



City of
Prescott

2019

CDBG Consolidated Annual
Performance Evaluation Report
(CAPER)

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Executive Summary

CDBG Program Year 2019:

The Consolidated Annual Performance and Evaluation Report (CAPER) includes both a summary of the program accomplishments and an assessment of progress toward meeting the program goals during Program Year 2019.

The City of Prescott received CDBG funds in the amount of \$244,622 in Program Year 2019. Of the allocation, \$36,693 was set aside for public service projects. \$159,005 was set aside for construction projects at public facilities and \$48,924 was set aside for administration of the program. The 2019 Annual Action Plan outlined several goals and objectives.

Update on Program Year 2019 Primary Activities and Programs -

Public Service Activities

1. **The Launch Pad Teen Center** provided workforce development training to 42 LMI Youth.
2. **West Yavapai Guidance Clinic** – Senior Peer Mentoring Program. The program allowed for 82 LMI Senior residents to be served via local volunteers.
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. Program served 160 LMI residents.

Public Facility Projects:

1. **The Launch Pad Outdoor Learning Center:** Project bids came in during the spring of 2019 and they accepted a low bidder in July of 2019. The project was completed in PY19 with funds from PY18. The Launch Pad served 1200 youth overall in PY19 and 200 LMI Youth with the Outdoor Learning center.
2. **Prescott Area Shelter Services (PASS):** PASS received CDBG funding to expand their capacity to serve families at the shelter. This program served 334 homeless women and children in PY19 and served a total of 334 extremely low income residents overall.
3. **US VETS Whipple Street Renovation:** This project is on-going in several phases. Phase I is complete and the organization is in the process of completing phase II. PY19 CDBG funds were used to construct an elevator for disabled veterans to be able to access the second floor. The agency served a total of 600 veterans. 340 received housing services, 252 received mental health counseling and assessments, 56, 857 meals were served and 68 veterans were placed into jobs. US vets has increased accessible housing by 61 units with PY19 CDBG funds.

4. **Prescott Area Habitat for Humanity:** This project was re-scoped for CDBG allowable expenditures and CDBG funded expenditure for sewer work was completed in PY19 with funds from PY18. There were two homes built that serve low income Prescott families.
5. **Coalition for Compassion and Justice:** This project was not completed due to environmental concerns and being able to meet all of the HUD requirements for funding in a special flood hazard area adjacent to a floodway. Prescott is in the process of amending the annual action plans to redirect these funds.

CR-05 – Five Year Goals and Outcomes

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Assignment of priority does not reflect a lack of need for any particular population or activity; it merely identifies those conditions that are most likely to be addressed with limited CDBG funding. High priority activities are likely to be funded with CDBG resources during the next five years; low priority activities may be funded as opportunities arise. All priority needs, regardless of priority designation of high or low, are considered consistent with the City Consolidated Plan for the purpose of issuing consistency letters to third parties. To address infrastructure, facility, housing and public services needs, the City has developed goals and objectives for the use of CDBG funds in four need categories:

- 1. Neighborhood Revitalization, Public Facilities and Infrastructure Improvements.**
- 2. Public Services and Economic Opportunities.**
- 3. Homelessness.**
- 4. Decent Affordable Housing.**

SEE APPENDIX A (PAGE 13)

The following list summarizes planned CDBG activities and the priority level and 5-year numeric goal for each.

Public Facilities & Infrastructure Facilities & Infrastructure in Target Areas - High 4,700 people. The City has invested a majority of its CDBG funds into this area which is a high priority. Grace Sparks ADA Restrooms, Boys and Girls Club ADA Restrooms, US Vets Whipple Street Project, The Launch Pad Teen Outdoor Learning Center, Granite Creek Park Improvements, and improvements to Prescott Area Shelter Services residential housing, are all examples of public infrastructure and facilities improvements undertaken during the 5 year comprehensive plan. The City also is awaiting approval for a substantial amendment to the PY19 annual action plan to add dollars for the Prescott Adult Center to perform emergency repairs to their small kitchen.

Facilities & Infrastructure for Housing - High 220 - The City of Prescott has successfully improved the infrastructure at Prescott Area Shelter Services (PASS), Prescott Area Habitat for Humanity project, and USVETS Whipple Street housing project. The PY19 Annual Plan had set aside dollars for Coalition of

Compassion and Justice (CCJ) to improve their building, however that project was cancelled due to environmental assessment concerns.

