

Community Development Block Grants

CDBG Annual Action Plan Program Year 2023



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

Email: michael.mcinnnes@prescott-az.gov

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

CITY OF PRESCOTT

**ANNUAL ACTION PLAN
Program Year 2022**

CDBG Funding Cycle: July 1, 2023 – June 30, 2024

Mayor

Phil Goode

City Council Members

Connie Cantelme

Brandon Montoya (Pro Tem)

Eric Moore

Cathey Rusing

Steve Sischka

Clark Tenney (CDBG Liaison)

Citizens Advisory Committee

Mary Ann Suttles, Chair

Sandy Griffis, Vice Chair

Tom Benson

Janie Evans

Deborrah Miller

Jon Rocha

Debbie Savoini

City Staff

Tyler Goodman, Interim City Manager

Chelsea Walton, Interim Community Development Director

George Worley, Planning Manager

Tammy DeWitt, Community Planner

Contents

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	4
PR-05 Lead & Responsible Agencies – 91.200(b)	10
AP-10 Consultation – 91.100, 91.200(b), 91.215(l)	11
AP-12 Participation – 91.105, 91.200(c)	14
AP-15 Expected Resources – 91.220(c)(1,2)	16
Projects	20
AP-35 Projects – 91.220(d).....	20
AP-38 Project Summary	22
AP-50 Geographic Distribution – 91.220(f)	23
AP-55 Affordable Housing – 91.220(g)	25
AP-60 Public Housing – 91.220(h)	27
AP-65 Homeless and Other Special Needs Activities – 91.220(i)	28
AP-75 Barriers to affordable housing – 91.220(j)	30
AP-85 Other Actions – 91.220(k)	31

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Annual Action Plan (Action Plan) is submitted to the U.S. Department of Housing and Urban Development (HUD) on an annual basis and serves as the formal application for the use of Community Development Block Grant (CDBG) entitlement funds received by the City of Prescott.

The City of Prescott's Annual Action Plan describes allocations for the Community Development Block Grant program for the coming year – Program Year 2023, the fourth year of the 2020 – 2024 Consolidated Plan. The Consolidated Plan guides the allocation of funds over the five year period and addresses the goals and priorities identified by the Community. New activities selected for funding were determined through a Notice of Funding Available and an application process approved by the Prescott City Council.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Prescott's CDBG Program Year 2023 Annual Action Plan addresses the community public service and housing needs of Low- and Moderate-Income (LMI) residents living in the City of Prescott. Both the Consolidated Plan 2020-2024 and the 2023 Annual Action Plans are implemented by the City's Community Development Department.

The Annual Action Plan defines the one-year activities in relationship to the five-year goals and objectives of the Consolidated Plan covering Program Years 2020-2024, submitted to HUD on May 15, 2020. The Annual Action Plan provides a brief description of the programs and projects of the City of Prescott in Program Year 2023, as well as funding announcements for the CDBG program.

2023 Public Facility/Infrastructure Objectives

- Provide improved LMI rental housing for formerly homeless veterans via US VETS by remodeling the former Officer's Quarters at the Prescott VA.
- Rehabilitate New Hope Wellness Center which serves as a transitional living space for LMI individuals and a case management center for clients struggling with co-occurring disorders.
- Continue the City of Prescott's Minor Home Repair Program which improves the quality of residential housing for LMI individuals, elderly, and disabled residents.

2023 Public Services Objectives

- Provide essential transportation assistance for elderly and disabled adults primarily LMI via People Who Care and New Horizons Disability Empowerment Center.
- Support LMI residents' basic needs through Community Count's diaper bank activity.
- Provide workforce development for youth and young adults through Yavapai Big Brothers Big Sisters and the Launch Pad.

2023 CDBG Program Administration Objectives

- Continue to expand partnerships with non-profit groups, government agencies, and private entities to widen the reach of the Prescott CDBG Program.
- Lead and administer the PY23 CDBG Annual Action Plan according to federal guidelines.
- Work with the Prescott CDBG Citizen Advisory Committee to execute the CDBG 2020-2024 Comprehensive Plan.
- Coordinate with sub-recipients to ensure execution of projects and timely reporting of outcomes.
- Work to ensure completion of past CDBG programs and projects.
- Ensure required expenditures of CDBG program funds are met in a timely fashion.
- Purchase operational supplies and services associated with delivering the CDBG program.

