurement systems that insure maintenance of accurate program and financial records.

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Attachment A

Public Participation

(will be updated at the conclusion of the Public Comment Period)

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