Public/Human Services & Economic Opportunities Services to Meet Basic Needs - High 400 - Prescott continues to fund transportation services to meet the basic needs of low income residents. The City lacks a public transportation system and this expenditure fills an important safety net for low income residents. The City also has funded wrap around services for homeless vets, peer counseling for seniors, and more. The City has well exceeded its "services to meet basic needs" 5 year goals.

Support Services & Shelter for People Experiencing Homelessness - High 100 - The City funded PASS, CCJ and US VETS to provide services and shelter for those experiencing homelessness. The City has exceeded its five year goals.

Homelessness Add Emergency Shelter & Transitional Housing Beds - Low 20 beds - PASS has added 12 new beds in PY19.

Decent Affordable Housing Owner-occupied Housing Unit Rehabilitation - High 50 units - When the US VETS Whipple Street project is complete in PY19, there will be 88 new homes for formerly homeless vets which will exceed the 5 year CDBG goals.

Direct Assistance to 1st -time Homebuyers - Low 10 households - Prescott has not done down payment loan programs to date.

2019 Program Year Accomplishment Table

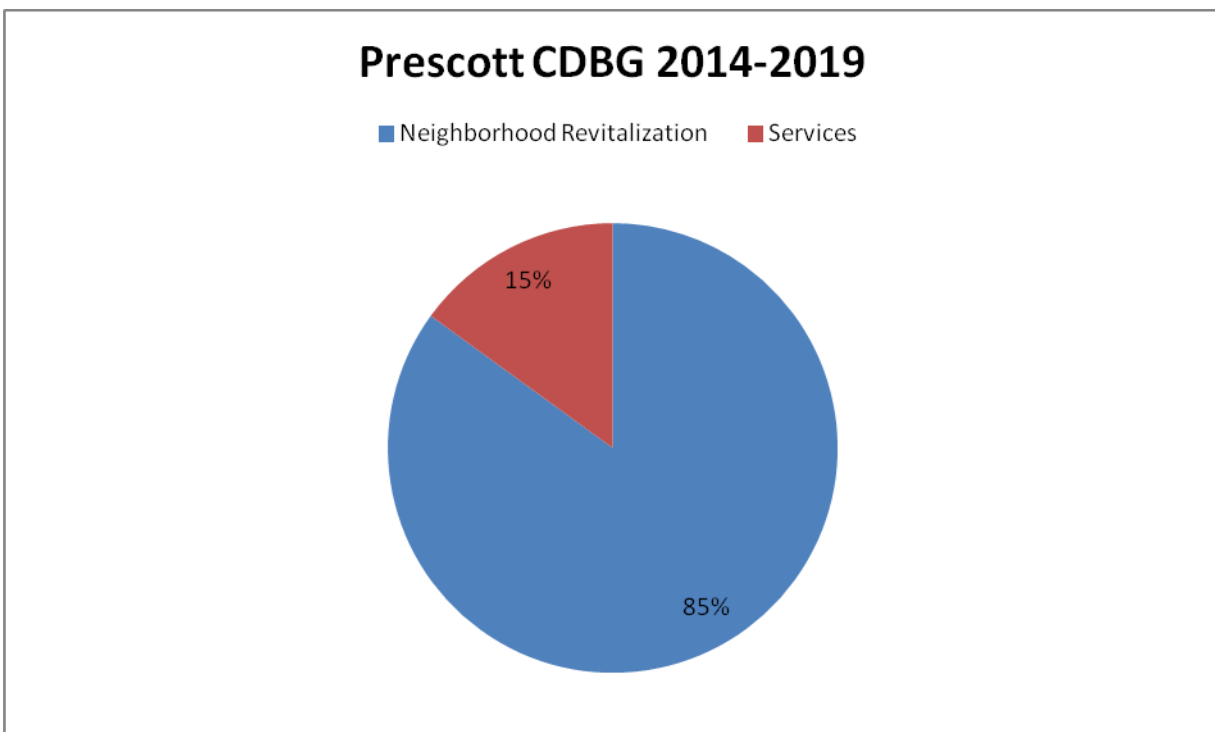
Table 1 - Accomplishments - Program Year

