



STATE OF ARIZONA

2015-2019 CONSOLIDATED PLAN



Arizona
Department
of Housing

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The Consolidated Plan is a document required by the U.S. Department of Housing and Urban Development (HUD) to be submitted by all jurisdictions that directly receive HUD formula funds. The Arizona Department of Housing (ADOH) is the State agency responsible for developing the 2015-2019 Consolidated Plan. The Consolidated Plan determines priorities, establishes strategic goals, and allocates resources for the HUD funded programs administered by ADOH, namely: the Community Development Block Grant Program (CDBG); the HOME Investment Partnerships Program (HOME); Housing Opportunities for Persons with AIDS Program (HOPWA); and the Emergency Solutions Grant Program (ESG) administered by the Arizona Department of Economic Security (ADES).

The 2015-2019 Consolidated Plan covers the timeframe from July 1, 2015 to June 30, 2020, a period of five (5) fiscal years.

The primary focus of the HUD programs is on assisting low-income households. Throughout this document, there are several references to various income levels: 1) extremely low-income households are those earning at or below thirty percent (30%) of the area median income; 2) very low-income households are those earning thirty-one percent (31%) to fifty percent (50%) of the area median income; and 3) low-income households are those earning fifty-one percent (51%) to eighty percent (80%) of the area median income.

The objectives of the Consolidated Plan include: 1) Improve the quality of the housing stock; 2) Construction and rehabilitation of rental units; 3) Public Services for LMI; 4) Provide public infrastructure and facilities; 5) Clearance and demolition of substandard units; 6) Housing and supportive services for persons with HIV/AIDS; 7) Rental assistance and supportive services for those who are homeless 8) Further fair housing and address impediments; 9) Improve the economic environment; 10) Assist new homebuyers; 11) Build local capacity; and 12) Housing for persons with special needs.

The Arizona Consolidated Plan affirms the three (3) national objectives of Title I of the Housing and Community Development Act of 1974, as amended, including activities which: 1) Primarily benefit low-and-moderate income persons 2) Aid in the prevention of slums and blight; and 3) Alleviate conditions which pose a serious and immediate threat to the health or welfare of a community.

ADOH anticipates receiving the following amounts in FY 2015; estimated projections for five (5) years follow in parentheses: 1) CDBG: \$ 10.12 million (\$45.70 million); 2) HOME: \$4.45 million (\$24.75 million); 3) HOPWA: \$236,060 (\$1.18 million); and 4) ESG: \$1.54 million (\$7.72 million).

ADOH endorses the objectives of the National Affordable Housing Act of 1990, including: 1) Ensure that all residents have access to decent shelter; 2) Increase the supply of affordable housing; 3) Make neighborhoods safe and livable; 4) Expand opportunities for homeownership; 5) Provide a reliable supply of mortgage financing; and 6) Reduce generational poverty in assisted housing.

The Consolidated Plan also addresses the needs of persons living with HIV/AIDS and supports the objectives of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) of 2009 which reauthorized the 1987 McKinney-Vento Homeless Assistance Act.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The objectives of the Consolidated Plan include: 1) Improve the quality of the housing stock; 2) Construction and rehabilitation of rental units; 3) Public Services for LMI; 4) Provide public infrastructure and facilities; 5) Clearance and demolition of substandard units; 6) Housing and supportive services for persons with HIV/AIDS; 7) Rental assistance and supportive services for those who are homeless 8) Further fair housing and address impediments; 9) Improve the economic environment; 10) Assist new homebuyers; 11) Build local capacity; and 12) Housing for persons with special needs. The Consolidated Plan affirms the three (3) national objectives of Title I of the Housing and Community Development Act of 1974, as amended, including activities which: 1) Primarily benefit low-and-moderate income persons 2) Aid in the prevention of slums and blight; and 3) Alleviate conditions which pose a serious and immediate threat to the health or welfare of a community.

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3. Evaluation of past performance

Arizona made progress on its priority needs and objectives in 2013-2014, the last complete period for which a Consolidated Annual Performance and Evaluation Report was conducted. The best indicators of results (i.e. performance measures), are described below. ADOH obligated \$406,373,809 in FY 2013-2014 to affordable housing and community development efforts through multiple resources.