2023 OUTCOMES SUMMARY

The City's outcomes for this planning period are directed at increased social service availability; increased economic opportunities, and housing and accessibility improvements which serve LMI Veterans and people with disabilities. The City anticipates the following outcomes from its PY23 Action Plan activities will serve 919 LMI Prescott Residents.

- Provide up to 124 low income, formerly homeless veteran Prescott residents with improved housing at the VA.
- Improve the quality of transitional housing for 14 LMI individuals through rehabilitation of New Hope Wellness Center. New Hope Wellness Center goal is to serve 82 LMI individuals struggling with co-occurring disorders in PY23.
- Free rides for approximately 429 people to meet transportation needs for the elderly, disabled and those with physical challenges in the City of Prescott (215 through People who Care) and (214 through New Horizons).
- Provide for 180 LMI individuals diaper and incontinence supplies through Community Counts' Diaper Bank program.
- Provide 90 of Prescott's LMI youth and young adults with workforce development training through Yavapai Big Brothers Big Sisters and the Launch Pad.

The Community Development Block Grant program is provided through the US Department of Housing and Urban Development (HUD) Office of Community Planning and Development. Due to its size and composition, the City of Prescott is classified as an 'Entitlement Community'. This means that Prescott

does not apply for the CDBG program but is awarded CDBG funds at a level based on a HUD formula involving population and demographics. To receive CDBG funds, every five years the City must complete a Consolidated Plan and an Annual Action Plan, based on the Consolidated Plan that details the uses of funds. Congress' primary objective for CDBG is to improve communities, principally for low- and moderate-income persons by:

- Providing Decent Housing,
- Providing a Suitable Living Environment, and
- Expanding Economic Opportunities.

The following table summarizes planned CDBG activities, aligned with determined priority level and five-year quantitative goal. Activities are targeted to unique populations meeting HUD LMI requirements.

5-year Consolidated Plan Goals (2020 – 2024)			
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

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each year, HUD assesses the City of Prescott’s management of CDBG funds, the City’s compliance with the Consolidated Plan and the extent to which the City is preserving and developing decent affordable housing, creating a suitable living environment, and expanding economic opportunities.

A program assessment is annually performed through HUD’s review of the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER provided an estimate of output measures in compliance with HUD’s data system. The CAPER includes measures of performance to quantify longer-term goals by incorporating projected outcome measures. Quantifiable results-oriented goals for capital programs are tied to a unified framework for the benefit of low- and moderate-income residents.

The City of Prescott is proud of its prior CDBG accomplishments and continues to utilize viable resources to improve quality of life in the community. Prescott uses their CDBG funds primarily to serve low- and moderate-income families, many of whom are disabled, homeless and elderly. In 2021, activities implemented with CDBG funds served approximately 1840 individuals via direct service and improvements to public facilities, homeless shelters, and transitional housing. This number is up from the 2020 number served which was approximately 1334. The improvements to these facilities will continue to serve many more Prescott residents in future years.

The City has made significant progress in all its priority areas. It has exceeded its five-year goal in year two of the five-year plan in several areas. Areas where goals have been met already are: Public Facility or Infrastructure Activities that benefit low/ mod income housing benefit. These improvements were located at Prescott Area Shelter Services and Agape House.

The City has also exceeded its five year goal on Economic Development / Jobs Created. This was accomplished by funding internships with The Launch Pad and Arizona Serve and funding job creation and retention with the Prescott Cares Program.

The City has exceeded its five year goal for basic needs via funding services at People Who Care, New Horizons, and the Prescott Chamber of Commerce / Prescott Cares Program.

4. Summary of Citizen Participation Process and consultation process

The City of Prescott encourages citizen involvement in the planning, implementation, and evaluation of its CDBG Annual Action Plan. This includes activities intended to assist residents of the City, particularly those with low incomes and those with supportive housing needs. The following section details the opportunities for public involvement in the preparation of this Action Plan.

The City of Prescott's Annual Action Plan for Program Year 2023 has been developed in conjunction with input from citizens, social service agencies, non-profit providers, the Prescott's CDBG Citizens Advisory Committee (CAC) and other interested persons.

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

Public Meetings, Hearings, and Notifications:

The City of Prescott hosted a CDBG Needs Workshop on October 19, 2022. City staff gave an overview of the CDBG program and answered questions from the community as well as the Citizen Advisory Committee (CAC).