Goal	Category	Funding	Outcome				
Increase Services to Homeless and Special Needs	Affordable Housing Homeless Non-Homeless Special Needs		Indicator	Expected	Actual	Unit of Measure	Percent complete
			Public service activities for Low/Moderate Income Housing Benefit	2775	534	Households Assisted	19.24 %
			Homeless Person Overnight Shelter	200	334	Persons Assisted	167.00 %
			Homelessness Prevention	124	600	Persons Assisted	483.87 %
			Jobs created/retained	35	0	Jobs	0.00 %
			Housing for Homeless added	124	63	Household Housing Unit	50.81 %
N/A B54F8F7366259CA4E053674515AC07A4							
Provide balanced and diverse housing types	Affordable Housing		Indicator	Expected	Actual	Unit of Measure	Percent complete
			Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	123	90	Households Assisted	73.17 %
			Overnight/Emergency Shelter/Transitional Housing Beds added	9	12	Beds	133.33 %

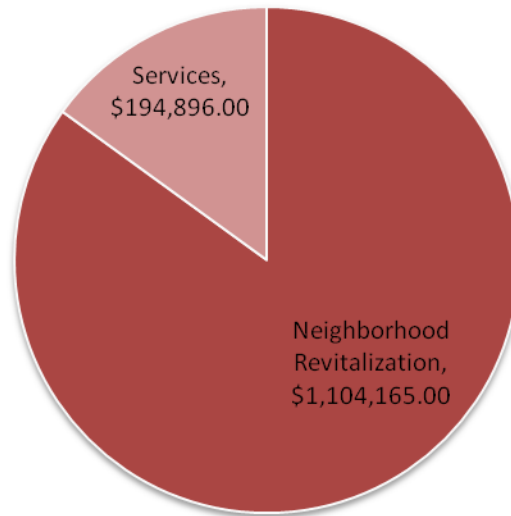
Use of Funds

The City of Prescott leverages CDBG funds primarily through projects which could be classified as "neighborhood revitalization." These are projects which benefit a larger section of the community at public facilities such as recreation centers, infrastructure projects by public works, health clinics, public parks and trails, and shelters. Since PY14 Prescott allocated approximately \$1.1 million dollars or 85% of its non-administrative dollars to brick and mortar improvements to facilities and parks.

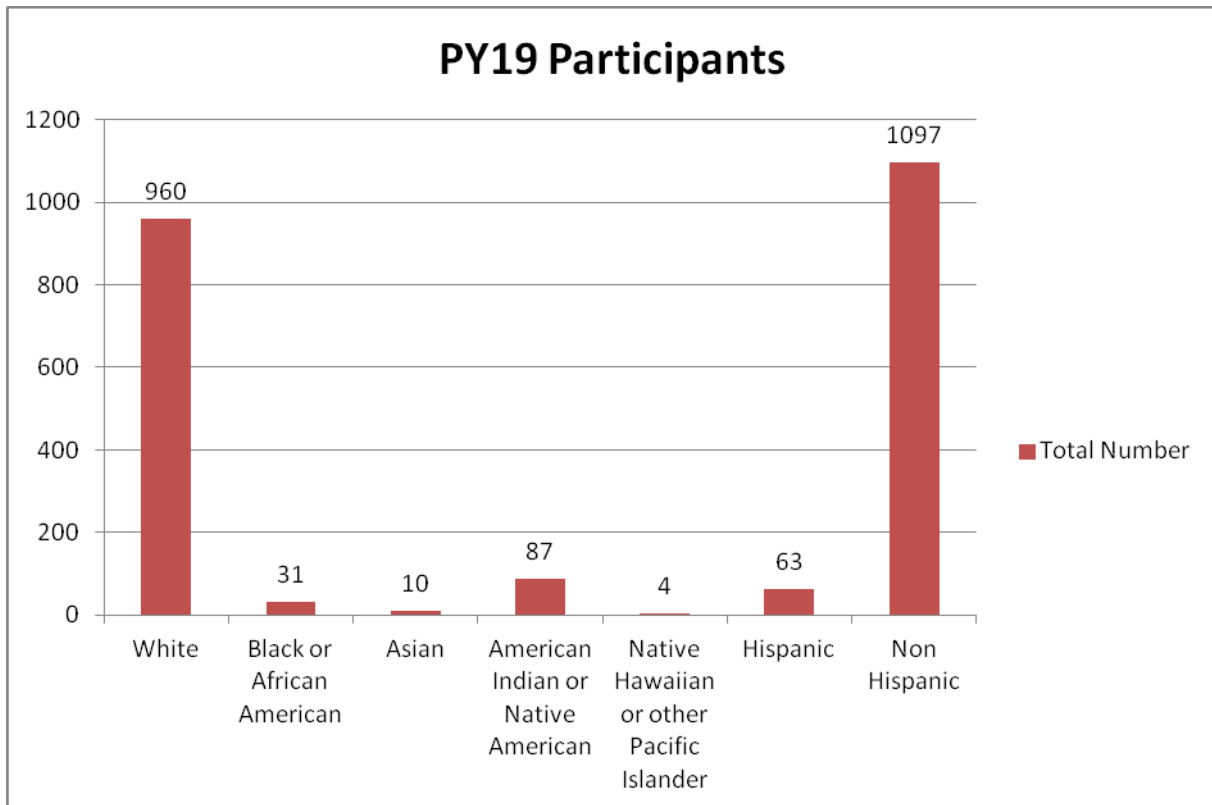
The remaining \$194,896 or 15% of non-admin CDBG dollars have gone to providing direct services to LMI residents. The City of Prescott funds sub-recipients in the non-profit community to provide basic needs such as access to food, transportation and shelter. These LMI residents are primarily seniors, veterans, homeless and disabled adults.