Community Development Block Grant (CDBG) Program: ADOH awarded \$8,371,549 of CDBG funds for projects in 2013-2014. The CDBG Program obligated funds to: Improved infrastructure 1) \$2,599,872 to Streets, Sidewalks, Drainage; and 2) \$809,276 Potable Water Delivery. Ensured variety of public facilities available to meet recreation, human dev. and service needs of low income households and priority populations: 1) \$453,763 Senior Center Imp.; 2) \$361,578 Neighborhood Facilities; 3) \$379,245 Small Business Incubator Construction; 4) \$265,727 ADA Improvements; 5) \$231,656 general planning; and 6) \$175,500 public services. Continued to support a mix of rehabilitation, conversion and construction activities: 1) \$3,094,932 owner-occupied home rehabilitation. Developed and implemented strategies which facilitated coordination of CDBG funding with other federal/state/local resources: 1) \$60,000

Technical Assistance activities; and 2) ADOH is involved on a continual basis in numerous planning efforts with other State departments; local, regional, and county governments; housing and social service providers; businesses and citizens.

HOME Investment Partnership Programs (HOME): Arizona awarded \$3,427,552 in HOME resources for owner-occupied housing rehabilitation and rental development in order to increase accessibility and availability as well as improve sustainability of permanent housing for 138 low income households.

Housing Opportunities for Persons with AIDS (HOPWA) Program: The state awarded \$214,801 in HOPWA funds within five (5) of the thirteen (13) non-entitlement counties assisting a total of fifty-seven (57) households with Short Term Rental, Utility and Mortgage Assistance; Rental Assistance; and Supportive Services.

Emergency Solutions Grant (ESG) Program: Arizona awarded 2013-2014 ESG funds in the amount of \$906,607 plus \$800,513 of 2011-2013 funds to encourage a range of services to help prevent people from entering the homeless system and rapidly transition people from homelessness to permanent housing.

Balance of State Continuum of Care: With advent of the HEARTH Act, ADOH has several roles in the Balance of State Continuum of Care (BOSCO) process: ADOH is the Collaborative Applicant for the 4.2 million annual renewals; Recipient of all but one (1) of the projects (ninety-seven percent (97%)); and is the Homeless Management Information System (HMIS) Lead Agency. ADOH supports the planning and organization of the BOSCO. A planning contract for \$22,000 was awarded in the 2013 competition with a focus on establishing Coordinated Entry. There are sixteen (16) sub-recipients to administer the thirty-four (34) housing projects, seventy-five percent (75%) of which are permanent supportive housing and twenty-five percent (25%) are transitional housing. These projects provide 379 units of housing. The Federal partners involved in the BOSCO include the U.S. Department of Veterans Affairs with the VASH vouchers and the SSVF programs, and SAMHSA with the Projects for Assistance in Transition from Homelessness (PATH) and the Runaways and Homeless Youth Assistance (RHYA) programs. They are required to participate in the HMIS along with ESG and HOPWA providers.

4. Summary of citizen participation process and consultation process

ADOH encouraged citizen participation throughout the development of the Consolidated Plan by consulting stakeholders, local and regional governments, holding public meetings and encouraging public comment during the public review period. The following five (5) public meetings were held prior to the drafting of the Consolidated Plan: 1) Tucson, Arizona, September 11, 2014 at 4:15 p.m., J.W. Marriott Starr Pass Hotel, West Starr Pass Boulevard; 2) Parker, Arizona: January 8, 2015 at 10:30 a.m., Arizona Western College, Parker Learning Center, 1109 Geronimo Avenue; 3) Benson, Arizona: January 13, 2015 at 10:30 a.m., Cochise College, Benson Center, 1025 State Route 90; 4) Cottonwood, Arizona: January 16, 2015 at 10:30 a.m., Spectrum Health Care, Community Mingus Room, 8 East Cottonwood Street and 5) Phoenix, Arizona: April 21, 2015 at 10:00 a.m., Arizona Department of Housing, 1110 West Washington Street, Suite 280 (ADOH Training Room on 2nd Floor).