The application period opened on December 12th, 2022, and closed on January 30th, 2023. There were five applications for public service projects, two applications for construction projects, and two applications for Prescott Cares funding (the City's CDBG-CV program).

On March 3rd, 2023, the CAC heard presentations from all 2023 CDBG Applications. There were nine presentations.

On March 15th, 2023, the CAC made their final recommendations to move forward to the City Council after Public Review and Comment.

On April 19th, 2023, the Citizen Advisory Committee held a public hearing regarding the Annual Action Plan and opened the 30-day review and comment period (April 19th to May 19th, 2023). An amendment to the City's 2020 – 2024 CDBG Consolidated Plan was presented to CAC that would allow CDBG-CV funding for facilities and infrastructure, basic needs, emergency and transitional shelters, and administration. The amendment opened a 30-day review and comment period (April 19th to May 19th, 2023)

On April 19th, 2023, a draft of the 2023 CDBG Annual Action Plan was made available at: City Hall, Office of Grants Administration and in the City Hall lobby area, 201 S. Cortez Street, Prescott; Prescott Downtown Library, 215 E. Goodwin Street, Prescott; and is posted on the City's CDBG web page.

5. Summary of public comments

TBD: 30-day public comment period will be open from April 19th to May 19th, 2023.

6. Summary of comments or views not accepted and the reasons for not accepting them

TBD: 30-day public comment period will be open from April 19th to May 19th, 2023.

7. Summary

The City's outcomes for this planning period are directed at increased social service availability; increased economic opportunities, and housing and accessibility improvements which serve LMI veterans, elderly and people with disabilities. The City anticipates the sub recipients who are administering the PY23 Annual Action Plan will serve 919 LMI Prescott Residents.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	PRESCOTT	Community Development

Table 1 – Responsible Agencies

Narrative (optional)

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

Consolidated Plan Public Contact Information

Michael McInnes, CDBG Coordinator
 City of Prescott
 Community Development Department
 201 S. Cortez S.
 Prescott AZ 86303
 928-777-1205
 michael.mcinnnes@prescott-az.gov

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Prescott encourages citizen involvement in the planning, implementing, 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 preparing the Annual Action Plan.

The City of Prescott's Annual Action Plan for Program Year 2023 has been developed with input from citizens, social service agencies, non-profit providers, the Prescott CDBG Citizens Advisory Committee (CAC), and other interested persons.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City of Prescott, as well as the county in which the City resides, Yavapai County, does not currently have a Public Housing Authority. The City participates in the Continuum of Care and hears regular feedback between public and private agencies regarding mental health and social services needed and provided.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

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

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Prescott is not an ESG grantee.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

United Way of Yavapai County – Overall Community Needs and Services

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

City of Prescott

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

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

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

Identify any Agency Types not consulted and provide rationale for not consulting

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

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	United Way / Catholic Charities	Strategic goals overlap with the goal of ending homelessness.

Table 2 – Other local / regional / federal planning efforts

Narrative (optional)

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

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

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 2023 has been developed in conjunction with input from citizens, social service agencies, non-profit providers, the Prescott CDBG Citizens Advisory Committee (CAC) and other interested persons.

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

The consultation and public participation process for the development of this year’s Annual Action Plan consisted of three public meetings, a request for proposal process, and an invitation for written comment. Forums and meetings were conducted to solicit information on housing and community development needs and to elicit public comment on planned activities. The draft Annual Action Plan was made available for public comment from April 19th, 2023, to May 19th, 2023.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	Advertisement of the Needs Assessment Workshop	n/a	n/a	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Public Meeting	Non-targeted/broad community	A variety of non-profits, for profits, elected officials, and advisory board members attended.	They were enthusiastic about applying for CDBG funds.	n/a	
3	Public Meeting	Non-targeted/broad community	All 2023 CDBG applicants presented their projects. There were 9 presentations to the Citizen Advisory Committee. City Council Liaison also attended.	Mostly presentation and question and answers from the Citizen Advisory Committee.		
7	Public Hearing	Non-targeted/broad community	Citizen Advisory Committee Annual Action Plan Review	See Minutes		
8	Newspaper Ad	Non-targeted/broad community	No responses			
9	Public Hearing	Non-targeted/broad community	Presentation of the Annual Action Plan			
10	Newspaper Ad	Non-targeted/broad community	Ad for upcoming public hearing at the City Council for Annual Action Plan.	Not completed		

Table 3 – Citizen Participation Outreach

Annual Action Plan
Program Year 2023

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

A City and HUD CDBG program goal is to increase the ability to leverage federal, state and local funds to support community development and housing improvements. The following amounts are based on the *anticipated* funding and are subject to change:

Of the approximate \$255,754 amount, a maximum of 15% (\$38,363.10) may be used for public service projects; 20% for administrative costs (\$51,150.80) which include legal notification, advertisements, fair housing workshop, administrator training, personnel and (non-construction) contractor costs. The balance (\$166,240.10) will be programmed and available for infrastructure development.