Prescott CDBG 2014-2019



CR-10 Racial and Ethnic composition of (person/households/families) assisted

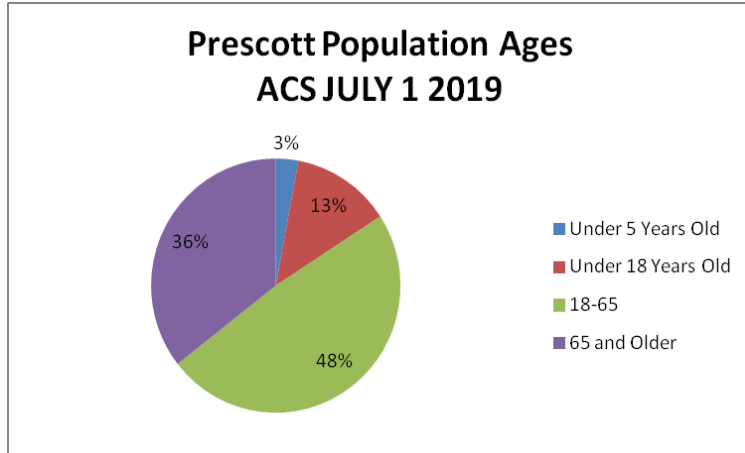


In 2019, activities implemented with CDBG funds served approximately 1160 individuals via direct service and improvements to public facilities, multi-family residences and two Habitat homes. The improvements to these

facilities will continue to serve many more Prescott residents in future years. Prescott uses their CDBG funds primarily to serve low and moderate income families, many of who are disabled, homeless and elderly.

The economy continued to improve after the Great Recession, and Prescott grew as anticipated. Natural growth – about 1.5% occurred up until 2020 and the population grew to 44,299 as of 2019. It remains to be seen what impacts the Coronavirus pandemic will have on the economy going forward between 2020 and 2024.

Age of the Population



Prescott’s popularity as a retirement community is evident in its demographics. In 2019, over one third of the population was age 65 or older. Prescott also has a significant adult population.

From 2010 to 2019, Prescott’s population increased 11.4%. Nearby town of Chino Valley grew by 14.4% and Prescott Valley grew by 19.6% respectively.

While a large percentage of the population identifies as White, the Hispanic population has steadily increased to almost 10%. The nearby towns of Chino Valley and Prescott Valley have much larger Hispanic / Latino populations. Prescott Valley is 20.8% and Chino Valley is 16.7%.

TREND IN RACE/ETHNICITY (2008 – 2019)			
	ACS 2006/08	ACS 2009/13	ACS 2019
White	94.1%	93.4%	91.8%
Black or African American	1.3%	1.1%	.6%
Amer. Indian / Alaska Native	2.5%	1.8%	.5%
Asian	2.4%	3.3%	1.4%
Other Race	2.1%	2.3%	2.3%
Hispanic or Latino (of any race)	6.4%	8.7%	9.5%

