

Community Development Block Grants CDBG Annual Action Plan Program Year 2020



DRAFT

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CITY OF PRESCOTT

**ANNUAL ACTION PLAN
Program Year 2020**

CDBG Funding Cycle: July 1, 2020 – June 30, 2021

Mayor
Greg Mengarelli

City Council Members

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Steve Blair
Phil Goode (CDBG Liaison)
Kathey Rusing
Alexa Scholl
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Bryn Stotler, Community Development Director
George Worley, Planning Manager

CDBG ACTION PLAN PROGRAM YEAR 2020 FISCAL BUDGET YEAR 2021

EXECUTIVE SUMMARY

The City of Prescott's CDBG Program Year 2020 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 2020 Annual Action Plans are implemented by the City's Community Development Department.

The City of Prescott is proposing projects in the 2020 Annual Action Plan (PY20-2021) that implement goals spelled out in the City of Prescott CDBG Consolidated Plan 2020-2024.

As a HUD funded entitlement community, the City will receive federal funds in the amount of approximately \$255,338 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 PY2020 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 quality assurance training to non-profit staff who serve LMI youth via Big Brothers Big Sisters
- Providing essential transportation assistance for elderly and disabled adults primarily LMI via People Who Care
- Providing essential transportation assistance for elderly and disabled adults via New Horizons Disability Empowerment Center.

Public Facility/Infrastructure Development

- Provide an improved 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 courtyard project.
- Provide improved transitional housing to Prescott area residents who are homeless, (LMI) and in need of wrap around services via Agape House.
- Provide Improvements to Low Income Housing for LMI people who struggle with mental health and addiction via West Yavapai Guidance Clinic.
- Provide improved facilities for LMI Prescott youth via The Launch Pad Teen Center
- Provide Improved facilities for the Boys and Girls Club of Prescott

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 PY20 CDBG Annual Action Plan according to federal guidelines.
- Work with the Prescott CDBG Citizen Advisory Committee to execute 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 2020 Action Plan activities:

- Free rides for over 350 people to meet transportation needs for the elderly, disabled and those with physical challenges
- Provide 488 LMI youth and adults with improved mentorship for success
- Provide safe housing and services for 200 homeless and highly mobile Prescott residents who are mainly women with children
- Provide 36 low income residents with improved housing
- Provide improved facilities for 186 LMI youth
- Provide safer transitional housing for 60 formerly homeless adults and youth
- Provide improved facilities for 105 LMI youth during out of school time activities
- Provide 160 homeless individuals improved shelter conditions.
- Provide infrastructure investment in permanent housing for 150 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 2020 Action Plan outlines funding priorities and discusses how activities will meet the community needs identified in the Consolidated Plan 2020-2024. The activities described in this Action Plan are proposed to be undertaken during the period between July 1, 2020 and June 30, 2021.

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 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
Revitalization, Public Facilities & Infrastructure			
Facilities & Infrastructure in Target Areas		High	4,700 people
Facilities & Infrastructure for Housing	X	High	220 people
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
Homelessness			
Add Emergency Shelter & Transitional Housing Beds	X	Low	20 beds
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 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 for both construction and public service activities was presented at the annual CDBG workshop held in January of 2020. There were 25 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 2020 program, application and timelines.

Ten funding requests were received from nine agencies for PY 2020.

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

- Provide outreach 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.

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 Consolidated Plan and 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 PY2020 allocation is projected at \$255,6338 (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 PY2020 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 2020 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:

The funding allocation for CDBG Program Year 2020 is \$255,338. Of this amount, a maximum of 15% (\$38,301) may be used for public service projects; 20% for administrative costs (\$51,067) which include legal notification, advertisements, fair housing workshop, administrator training, personnel and (non-construction) contractor costs. The balance (\$165,970) 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 2020 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.

Public Hearings

On April 29, 2020, the Citizen Advisory Committee (CAC) held the first public meeting to discuss project award decisions. Due to the pandemic, the City did not have in person presentations from non-profit providers. We did allow non-profit providers and public commentary via this Zoom meeting.

On July 1, 2020 the Citizen Advisory Committee (CAC) held a second public meeting to start the public comment period and accept the 2020-2024 Consolidated Plan and 2020 Annual Action Plan. This meeting was attended in person by staff and chair, and via zoom for other members and the public.

On July 28th the Prescott City Council will hold a third public hearing. The Community Development Staff and CAC Officers presented the 2020-2024 Consolidated Plan and 2020 Annual Action Plan to the City Council. Members of the public were provided an opportunity to comment. The Council included in the resolution, permission to submit the Prescott Consolidated Plan and Action Plan to HUD.

Public Comment Period

A draft of the Consolidated Plan and Program Year 2020 Action Plan was made available for public review and comment for a 10 day period from July 1 to July 10th. The City applied for a COVID waiver that would have allowed even a five day comment period as opposed to 30 day review period. 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 ACTIVITIES

Revitalization, Public Facilities & Infrastructure			
Facilities & Infrastructure for Housing	X	High	220 people
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
Homelessness			
Add Emergency Shelter & Transitional Housing Beds	X	Low	20 beds

Goal: Increase supportive services to homeless and special populations.