In order to address community needs and the goals identified in the Consolidated Plan the City may augment CDBG funds using additional funding sources. These funding sources may include the City's General Fund, Public Works, Capital improvement one cent sales tax funds, and other local public and not for profit resources.

The City received a total of seven applications for PY23 CDBG dollars. There were five public service applications and two construction applications. A majority of the agencies applying are previous CDBG grantees. There was one new public service applicant and one new construction applicant in 2023.

In Program Year 2020, the City of Prescott received CDBG-CV funds provided by the CARES (Coronavirus, Aid, Relief, and Economic Security) Act. These funds were allocated to the 2020 – 2024 Consolidated Plan through a substantial amendment. The total allocated amount of CDBG-CV funding was \$457,198. A total of \$258,964.44 remains unspent.

In accordance with 24 CFR 91.105(c)(2), relative to citizen participation for Community Planning and Development Programs and applicable waivers via Coronavirus Aid, Relief, and Economic Security (CARES) Act, the City of Prescott wishes to amend the City's 2020 – 2024 CDBG Consolidated Plan to include funding facilities and infrastructure improvements, basic needs, emergency and transitional shelters, and administration.

This amendment will enable the City of Prescott to administer a special allocation from the US Department of Housing and Urban Development (HUD) to be used to prevent, prepare for, and respond to COVID-19. This allocation was authorized by the CARES Act, Public Law 116-136, and initially included \$427,198 under Community Development Block Grant CDBG-CV). CDBG-CV current balance remains at \$258,964.44.

This amendment is available for a 30-day public review and comment period from April 19th, 2023, to

May 19th, 2023.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The total amount requested from the community was \$214,814 with matching dollars in the amount of approximately \$28.4 million.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Not Applicable.

Discussion

All members of the Citizen Advisory Committee reviewed and scored the applications. A subcommittee met on March 14th to discuss the scores, applications, and funding available. The total amount of funding recommended by the subcommittee and full CAC is \$38,363.10 for Public Service and \$166,240.10 for construction. Total recommended for funding is \$204,603.20 and \$51,150.80 for administration.

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Facilities and Infrastructure Improvements	2023	2024	Accessibility	Citywide	Revitalization, Public Facilities/Infrastructure		Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 138 Persons Assisted
2	Basic Needs	2023	2024	Non-Homeless Special Needs	Citywide	Public Services and Economic Opportunities		Public service activities other than Low/Moderate Income Housing Benefit: 609 Persons Assisted
3	Economic Development	2023	2024	Non-Housing Community Development	Citywide	Public Services and Economic Opportunities		Public service activities other than Low/Moderate Income Housing Benefit: 90 Persons Assisted
4	Emergency and Transitional Shelter	2023	2024	Affordable Housing Homeless	Citywide	Address Homelessness Decent Affordable Housing		Rental units rehabilitated: 5 Household Housing Unit Overnight/Emergency Shelter/Transitional Housing Beds added: 14 Beds Homelessness Prevention: 14 Persons Assisted
5	Decent Affordable Housing	2023	2024	Affordable Housing	Citywide	Address Homelessness Decent Affordable Housing		Rental units constructed: 124 Household Housing Unit Homeowner Housing Rehabilitated: 5 Household Housing Unit

Table 4 – Goals Summary

Goal Descriptions

1	Goal Name	Facilities and Infrastructure Improvements
	Goal Description	The plan will improve New Hope Wellness Center to further aid in their mission of case management and transitional living for LMI individuals struggling with co-occurring conditions.
2	Goal Name	Basic Needs
	Goal Description	The 2023 Annual Action Plan will serve approximately 609 residents with services that meet their basic needs such as housing, food, transportation, diaper and incontinence supplies, and medical care.
3	Goal Name	Economic Development
	Goal Description	The Plan will serve 90 Prescott residents (youth and young adult) with workforce development training.
4	Goal Name	Emergency and Transitional Shelter
	Goal Description	The 2023 Plan will improve the quality of New Hope Wellness Center to provide transitional housing for 14 LMI individuals.
5	Goal Name	Decent Affordable Housing
	Goal Description	This plan will help create 24 new affordable apartments for LMI Veterans and their families. The project is located at the VA in the former Officers Quarters homes. This plan will help 5 LMI homeowners repair their homes.
6	Goal Name	Administration
	Goal Description	