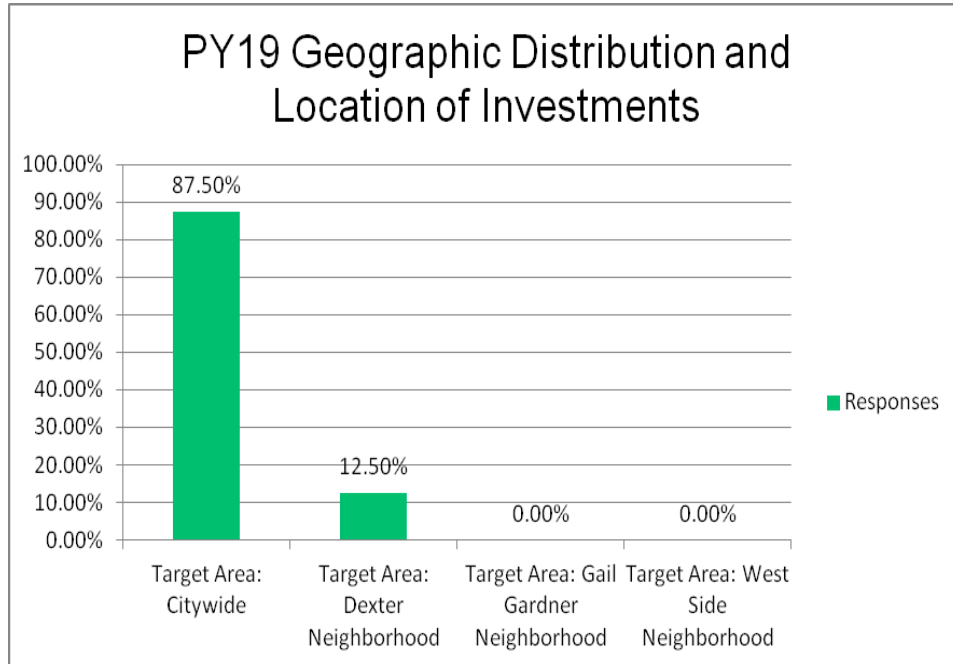
Data received via the Client Benefit Reports and Annual Reports demonstrate that participants in CDBG funded programming are slightly more diverse than the overall population of the City. The minority population of Prescott is 14.3 percent overall. The CDBG program participants who identify other than white are 16.8% of the population served.

CR-15 Resources and Investments 91.520(a)

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	244,622	127,520

Geographic Location of investments

A majority of PY19 CDBG funds were spent Citywide. There were approximately 12.5% of funds spent in the targeting LMI area of Dexter neighborhood.



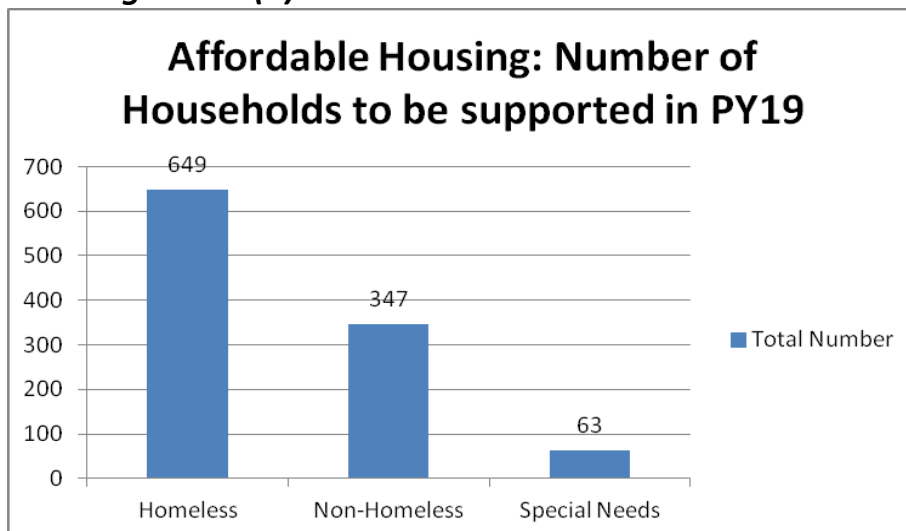
Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The PY 2019 CDBG program in Prescott leveraged approximately \$305,212.00 in matching funds for Public Service projects and facility projects. While a match is not required through our application process, it does figure into how dollars are awarded and who gets funded.

The City of Prescott did not receive any state or private funds to use toward housing or community development.

