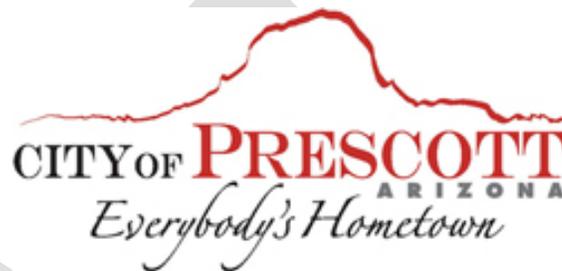


Community Development Block Grants CDBG Annual Action Plan Program Year 2019



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CITY OF PRESCOTT

**ANNUAL ACTION PLAN
Program Year 2019**

CDBG Funding Cycle: July 1, 2019 – June 30, 2020

Mayor

Greg Mengarelli

City Council Members

Billie Orr (Pro Tem)

Steve Blair

Phil Goode (CDBG Liaison)

James Lamerson

Alexa Scholl

Steve Sischka

Citizens Advisory Committee

Jerry Jones, Chair

Mary Ann Suttles, Vice Chair

Sandy Griffis

Robert Painter

Mel Roop

Tom Benson

Connie Contelme

City Staff

Michael Lamar, City Manager

Bryn Stotler, Community Development Director

George Worley, Planning Manager

CDBG ACTION PLAN PROGRAM YEAR 2019 FISCAL BUDGET YEAR 2020

EXECUTIVE SUMMARY

The City of Prescott's CDBG Program Year 2019 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 2015-2019 and the 2019 Annual Action Plans are implemented by the City's Community Development Department.

The City of Prescott is proposing projects in the 2019 Annual Action Plan (PY019-2020) that implement goals spelled out in the City of Prescott CDBG Consolidated Plan 2015-2019.

As a HUD funded entitlement community, the City will receive federal funds in the amount of approximately \$258,000 in Community Development Block Grants (CDBG).

It is the City's responsibility to competitively select grant funded projects with public participation in accordance with federal guidelines.

Funding guidelines are based on HUD –CDBG program annual funding allocation using the following HUD required formula.

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

OBJECTIVES

The City's key objectives for the PY2019 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

- Providing senior peer program services to LMI residents via the West Yavapai Guidance Clinic
- Providing essential transportation assistance for elderly and disabled adults primarily LMI via People Who Care
- Providing youth workforce development programming to LMI residents at the Launch Pad Teen Center

Public Facility/Infrastructure Development

- Provide expanded space for Prescott residents who are LMI seeking temporary shelter via Prescott Area Shelter Services (PASS)
- Provide infrastructure support to Prescott area residents who are homeless vets via the US VETS Whipple Street HVAC project
- Provide expanded support and space to Prescott area residents who are homeless, (LMI) and in need of wrap around services via the Coalition for Compassion and Justice.

CDBG Program Administration

- 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 PY19 CDBG Annual Action Plan according to federal guidelines.
- Work with the Prescott CDBG Citizen Advisory Committee to develop the CDBG 2020 2025 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.

OUTCOMES

The City's outcomes for this planning period are directed at increased social service availability; and building improvements which serve LMI seniors, youth, veterans, homeless persons and people with disabilities. The City anticipates the following outcomes from its PY 2019 Action Plan activities:

- Free rides for over 275 people to meet transportation needs for the elderly, disabled and those with physical challenges
- Provide 50 LMI youth with workforce development programming including: job training, informational interviews, resume writing, portfolio development with placement of 35 to 40 participants into 3 month internships.
- Provide peer mentoring relationships with LMI senior residents via 2500 home visits in the program year.
- Provide safe housing and services for 200 homeless and highly mobile Prescott residents who are mainly women with children.
- Provide 36 homeless individuals with permanent housing. Continue to expand supportive services to move to functional zero shelter beds.
- Provide infrastructure investment in permanent housing for 88 previously homeless Veterans.

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 2019 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, 2019 and June 30, 2020.

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 in calendar year 2019. 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 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 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 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.

The application process for provider requests for both construction and public service activities was presented at the annual CDBG workshop held on January 22, 2019 and a follow up workshop on January 29, 2019. There were 21 persons in attendance primarily representing non-profit agencies. The workshops encouraged applicants to address new activities, consider collaborative projects and provided an overview of the CDBG 2019 program, application and timelines.

Nine funding requests were received from seven agencies for PY 2019.