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

Project: New Horizons – Transportation for Elderly and Disabled residents.

Project: U. S. Vets –Courtyard Improvement for Service Animals at Whipple Street to serve 88 formerly homeless and disabled vets.

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

Project: Agape House – Improving transitional housing for homeless families.

Project: West Yavapai Guidance Center - Provide improvements for low income housing for people struggling with mental illness and addiction.

Revitalization, Public Facilities & Infrastructure			
Facilities & Infrastructure in Target Areas		High	4,700 people

Goal: Increase services to basic needs and better outcomes for LMI youth including job creation and retention.

Project: The Launch Pad Teen Center - Provide infrastructure improvements for LMI youth in Prescott that includes job creation and improved outcomes.

Project: Boys and Girls Club Public Facility Improvements. Improve facilities in target areas that serve LMI youth.

Public/Human Services & Economic Opportunities			
Services to Meet Basic Needs	X	High	400 people

Project: Yavapai Big Brothers, Big Sisters – Improved services to LMI youth and adults to meet basic needs.

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, LMI youth, families escaping domestic violence and the chronically homeless.

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. 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: West Yavapai Guidance Clinic will update their low income housing for people struggling with addiction and mental health issues.

Project: Agape house will update their transitional housing for homeless families and provide services to help them obtain permanent affordable housing.

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 supportive services to LMI Prescott youth via Boys and Girls Club, The Launch Pad Teen Center and Big Brothers Big Sisters.

Strategy: Expand jobs and internship availability for low-income persons through mentorships, internships and summer jobs.

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. When State and local officials say large gatherings are safe again, a City of Prescott fair housing workshop will be held at the Prescott Public Library. We work in collaboration with the Southwest Fair Housing Council. Our target audience for the next workshop will be our local realtors, landlords and tenants. We 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, website posting, ads, Facebook, etc.

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.

2020 FUNDING SUMMARY

Table 1 PY2020 CDBG Funding Plan provides a description of the activities the City will fund or projects we agree to undertake during the CDBG first year, 2020 Action Plan. The funding and sub-recipient contract terms of this plan are from July 1, 2020 through June 30, 2020.

PUBLIC SERVICE PROJECTS	Program Description	Notes/Funding Requested	\$38,301
Yavapai Big Brother Big Sister	Quality Assurance Training	\$10,000	
People Who Care	Transportation for low income and disabled adults	\$14,150.50	
New Horizons	Transportation for low income and disabled adults	\$14,150.50	
CONSTRUCTION PROJECTS	Program Description		\$165,970
Prescott Area Shelter Services	Roof Project	\$10,000	
US Vets	Courtyard / Service Animal Area	\$2000	
The Launch Pad	Internal Renovation	\$50,000	
West Yavapai Guidance Clinic	Improved Low Income Housing	\$20,000	
Boys and Girls Club of Central AZ	Internal Renovation of Clubhouse	\$38,970	
Agape House of Prescott	9 Unit apartment renovation for homeless families	\$45,000	

GEOGRAPHIC DISTRIBUTION

Depending on the type of need being addressed, resources may or may not be geographically targeted. All of the CDBG public service programs will be available to eligible low/ moderate income residents citywide. The 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. **Figure 2** This is an updated CDBG LMI map with the HUD exception criteria.