Projects

AP-35 Projects – 91.220(d)

Introduction

The City's key objectives for the PY2023 funding period will address Public Services, Public Facility/Infrastructure Development, improved housing, and ongoing support for businesses and families affected by the Coronavirus pandemic.

The public service projects address the community activities that will directly serve at least 51% Low to Moderate Clientele: Projects include the following services provided by eligible 501c3 organizations.

2023 Public Services Objectives

- Providing essential transportation assistance for elderly and disabled adults primarily LMI via People Who Care and New Horizons Disability Empowerment Center.
- Assisting LMI households and persons with diapers, incontinence supplies, and period products through Community Counts' Wrapped in Love Diaper Bank.
- Provide a workforce development needs assessment for youth 18-24 via the Yavapai Big Brothers Big Sisters program. Providing workforce development and skills training for LMI youth through the Launch Pad.

2023 Public Facility/Infrastructure Objectives

- Provide improved LMI rental housing for formerly homeless veterans via US VETS by remodeling the former Officer's Quarters at the Prescott VA.
- Rehabilitation project for NAZCARE's New Hope Wellness Center to further support their peer and family services program, as well as transitional housing available on campus.
- Provide improved residential housing quality for 5 LMI, elderly and disabled residents of Prescott via a new Minor Home Repair Program.

2023 CDBG Program Administration Objectives

- Continue to expand partnerships with non-profit groups, government agencies, and private entities to widen the reach of the Prescott CDBG Program.
- Lead and administer the PY23 CDBG Annual Action Plan according to federal guidelines.
- Work with the Prescott CDBG Citizen Advisory Committee to execute the CDBG 2020-2024 Comprehensive Plan.
- Coordinate with sub-recipients to ensure execution of projects and timely reporting of

outcomes.

- Work to ensure completion of past CDBG programs and projects.
- Ensure required expenditures of CDBG program funds are met in a timely fashion.
- Purchase operational supplies and services associated with delivering the CDBG program.

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

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

AP-38 Project Summary

2023 CDBG Application Overview and Funding Recommendations			
CONSTRUCTION PROJECTS	PROJECT DESCRIPTION	Other Funding Source Amount	Funding Recommendation
NAZCARE	Rehab of Wellness Center (LMI housing)	\$ -	\$ 90,885.00
US VETS	Property Rehab into Veterans Housing	\$ 27,874,268.00	\$ 61,205.00
Minor Home Repair Program	LMI Property Rehab	\$ -	\$ 14,150.10
		Funding Recommendation:	\$ 166,240.10
PUBLIC SERVICE PROJECTS	PROJECT DESCRIPTION	Other Funding Source Amount	Funding Recommendation
People Who Care	Transportation Program	\$ 363,214.00	\$ 13,449.05
Community Counts	Diaper Bank	\$ 15,665.00	\$ 5,465.00
Big Brothers Big Sisters	Youth Workforce Development	\$ 81,180.00	\$ 5,000.00
New Horizons	Transportation Program	\$ -	\$ 13,449.05
The Launch Pad	Youth Workforce Development	\$ 27,168.00	\$ 1,000.00
		Funding Recommendation:	\$ 38,363.10

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

All of the 2023 CDBG public service programs and construction projects are channeling the funds to support low- and moderate- income and disabled residents. Figure 1 is an updated CDBG LMI map with the HUD exception criteria. If the City decides to apply CDBG funds to benefit an eligible area, this is the map that will determine which areas are eligible.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Rationale for the priorities for allocating investments geographically

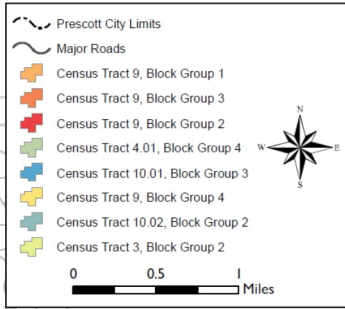
The City is allocating investments City Wide.