The major objectives of activities undertaken during the Program Year 2019, Fiscal Year 2020 will be:

- Provide outreach services and workforce development services to LMI youth, disabled, and aging adults.
- 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 8.3 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, 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 2019-2020 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 PY2019 allocation is projected at \$258,000 (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 PY2019 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 2019 subrecipient 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:

The funding allocation for CDBG Program Year 2019 is \$258,000. Of this amount, a maximum of 15% (\$38,700) may be used for public service projects; 20% for administrative costs (\$51,600) which include legal notification, advertisements, fair housing workshop, administrator training, personnel and (non-construction) contractor costs. The balance (\$167,700) 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, capitol 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

PUBLIC PARTICIPATION

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 2019 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 13, 2019, the Citizen Advisory Committee (CAC) held the first public meeting to discuss priorities for the 2019 program 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.

On March 20, 2019 the Citizen Advisory Committee (CAC) held a second public meeting to rank and review the CDBG PY applications. This meeting was attended by all members of the CAC, CDBG Applicants, Community Development staff and the City Attorney.

On April 23, 2019, the Prescott City Council will hold a third public hearing. The Community Development Staff and CAC Officers will present the 2019 Annual Action Plan to the City Council. Members of the public will be provided with an opportunity to comment.

Finally on May 14th after a 30 day public comment and review period (April 9 to May 9) City Council will be asked to adopt the PY2019 Action Plan and approve by resolution the CDBG Action Plan for Program Year 2019 – Fiscal Year 2020. The Council will include in the resolution, permission to submit the Prescott 2019 Annual Action Plan to HUD.

Public Comment Period

A draft of the Program Year 2019 Action Plan was made available for public review and comment for a

30 day period. The public comment period began on April 9, 2019 and ended on May 9, 2019. 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 CDBG web page.

Citizen Participation

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.

CONSOLIDATED PLAN PRIORITY GOALS AND STRATEGIES

Homeless and Special Needs Population

Goal: Increase supportive services to homeless and special populations.

Project: People Who Care – Transportation and non-medical care support.

Project: U. S. Vets – HVAC installation on Whipple Street to complete the remodel, and create 88 permanent homes for US Vets.

Project: Prescott Area Shelter Services – Upgrading their facility including rehabilitation of infrastructure for support of homeless individuals.

Project: Coalition for Compassion and Justice – Upgrading their facility to include space for wrap around services and move to a Housing First model. (Minimizing needs for shelter beds and permanently housing residents formerly homeless).

Project: Provide peer mentoring services to home bound senior and highly disabled residents.

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

Objective: Decent Living Environment

Outcome: Availability/Accessibility

The proposed CDBG funded organizations are local Prescott agencies serving special populations: seniors, the seriously mentally ill, veterans, individuals recovering from drug and alcohol dependency and the chronically homeless.

In Prescott, there is an unmet need for emergency, transitional and permanent services for seniors, at-risk and low-income households. (Cite?)

Collective Impact

Many of the organizations that serve the special needs population and those with low- to moderate-incomes participate in a County-wide initiative called "Collective Impact." This group convenes on a

quarterly basis to tackle affordable housing and homeless and highly mobile issues. The group has a very progressive “Housing First” approach to meeting the needs of the homeless and highly mobile populations. They have also collaborated on a resource brochure and are uniquely connected to track services as they are provided.

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 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 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 Collective Impact meetings

Strategy: Continue to partner to host Fair Housing Workshops.

Strategy: Partner with other jurisdictions such as NACOG to create strategies to expand the reach of the CDBG program dollars.

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, 2015. 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 information on: the local real estate market, the increasing land values and increasing construction costs; subsequently, 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.

Project: US VETS will provide 88 low income homes to formerly homeless veterans.

Project: Coalition for Compassion and Justice will place 35 formerly homeless residents into permanent, affordable homes.

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 Community Development Department staff will continue to engage other jurisdictions to discuss 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.

Project: Provide workforce development programming to 50 LMI Prescott youth which includes job training and placement into internships.

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 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 will be held at the City of Prescott on May 14, 2019 by the Southwest Fair Housing Council. Area non-profits, governmental agencies, and the general public are invited. We are anticipate at least 20 participants and have space for 100.

The fair housing seminar notification will be promoted utilizing multiple outreach methods including: e-mail, radio announcement, website posting, and Fair Housing Posters.

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.

2019 FUNDING SUMMARY

Table 1 PY2019 CDBG Funding Plan provides a description of the activities the City will fund or projects we agree to undertake during the CDBG first year, 2019 Action Plan. The funding and sub-recipient contract terms of this plan are from July 1, 2019 through June 30, 2020.