CR-20 Affordable Housing 91.520(b)



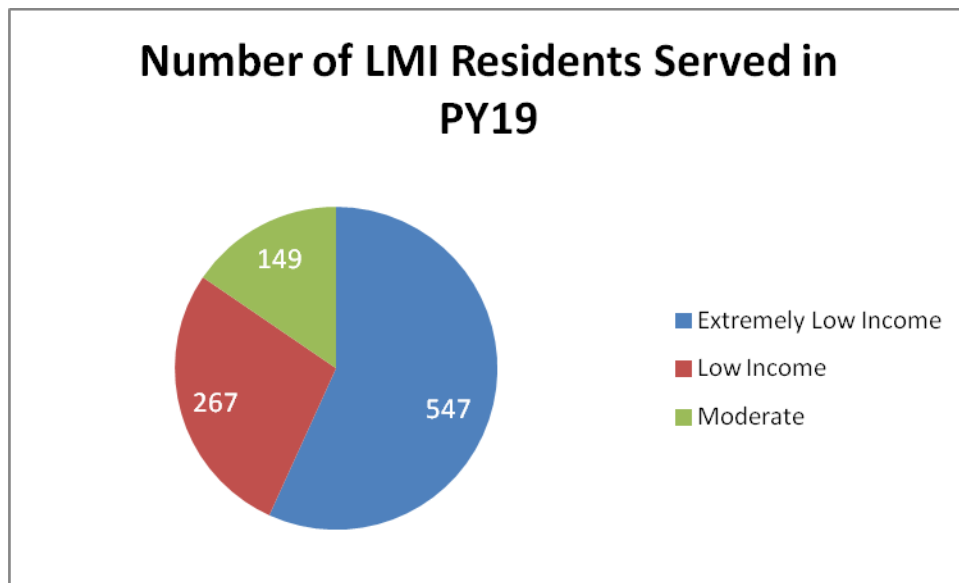
The City of Prescott served approximately 1059 residents to obtain or retain affordable housing in PY19. Approximately two thirds of those served by CDBG dollars in PY19 were homeless. These residents were primarily served via USVETS and Prescott Area Shelter Services.

The City has successfully met its annual and five year consolidated plan goals for serving the homeless, non-homeless and special needs population via CDBG. The City will have assisted with the rehab of 88 units of existing affordable housing when the Whipple Street project is complete. The City will have assisted in the creation of two new Habitat for Humanity homes for formerly homeless families.

The City of Prescott does not currently utilize funds for new affordable multi-family housing because the CDBG Entitlement dollars do not allow for new build expenditures.

These outcomes will help inform future CDBG planning efforts by using best practices for construction and rehab programs. There are many lessons learned with the challenges of using federal grant dollars to fund projects in the community. There have been challenges with getting bids and bids being too high in a competitive construction market. Future potential sub recipients will be asked to plan out their projects in phases so that we can have more timely outcomes and expenditures.

The City of Prescott did not do individual home rehab programs in PY19.



Future Annual Action Plans

The City of Prescott's CDBG program has been critical in supporting the affordable housing activities in the community. Many of the current, past and future capital construction projects support renovations and expansions of existing shelters or building new housing for the homeless. Some CDBG projects span multiple years with several phases. The City has a coalition of providers who include many of the past and future CDBG grant recipients. This coalition is called "Collective Impact" and is working together to move Prescott to a Housing First model of addressing the homeless situation. This model reduces the amount of needed shelter beds to zero.

The vast majority of CDBG funds for Program Year 2019, other than administrative costs and fair housing education, were used to benefit extremely low-income, low-income and moderate-income persons, and areas

in which these persons work and live. Prescott focuses on LMI and Area Benefit and does not do programming on individual homes at this time.

Examples of LMI and Area Benefit Services are: transportation for disabled residents to and from doctors appointments, grocery stores, delivery of meals to home bound seniors, providing direct service to homeless veterans, improving the quality of a homeless shelter at Prescott Area Shelter Services, and improving accessibility for our local disabled residents through the temporary wheelchair ramp program.

The City continues to focus its efforts for affordable housing and plans to incorporate priorities of affordable housing in the next Consolidated Plan, 2019-2024.

CR-25 Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

The City does not provide direct assistance in this category, but works with and funds via CDBG several homeless shelters who provide wrap around services to the homeless and highly mobile populations. The City sees these agencies thriving and working together to meet a collective goal to end homelessness in the City. The primary agencies we funded are USVETS (Working on Small Cottages to permanently house formerly homeless disabled Vets), PASS - Prescott Area Shelter Services, (temporary shelter for women and children).