The public hearings focused on housing and community development needs throughout the State and strategies to address those needs. The presentation was available via download on the ADOH website at <https://housing.az.gov/>.

A draft of the Consolidated Plan was made available to the public for a thirty (30) day comment period beginning April 1, 2015 and ending May 1, 2015. Notices for the public hearing were posted on the ADOH website and advertised in the following papers at least seven (7) days prior to the meetings: Arizona Republic (Phoenix and metropolitan), Kingman Daily Miner, Arizona Daily Sun (Flagstaff), Yuma Sun and the Arizona Daily Star (Tucson). The same notices were sent by email to partner communities, counties, regional councils of government, non-profit and for-profit entities. ADOH staff formulated the objectives and outcomes that are briefly described below.

5. Summary of public comments

ADOH held two (2) Public Hearings and three (3) Focus Groups which were well attended by local government representatives, non-profit organizations and citizens. ADOH held the meetings in geographically diverse areas throughout the state. One of the most prevalent comments was support to continue the funding for single family owner occupied housing rehabilitation programs especially in the Balance of State geographic areas. Also discussed at length was the need to make HOME funds more available for rental development in the Balance of State. Meeting participants expressed the need to continue fair housing education among all sectors of the service delivery population. There was ample support to direct resources to the extremely low income person for all programs. The reality that the needs are greater than available funding was also prevalent among the comments received.

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

There were no comments that were excluded. All persons attending public hearings or focus groups were entitled to make comments regarding the proposed consolidated plan, methods of distribution, State priorities, State programs covered by the plan etc. There were no comments received that were inappropriate, unacceptable or that did not pertain to the proposed consolidated plan.

7. Summary

The following is a summary of the objectives of this plan: 1) Improve the quality of the housing stock; 2) Construction and rehabilitation of rental units; 3) Public Services for LMI; 4) Provide public infrastructure and facilities; 5) Clearance and demolition of substandard units; 6) Housing and supportive services for persons with HIV/AIDS; 7) Rental assistance and supportive services for those who are homeless 8) Further fair housing and address impediments; 9) Improve the economic environment; 10) Assist new homebuyers; 11) Build local capacity; and 12) Housing for persons with special needs. ADOH has a proven record of meeting similar goals in the previous plans. A significant amount of public comment was collected for this plan in support of these goals.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

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

The following are the agencies/entities 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	ARIZONA	Kathy Blodgett, CD&R Programs Administrator
HOPWA Administrator	ARIZONA	Karia Basta, Special Needs Administrator
HOME Administrator	ARIZONA	Andrew Rael, Assistant Deputy Director of Programs
ESG Administrator	ARIZONA	Donna Bleyle, Arizona Dept of Economic Security

Table 1 – Responsible Agencies

Narrative

The Arizona Department of Housing is responsible for overseeing the preparation and administration of the Consolidated Plan.

Consolidated Plan Public Contact Information

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PR-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

ADOH is involved on a continual basis in numerous planning efforts with other State agencies and departments; local, regional, and county governments; housing and social service providers; businesses; and citizens. The planning bodies responsible for these efforts often consist of members that are recipients of ADOH funding or share in some respect ADOH's mission to address housing and community development needs for low-income and special needs populations throughout the state.

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

Coordination between public housing providers, private and governmental mental health and service agencies are achieved through the following State-wide organizations and efforts. Governor's Arizona Commission on Homelessness and Housing (ACHH) is the Statewide homelessness planning and policy development resource for AZ. It is the primary decision making authority regarding the content of Housing Arizona State Plan to Prevent and End Homelessness, the implementation schedule, and strategies of the Plan. ACHH is chaired by the Governor, co-chaired by the Directors of the ADES and ADOH and staffed by the State Homeless Coordinator. Meetings are held bi-monthly and additional work is accomplished by several committees that meet regularly.