Discussion

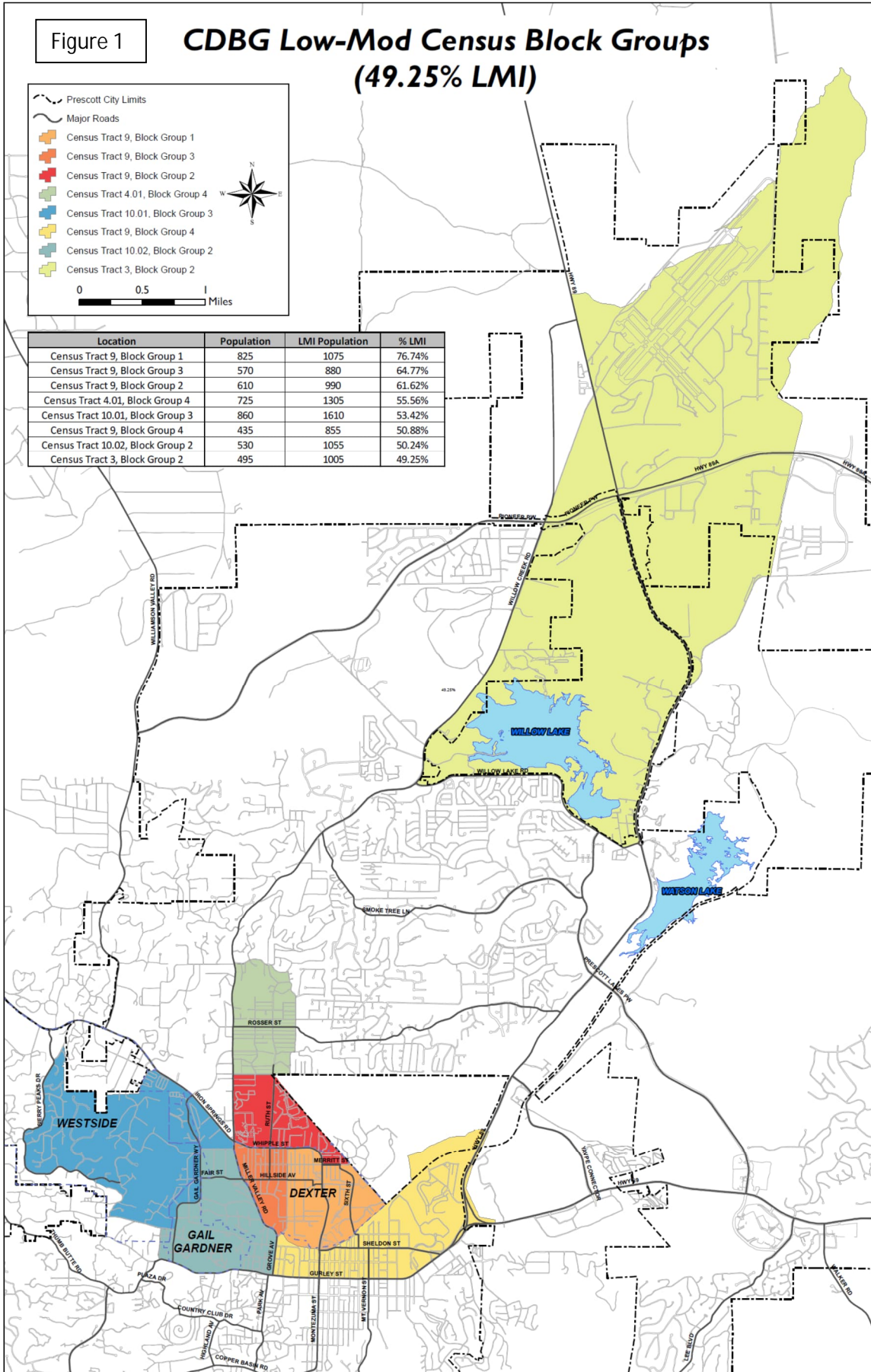
If the City deems it necessary in future program years, it will designate CDBG funds geographically.