In PY19 US VETS served a total of 600 veterans. 340 received housing services, 252 received mental health counseling and assessments, 56, 857 meals were served and 68 veterans were placed into jobs. US vets has increased accessible housing by 61 units with PY19 CDBG funds.

PASS served 334 homeless women and children in PY19 and served a total of 334 extremely low income residents overall

CR-30 Public Housing 91.220(h); 91.320(j)

The City of Prescott continues to support those organizations that provide services because we do not currently have a public housing authority.

CR-35 Other Actions 91.220(j)-(k); 91.320(i)-(j)

The City continues to partner with the Southwest Fair Housing Council to provide an annual "Fair Housing Workshop" and refers residents who have housing fairness questions to the SWFHC.

The City of Prescott is fortunate to have zoning ordinances that allow for a diversity of housing options including mobile homes and manufactured homes. The City will work to ensure that the diversity of affordable housing options is protected and that artificial barriers to new affordable housing projects are not instituted.

The City of Prescott continues to support those organizations that provide services to the underserved population. The Rowle P. Simmons Adult Center offers an array of services, activities and meals for the aging senior population.

The City has an initiative called "Change for the Better" which raises funds via donation meters downtown. These funds go to directly help the homeless. Since the inception of the program, the City has been able to

grant \$11,500 to non-profit agencies who work on homeless outreach and prevention. Almost all of the agencies who received funds via "Change for the Better," also receive CDBG grant funds. For more information you can go to the program web-site: <http://www.prescott-az.gov/city-management/programs/homelessness-initiative/>

Lead-based paint testing is conducted as part of the CDBG rehabilitation programs as needed. The City did send out two lead-based paint information flyers to previous program participants from a PY16 project that were found to be built before 1978. Language was added to the sub-recipient agreements where the Sub recipient agrees that any construction or rehabilitation of residential structures with assistance provided under this agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. The City works closely with our Yavapai County Contractors Association to provide sub recipients with current LEAD and EPA rules. <https://ycca.org/General-Resources-EPA-Issues>

By directing a majority of CDBG funds to Non-Profits serving residents in poverty, Prescott's CDBG dollars have a significant impact on providing assistance and helping families move out of a crisis and into a more stable home and life.

As described in the plan, the "institutional structure" is the overall community delivery system. This system was structured to assist with affordable housing, eliminate homelessness, and address community and economic development needs. There is a coalition of agencies (Collective Impact) that includes Prescott Community Development, Prescott Police, County wide agencies, many non-profits, including all CDBG funded agencies.

These partners assist in the provision of affordable housing, reduction in homelessness, prevention of homelessness, community development, and economic development in our community and throughout Yavapai County. As described by the listing of services offered from the City of Prescott, the City's CDBG Program has formed an extensive network of support organizations and partner agencies in order to help meet the social services needs of residents.

Links to resources and partners: <http://www.prescott-az.gov/wp-content/uploads/2018/11/Community-Resource-Guide.pdf>

The City does not currently have a Public Housing Authority. The City works in coordination with the non-profit and public based coalition "Collective Impact" to keep abreast of any unmet community needs and to make continuous improvements to the public services provided to City residents and the public grants made available via CDBG.

The City of Prescott is working on re-evaluating the impediments to fair housing choice and included a survey in our CDBG Consolidated Plan Needs Assessment.

CR-40 Monitoring 91.220(d, e); 91.520(c)

The City of Prescott monitors all CDBG-funded activities to ensure that the activity is in compliance with all applicable federal, state and local regulations and to ensure timely expenditure of funds. The administrative staff offers technical support to assist applicants in managing funding according to procurement standards of

HUD and the City of Prescott. The grant administrator is involved with all construction projects to ensure compliance with procurement regulations and Davis Bacon Labor Standards.

Local non-profits receiving CDBG funding must enter into sub-recipient contracts prior to release of funding and submit annual progress reports. Expenditures are monitored for appropriateness and eligibility before payment. On-site monitoring visits of each sub-recipient are done by the CDBG Grant Coordinator.

Annual Reports are required from all sub recipients and all projects are photographed before and after completion.

Comprehensive Planning includes outreach to all the community based partner agencies, Citizen Advisory Committee and a Community Wide needs assessment.

Minority Business Outreach is done primarily via the Prescott Chamber of Commerce and the Downtown Business Association.