PUBLIC SERVICE PROJECTS	Program Description	Notes/Funding Requested	\$38,700
West Yavapai Guidance Clinic	Senior Peer Program	\$22,327.00	
People Who Care	Transportation for low income and disabled adults	\$10,000.00	
THE LAUNCH PAD TEEN CENTER	Youth Workforce Development Program	\$6,373.00	
CONSTRUCTION PROJECTS	Program Description		\$167,700
Prescott Area Shelter Services	Expansion Project	\$25,000.00	
US Vets	Whipple Street Project (HVAC)	\$86,899.00	
Coalition for Compassion and Justice	Renovation / Addition to 531 Madison Ave	\$55,801.00	

UPDATE ON PY 2018 PRIMARY ACTIVITIES AND PROGRAMS -

Public Services

- New Horizons Disability Empowerment – Free Ride Advocacy Program. Awarded \$10,000 in public service funding to assist Low Moderate Clientele (LMC). Program is ongoing and they plan on expending funds through the PY18-19 program year.
- People Who Care – Serving Prescott residents with transportation services and provide a much needed door-to-door assistance that helps them live in their own homes. Awarded \$10,000.00. Program is on-going and they plan to expend funds through the PY18-19 program year.
- U. S. Vets – Coordinated Entry Outreach – Awarded \$10,000.00. Program is ongoing and will expend funds through program year.

Community Facilities

- The Launch Pad Teen Center - Awarded \$35,000 for outdoor learning center. Project is beginning in Spring of 2019 with completion goal of June 30, 2019.
- Northern Arizona Council of Governments - Modular Temporary ADA Wheelchair Ramp Program – Awarded \$7,000.00 for the purchase of two ramps. Program is up and running and they may be able to purchase 3 ramps if needed. City of Prescott is assisting with marketing of the program.
- Prescott Area Habitat for Humanity – Madison Park Cottages Workforce Housing Project - Prescott Funding Plan was for \$20,000. There were two initial scopes rejected for wood, stems and footings. New scope is for sewer work and approval is to be determined.
- Prescott Area Shelter Services – Project Restore Phase 2, improved flooring and energy efficiency. Funding Plan \$20,000.00. Project is complete.
- U. S. Vets – Whipple Street Workforce Center and Infrastructure Installation to complete a remodel, specifically to make the bathrooms ADA accessible Funding Plan \$50,000.00. Project to begin in Spring of 2019 and be complete by end of 2019.

UPDATE ON PY 2017 PRIMARY ACTIVITIES AND PROGRAMS -

Public Service Activities

1. **Prescott Meals on Wheels** provided home delivery and wellness checks to eligible homebound elderly and disabled residents. 3,108 hot nutritious meals delivered. Project complete.
2. **New Horizons Disability Empowerment Center** – Rolled over some program funds to continue services to low income residents with disabilities.
3. **People Who Care:** Assisted older and disabled adults who are unable to drive due to physical limitations. People Who Care clients, who are referred to as “Neighbors,” benefit from greater independence, social support, and general status check through the transportation services. Project Complete.

Public Facility Projects:

1. **The Boys and Girls Club ADA Restrooms:** Project bids came in very high and project needed to be redesigned. The City of Prescott has helped re-bid the project and add to funds via unspent CDBG so that they can move ahead and complete the project by June 30, 2019.
2. **The City of Prescott Grace Sparks Basketball Hoops:** Project Complete
3. **The City of Prescott Grace Sparks ADA Restrooms:** Phase I of project complete and moving into Phase II. Will be complete by early June of 2019.
4. **The City of Prescott and Open Space Alliance for the West Granite Creek Park and Boys and Girls Club** installed movable concrete tables for several organized feeding of homeless and disadvantaged groups. Also, to provide general purpose tables for the two locations to create an indoor versus outdoor serving and meeting option for 80-100 people. Project Complete.
5. **The City of Prescott and Open Space Alliance for the West Granite Creek Park:** Graded area and installed soil stabilization, group seating and landscaping. This section of the park is used for serving 250-300 homeless meals per week. Project Complete.
6. **Prescott Area Shelter Service (PASS)** installed Heating, Ventilating, and Air Conditioning (HVAC) equipment at their facility at 336 Rush Street. Project complete.

CONCLUSION

The City of Prescott was designated a "CDBG Entitlement Community" through HUD in 2005 and developed its first Five Year Consolidated Plan which covered the years 2005 to 2009. Since designation, the City of Prescott has submitted HUD approved annual plans which include sub-recipient grants for HUD approved programs and projects. The City is required to submit a consolidated plan for CDBG to HUD every five years. The next consolidated plan is due July 1, 2020.

Since 2014, the City of Prescott has awarded over 1.1 million dollars in CDBG funds to improve the quality of life for Prescott residents primarily of low to moderate income (LMI). The Draft CDBG Annual Action Plan for 2019 is similar to what the City of Prescott has funded in past years and aims to assist the residents who are most in need of services and housing improvement.

Program monitoring will occur to insure 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 will report program performance and evaluation in an annual report (CAPER).