Figure 1

CDBG Low-Mod Census Block Groups (49.25% LMI)



Location	Population	LMI Population	% LMI
Census Tract 9, Block Group 1	825	1075	76.74%
Census Tract 9, Block Group 3	570	880	64.77%
Census Tract 9, Block Group 2	610	990	61.62%
Census Tract 4.01, Block Group 4	725	1305	55.56%
Census Tract 10.01, Block Group 3	860	1610	53.42%
Census Tract 9, Block Group 4	435	855	50.88%
Census Tract 10.02, Block Group 2	530	1055	50.24%
Census Tract 3, Block Group 2	495	1005	49.25%



AP-55 Affordable Housing – 91.220(g)

Introduction

Prescott comprises about 44.9 square miles of land and has 45,827 residents. Prescott does have significant low- and moderate-income households. The community needs found within Prescott include lack of affordable housing, homelessness resources, and basic need services.

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

Housing costs, when above the 30% threshold, burden low- and moderate-income persons by restricting their ability to pay for the essentials such as clothing, food, transportation and child-care, while higher income households may choose to pay more for housing and still have sufficient income remaining for the essentials. Cost burdened households at all income levels impact local businesses that rely on discretionary spending.

One Year Goals for the Number of Households to be Supported	
Homeless	138
Non-Homeless	352
Special-Needs	429
Total	919

Table 5 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	19
Acquisition of Existing Units	0
Total	19

Table 6 - One Year Goals for Affordable Housing by Support Type

Discussion

According to the most recent Comprehensive Housing Affordability Strategy (CHAS) Data (2015-2019) and 2020 Census Data, the City of Prescott has 19,630 total households and of these 5,665 of them are

cost burdened*** (Greater than 30% of total income goes to housing).

The most recent data also shows that 5,915 households have at least one housing problem*. 3,200 households have at least one of four severe housing problems**.

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

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

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

With 29% of the population being cost burdened when it comes to housing, the City of Prescott will continue to focus on how to alleviate the housing cost burdens and eliminate housing quality problems with CDBG dollars.

AP-60 Public Housing – **91.220(h)**

Introduction

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

Actions planned during the next year to address the needs to public housing

We do not feel that it is our City's role to manage the Public Housing Authority. We see the housing crisis as a regional issue and believe that if there is a Public Housing Authority set up, it should be a County-Wide, regional body with representatives from local towns and cities.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

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

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

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

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

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

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

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

1. Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

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

2. Addressing the emergency shelter and transitional housing needs of homeless persons

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

3. Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period

of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

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

4. Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City works with several transportation companies to assist low income families from becoming homeless by providing free rides to grocery stores and medical appointments.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

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

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

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

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

AP-85 Other Actions – 91.220(k)

Introduction:

The City partakes in several other strategies to eliminate barriers to affordable housing. This includes Affirmatively Furthering Fair Housing, working on a housing needs assessment, including affordable housing goals in our future updated General Plan (required every 10 years by the State of Arizona).

Actions planned to address obstacles to meeting underserved needs

Fair Housing

The City has and continues to make use of media tools (public service announcements, advertisements and mailings) to apprise the public on fair housing topics including predatory lending practices and landlord-tenant rights. The City holds annual Fair Housing Workshops with SWFHC. Our target audience are our local realtors, landlords and tenants. The fair housing seminar notification was promoted on-line, radio ads, and emailed out to interested stakeholders. Ensure equal housing access for all persons regardless of race, color, religion, sex, handicap, familial status or national origin. Develop a partnership with the local real estate sales industry to promote fair housing and justice in determining housing values and insurance ratings, especially in older neighborhoods and those undergoing transition.

Actions planned to foster and maintain affordable housing

Provide for a balanced community with a diversity of neighborhoods and residential housing types and prices. Update the General Plan and Five-Year Consolidated Plan to include a housing needs assessment. Update the plans on affordability with the most recent data from CHAS on cost burdened households.

Actions planned to reduce lead-based paint hazards

The Residential Lead-Based Paint Hazard Reduction Act of 1992 emphasizes prevention of childhood lead poisoning through housing-based approaches. The City has established the following goals and strategies to address lead-based paint hazards. Houses or facilities built before 1978 that are being rehabilitated with CDBG assistance will be tested for lead in painted surfaces; consequently, if lead is present, it will be abated through removal or encapsulation as part of the rehabilitation contract. Strengthen efforts to educate the public and private sector about lead-based paint poisoning hazards. Incorporate lead-based paint information and notification procedures into appropriate city-operated and sponsored housing and public service programs. Ensure sufficient equipment and environmental service resources are available to provide the testing necessary to conduct public facility and housing

rehabilitation programs or projects.