The Arizona Coalition to End Homelessness (AZCEH) provides leadership in statewide efforts to end homelessness through advocacy, education and coordination with local communities and initiatives. AZCEH activities include its annual statewide conference; coordination of focused service initiatives along with providing education opportunities for those working on behalf of all those experiencing homelessness.

HUD 811 Demonstration Program. ADOH applied for and received the HUD 811 Demonstration program, which requires coordination among public organizations, property owners, managers, and governmental health and service agencies.

Arizona's Olmstead Plan. The Division of Behavioral Health established and led the Olmstead Policy Academy Team. ADOH participates in the workgroup. The purpose has been to update the State's Plan.

Regional Behavioral Health Authorities (RHBA's). AZ Division of Behavioral Health contracts with RHBA's who provide integrated health care through a provider service network. Each RBHA has a Housing Coordinator who is very engaged in the COC and housing process.

Arizona SOAR State Steering Committee was created in June 2014 with TA being provided by SAMHSA, throughout the process of implementation. This project is designed to increase access to the disability income benefit programs administered by the Social Security Administration (SSA) for eligible adults who are homeless or at risk of homelessness and have a mental illness and/or a co-occurring substance use disorder. Each COC has a local lead assisting with the execution of the Action Plan.

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

In 2011, ACHH reviewed Action Steps in the Federal Plan and compared them with the 2004 Arizona Plan. ACHH reviewed the background of the Federal Plan to Prevent and End Homelessness, including goals and strategies, and recommended implementation of action steps to identify and prioritize specific, attainable goals with targeted timetables for a revised Arizona State Plan to End Homelessness that would coincide with Opening Doors. The following Statewide goals and objectives were adopted and introduced at meetings of all three (3) Continua of Care (COC), at the Pima County Regional Homeless Conference and at the Annual Statewide Conference on Homelessness.

END CHRONIC HOMELESSNESS BY 2016: 1) Move 300 chronically homeless individuals or families into permanent housing each year for the next five (5) years; 2) Adopt and implement Statewide use of a common assessment tool to prioritize housing placement based on vulnerability by December 2012; 3) Support, monitor and assess all pilots for Centralized Intake to prioritize chronically homeless individuals for placement and to evaluate outcomes by December 2013; and 4) Develop a Statewide shared Database of Permanent Supportive Housing, Affordable Housing and Tax Credit supported housing options by July 2013.

PREVENT AND END VETERAN HOMELESSNESS BY 2015: 1) Insure all mainstream and community resources identify veteran status and connect veterans to additional veteran resources by July 2013; and 2) Target and prioritize use of Housing and Urban Development (HUD) VASH housing vouchers towards chronically homeless veterans.

CONTINUE WORK TO PREVENT AND END HOMELESSNESS FOR FAMILIES, YOUTH AND CHILDREN BY 2021: 1) Develop common reporting standards for family units versus beds to determine housing needs by December 2013; 2) Adopt common definition of Homeless Youth by July 2013; and 3) Add 300 units of Permanent Supportive housing to the housing system each year for the next ten (10) years.

DEVELOP MEASUREMENT STANDARDS, DATA COLLECTION AND ACCURATE REPORTING SYSTEMS BY 2013: 1) Organize a comprehensive Statewide street and shelter survey to establish baseline data for future comparisons and research by summer 2012; and 2) Establish common definitions, methodology, measurement tools and reporting standards to be compiled into standardized reports to the Commission by the Continua of Care by July 2013.

MOVE FROM THE CURRENT SYSTEM OF HOMELESS MANAGEMENT TO A HOMELESS PREVENTION SYSTEM BY 2021: 1) Expand Centralized Intake system to become Housing Options Centers with access to all forms of affordable housing, rental assistance and emergency housing solutions by July 2021; and 2) Implement a Statewide re-entry process for jail and prison inmate release to prevent release to homelessness by December 2015.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The State Homeless Coordination Office worked through the ESG Collaborators Group in Maricopa County and directly with Tucson and Pima County to coordinate funding objectives for State funded Emergency Solutions Grant (ESG) programs in order that the State could fund those program objectives that the local ESG recipients did not have resources or capacity to serve. Simultaneously, the Maricopa ESG Collaborators Group, which is facilitated by the Maricopa County Continuum of Care, is developing performance standards and outcome measures for the Maricopa Continuum and ESG funded programs. As part of this project, we are working closely with the Homeless Management Information System (HMIS) to develop reports and procedures that will allow all funders to measure and monitor program recipients. All four (4) ESG activities (outreach, emergency shelter, rapid re-housing and homeless prevention) are funded for the Balance of State where other ESG funding is not available. In the Maricopa County and Pima County COCs, many local jurisdictions preferred to focus on homeless prevention, allowing State funding to focus on rapid re-housing. ESG contracts are issued for a period of three (3) to five (5) years.