Public Notice on CAPER

The 2019 CAPER will be made available at the following prominent locations: Prescott City Hall Lobby and Office of the CDBG Coordinator; 201 S. Cortez Street, Prescott, AZ 86303 and on the City of Prescott website: <http://www.prescott-az.gov/business-development/community-grants/community-development-block-grants/> Public notification was given in the local newspaper for public comment on the CAPER for 15 days prior to final submittal to HUD. The public comment period will be open from December 11, 2020 to December 26, 2020. Public Comments will also be taken at the December 16, 2020 CDBG Citizen's advisory committee meeting and will be shared with HUD as part of the on-line CAPER submittal.

CR-45-CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City does not recommend any changes to the program objectives in its 2014-2019 plan. During the needs assessment and public outreach portion of the 2020-2024 Consolidated Planning process, the City residents and Community Advisory Committee recommended adding two new priority areas. Renter and Health related priorities were added to the 2020-2024 approved consolidated plan.

Some citizen feedback we have received is to explore using dollars toward housing rehab and water conservation. City departments may be exploring water infrastructure hook ups for low income neighborhoods, and a permanent cold weather homeless shelter.

Most of the changes the City recommends are administrative in nature. A few examples are:

- Three year construction applications
- New CDBG program handbook

- Evaluate the CDBG Grant Application form to ensure that it flows with the outcomes described in the consolidated plan and the annual action plan. This will make it much easier for proposal reviewers and the CDBG Program Coordinator to obtain quantitative data in a timely fashion.

Does this jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants? No

APPENDIX A - 5 Year Consolidated Plan Priorities

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
Support Services & Shelter for People Experiencing Homelessness	X	High	100 people
Homelessness			
Add Emergency Shelter & Transitional Housing Beds	X	Low	20 beds
Decent Affordable Housing			
Owner-occupied Housing Unit Rehabilitation	X	High	50 units
Direct Assistance to 1 st -time Homebuyers		Low	10 households

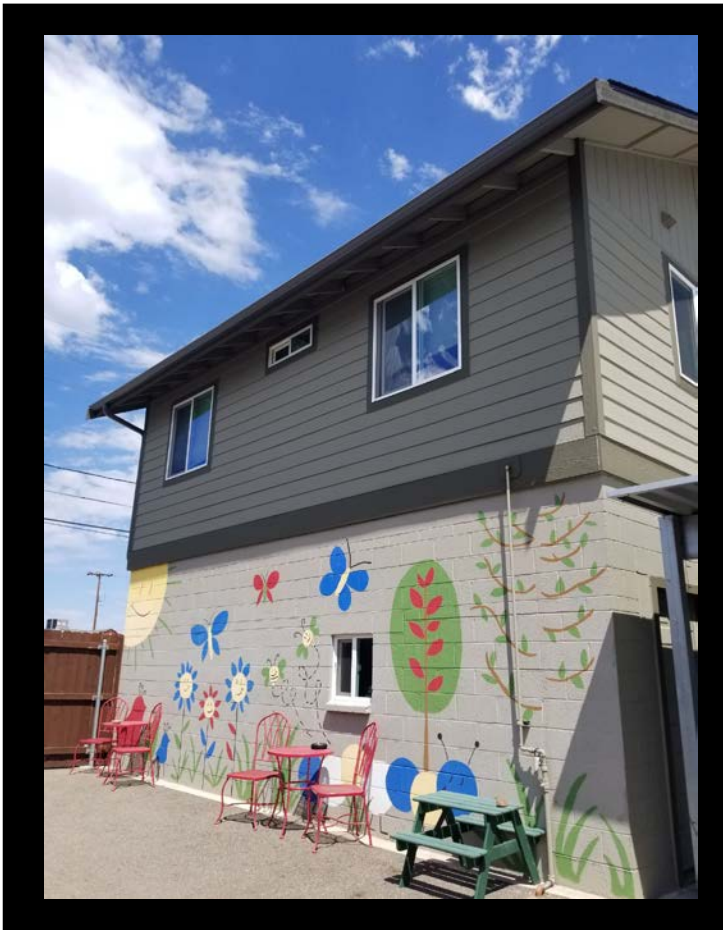
APPENDIX B - Photos



The Launch Pad Outdoor Learning Center



US VETS Elevator (Awaiting State Inspection to Complete)



Prescott Area Shelter Services Expansion (PASS)



Prescott Area Shelter Services Expansion (PASS)