Actions planned to reduce the number of poverty-level families

The City will continue to support LMI families with basic needs, transportation, rental assistance, home repair and more. Supporting these functions allows families to stay out of poverty. Planning future affordable housing needs will reduce the amount of cost burdened families. Providing job training and placement services for LMI youth will help them avoid poverty by obtaining living wage jobs.

Actions planned to develop institutional structure

Continue to work with the Continuum of Care organizations who implement the programs that have shown the most success. Continue to update the General Plan and Five-Year Consolidated plan to come up with assessments and strategies to develop an institutional structure.

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

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

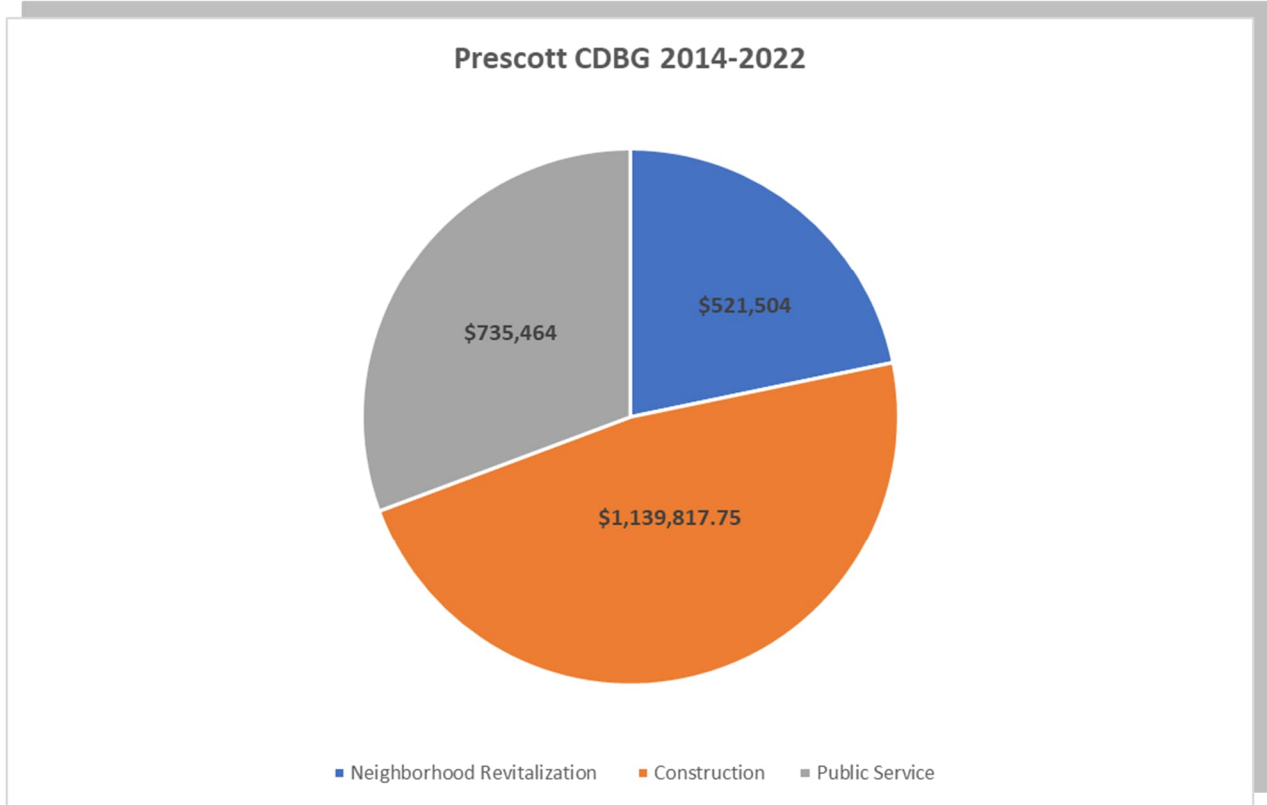
AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

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. The City does not currently have an "Urgent Need" designation. Therefore 100% of the CDBG funds will be allocated to serving LMI Prescott residents.

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

21% Neighborhood Revitalization and 48% Construction.



The Draft CDBG Annual Action Plan for 2023 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.

Program monitoring will ensure that the statutory and regulatory requirements of the CDBG program are being met. City staff will determine whether a project is eligible under the CDBG program and the National Objectives of the HUD Program: 1) benefiting low- and moderate-income persons/clientele; 2) preventing or eliminating slums or blight on a spot or area basis; and 3) addressing an urgent community need.

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

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