Provide a concise summary of the state’s activities to enhance coordination with local jurisdictions serving Colonias and organizations working within Colonias communities.

Arizona has sixty-three (63) designated Colonias existing in the southern counties of Cochise, Gila, Graham, Greenlee, La Paz, Pima, Santa Cruz, and Yuma as well as on the Cocopah, and Tohono O’odham Indian Reservations. The State, in consultation with the University of Arizona Drachman Institute, developed a Colonia housing assessment guide and water/sewer/housing assessment questionnaire that is completed by Colonias communities and used to determine the eligibility and needs of the Colonias. Most of the State CDBG eligible Colonias communities partner with their corresponding city, town or county governments to apply for funding through the State set aside program. Additionally, the State of Arizona has a partnership with the regional Councils of Governments (COGs) in Arizona to provide both technical and administrative assistance to these CDBG eligible grantee communities. Finally, the State is a participating member of the Rural Water Infrastructure Committee (RWIC) where other state agencies, non-profit and for profit entities come together to discuss current water and waste water projects or technical assistance needs for rural communities including Colonias. The State sets aside ten percent (10%) of its CDBG funds annually for infrastructure and housing activities within Colonias and holds a competitive application round bi-annually to facilitate the ability to award funding in an amount sufficient for the colonias to address their water, sewer or housing need in its entirety

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

See Table 2 beginning on the following page.

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Arizona Coalition to End Homelessness
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-Homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services-Victims Health Agency Other government - State Other government - County Other government - Local Regional organization Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth HOPWA Strategy Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	ADOH and DES are members of AZCEH and are sponsors of the AZCEH annual Statewide conference. Additionally DES sits on the Board of Directors and the ADOH Special Needs Program Administrator participates on committees within AZCEH that coordinate and plan the conference. Coordination with AZCEH provides access to all major non-profits, service providers, developers and agencies in Arizona who are working to end homelessness and provide services to persons experiencing homelessness. ADOH and DES membership in ACEH continues to provide education, development of the Statewide Homeless Strategy and identification of the housing and services needs for populations experiencing homelessness in particular veterans, persons with disabilities, victims of domestic violence and unaccompanied youth.

2	Agency/Group/Organization	Arizona Housing Alliance
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-Homeless Services-Health Services-Employment Service-Fair Housing Services-Victims Health Agency Other government - State Other government - County Other government - Local Regional organization Business Leaders Business and Civic Leaders Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Market Analysis

	<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Arizona Housing Alliance (AHA) is an organization formed to support housing initiatives and programs in the State of Arizona. The Alliance is made up of 151 member entities that consist of Developers; non-Profits; Real Estate Professionals; Property Management Companies; Financial Institutions; Service Providers for persons experiencing homelessness or persons with disabilities; foreclosure and homebuyer counseling agencies; City, Town, and County Governments; Regional Councils of Government; and private citizens who are involved with or interested in furthering efforts to solve housing issues for low to moderate income persons and vulnerable populations such as persons experiencing homelessness, veterans or persons with disabilities. Examples of member agencies include A New Leaf, Arizona Coalition to End Homelessness, Bank of America, Merrill Lynch, Bethel Development, Chicanos Por La Causa, City of Casa Grande, Dohrmann Architects, Foundation for Senior Living, Habitat for Humanity, Housing Authority of Maricopa County, Housing Solutions of Northern Arizona, Native American Connections, etc. ADOH has consulted frequently with AHA especially regarding multi-family housing. AHA has attended consolidated plan and annual action plan hearings as well as the annual ADOH Housing Forum. Consultation with AHA gives ADOH access to a wide cross-section of housing practitioners who help to define the most pressing housing and service needs within Arizona.</p>
3	<p>Agency/Group/Organization</p>	<p>NORTHERN ARIZONA COUNCIL OF GOVERNMENT</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services-Housing Services-Children Services-Elderly Persons Other government - County Other government - Local Regional organization</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment</p>