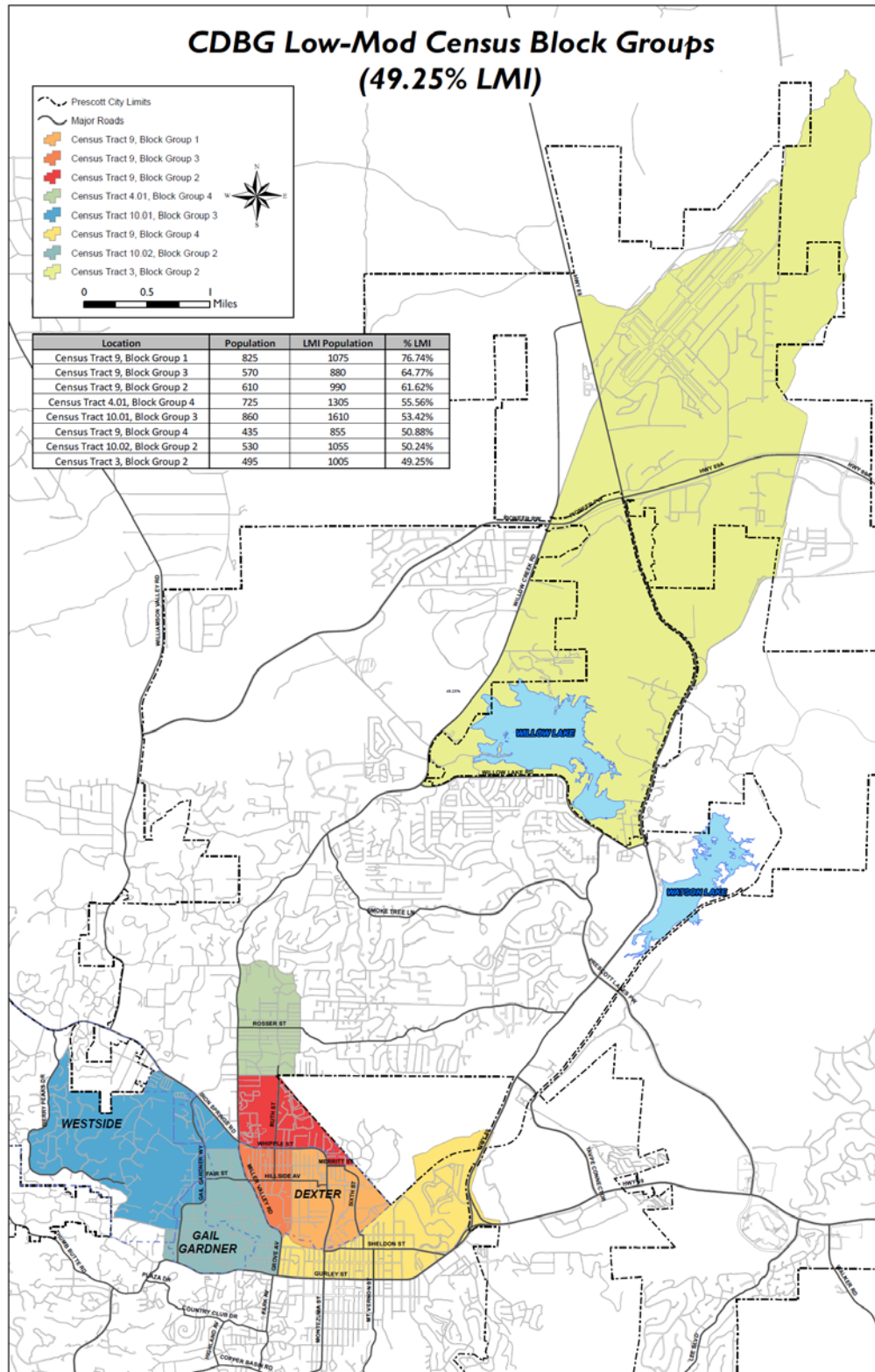


Figure 2. City of Prescott LMI Map using HUD Exception Criteria

UPDATE ON PY 2019 PRIMARY ACTIVITIES AND PROGRAMS -

Public Services

- New Horizons Disability Empowerment (PY19) – 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 by June 30, 2020.
- People Who Care (PY19) – 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 by the end of the program year.
- The Launch Pad Teen Center (PY19)– Workforce Development Program – Awarded \$6,373. Program. Program should spend all funds by first quarter PY20.
- West Yavapai Guidance Center (PY19) – Senior Peer Mentoring – Awarded \$22,327. Project Complete.

Construction Projects

- U. S. Vets (PY19) – Construction of Elevator at Whipple Street Project – Awarded \$86,899. Program is ongoing and will extend contract and funds should be spent by end of 2020.
- U.S. Vets (PY17-18)– Bathroom Fixtures for renovation at Whipple Street – Awarded \$162,975. Funds will be expended by end of PY19.
- Prescott Area Habitat for Humanity (PY18)– Madison Park Cottages Workforce Housing Project - Prescott Funding Plan was for \$20,000. Project was completed for sewer work only. \$18,234 was spent.
- Prescott Area Shelter Services (PY19) – Project Restore Phase 2. Expanded space for family shelter. Project is complete. Expended \$25,000.

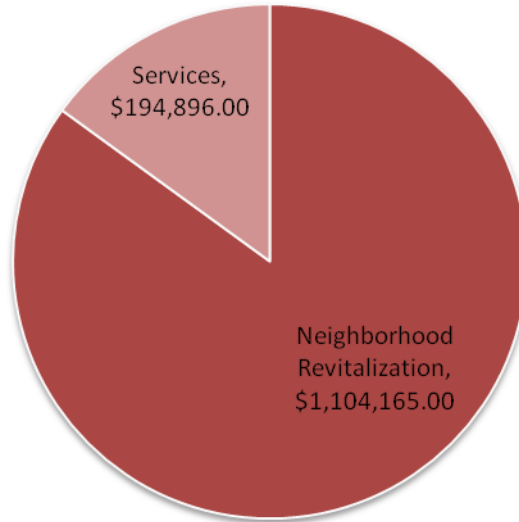
CONCLUSION

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 1.2 million dollars in CDBG funds to improve the quality of life for Prescott residents primarily of low to moderate income (LMI). The split is shown in Figure 3. The breakout of the funds is exactly 15% Public Service and 85% Construction as per HUD requirements.

The Draft CDBG Annual Action Plan for 2020 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.

Prescott CDBG 2014-2019



Program monitoring will 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).