	<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Northern Arizona Council of Governments (NACOG) is a partner with ADOH on the delivery of Community Development Block Grant funds in Apache, Coconino, Navajo and Yavapai counties as well as the communities within those counties. NACOG is frequently the project administrator for those counties and communities. NACOG coordinates with ADOH on the method of distribution for the CDBG funds allocated to the region on an annual basis. NACOG is also the responsible agency for the Head Start and Area Agency on Aging programs in northern Arizona. Their input into housing needs assessment, and housing and community development needs is critical to the development of the consolidated plan and annual action plan.</p>
4	<p>Agency/Group/Organization</p>	<p>CENTRAL ARIZONA ASSOCIATION OF GOVERNMENTS</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services-Housing Services-Employment Other government - County Other government - Local Regional organization Planning organization</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Economic Development Market Analysis</p>
	<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Central Arizona Council of Governments (CAG) is a partner with ADOH on the delivery of Community Development Block Grant funds in Gila and Pinal counties as well as the communities within those counties. CAG is frequently the project administrator for those counties and communities. CAG coordinates with ADOH on the method of distribution for the CDBG funds allocated to the region on an annual basis. CAG is also the responsible agency of the region for Workforce Investment Act, Transportation Planning, GIS data and mapping and is a Federal Economic Development District. Their input into housing need assessment and community development needs is critical to the development of the consolidated plan and annual action plan.</p>

5	Agency/Group/Organization	WESTERN ARIZONA COUNCIL OF GOVERNMENTS
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Homeless Other government - County Other government - Local Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Economic Development Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Western Arizona Council of Governments (WACOG) is a partner with ADOH on the delivery of Community Development Block Grant funds in La Paz, Mohave and Yuma counties as well as the communities within those counties. WACOG coordinates with ADOH on the method of distribution for the CDBG funds allocated to the region on an annual basis. WACOG is the responsible agency for the Head Start and Area Agency on Aging programs in western Arizona as well as the agency responsible in the region for social services block grant funds. WACOG also provides Housing Counseling services and is a member of the Regional Council on Aging. Their input into housing need assessment, and housing and community development needs is critical to the development of the consolidated plan and annual action plan.
6	Agency/Group/Organization	SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Persons with Disabilities Services-Homeless Other government - County Other government - Local Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	South Eastern Arizona Governments Organization (SEAGO) is a partner with ADOH on the delivery of Community Development Block Grant funds in Cochise, Graham, Greenlee and Santa Cruz counties as well as the communities within those counties. SEAGO is frequently the project administrator for those counties and communities. SEAGO coordinates with ADOH on the method of distribution for the CDBG funds allocated to the region on an annual basis. SEAGO is also the responsible agency for the Area Agency on Aging and Social Services Block Grant programs in southeastern Arizona. SEAGO is also a member of the Transportation Advisory Committee for the region and is a Federal Economic Development District. Their input into housing need assessment, and housing and community development needs is critical to the development of the consolidated plan and annual action plan.
7	Agency/Group/Organization	Arizona Home Foreclosure Prevention Funding Corporation (AHPFC)
	Agency/Group/Organization Type	Housing Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Arizona Home Foreclosure Prevention Funding Corporation (AHPFC) offers assistance to homeowners facing foreclosure in Arizona's Hardest Hit Markets. AHPFC provides assistance in the form of Mortgage Modification, Principal Forbearance, Mortgage Payment Relief and Second Lien Elimination. AHPFC makes constant programmatic adjustments in order to remain relevant to current market conditions and the mitigation needs of those homeowners facing foreclosure. AHPFC input into the consolidated planning process provides key information and data on current housing market conditions.
8	Agency/Group/Organization	Arizona Department of Economic Security
	Agency/Group/Organization Type	Services-Housing Services-Children Services-Elderly Persons Services-Homeless Other government - State

	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Arizona Department of Economic Security (ADES) is the State agency responsible for administering federal Emergency Solutions Grant funding. Data collected from ADES includes critical information on the number of persons in Arizona receiving emergency homeless services to prevent homelessness or to rapidly re-house individuals and families experiencing homelessness. ADOH consults with ADES on the ESG program several times annually to prepare either for the annual Action Plan or the CAPER.
9	Agency/Group/Organization	ARIZONA DEPT OF HOUSING /ARIZONA HOUSING FINANCE AUTHORITY
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Arizona Housing Finance Authority (AzHFA) is the mortgage bond authority for the thirteen (13) rural counties of the State. ADOH consults with the AzHFA continuously throughout the year through data sharing to understand the homebuyer market and needs in the rural parts of our State.
10	Agency/Group/Organization	Balance of State Continuum of Care (BOSCOG)
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-Homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services-Victims Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth HOPWA Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	ADOH serves as the Collaborative Applicant and Homeless Management Information System (HMIS) lead agency for the Continuum of Care for the thirteen (13) non-metro counties in the State. A Continuum of Care is a community planning process to organize and deliver housing and services to meet the specific needs of people experiencing homelessness as they move to stable housing and maximum self-sufficiency. This process brings together local governments, community businesses, faith-based organizations, non-profits, current and/or formerly homeless persons to develop local solutions to end homelessness.
11	Agency/Group/Organization	Arizona Division of Behavioral Health Services (AzDBHS)
	Agency/Group/Organization Type	Housing Services-Homeless Services-Health Health Agency Other government - State
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs HOPWA Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Arizona Division of Behavioral Health Services (AzDBHS) is the ADOH connection to behavioral health service providers who become part of the BOSCO. Consultation provides critical information on the housing and service needs of behavioral health clients who are either non-homeless or experiencing homelessness.

12	Agency/Group/Organization	MARICOPA COUNTY
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Homeless Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	ADOH partners with Maricopa County to fund the development or rehabilitation of multifamily affordable housing through the Low Income Housing Tax Credit and HOME programs. DES ESG funds are used within the county to support Emergency Shelter, Rapid Re-housing, Outreach and HMIS. Finally, ADOH is the entity that provides Maricopa County with the Certification of Consistency with the Consolidated Plan.
13	Agency/Group/Organization	Pima County Community Development & Neighborhood Conservation Department
	Agency/Group/Organization Type	Housing Services-Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Homeless Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth

<p>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>ADOH partners with Pima County to fund the development or rehabilitation of multi-family affordable housing through the Low Income Housing Tax Credit and HOME programs. DES ESG funds are used within the county to support Emergency Shelter, Rapid Re-housing and Outreach. Finally, ADOH is the entity that provides Pima County with the Certification of Consistency with the Consolidated Plan.</p>
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Identify any Agency Types not consulted and provide rationale for not consulting

ADOH, through consultation with the Arizona Housing Alliance, Arizona Coalition to End Homelessness, rural Councils of Government, Arizona Division of Behavioral Health Services, Arizona Housing Finance Authority, Arizona Home Foreclosure Prevention Funding Corporation, Balance of State Continuum of Care, Maricopa County, Pima County and the Arizona Department of Economic Security is confident that all agency types have been given the opportunity to assist with determination of needs for the State.

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		

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))

Arizona’s Consolidated Plan relies heavily on the cooperation and coordination with its local governments, especially those that are the non-entitlement municipalities each of which is represented by the COGs and their various planning efforts, especially the Method of Distribution for CDBG. Representatives of the municipalities participated in the Consolidated Plan public meetings and provided valuable input about local needs and best practices.

PR-15 Citizen Participation - 91.115, 91.300(c)

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

See also the Arizona Department of Housing 2015-2019 Citizen Participation Plan.

Citizen participation for the 2015-2019 Consolidated Plan began in September, 2014 and concluded May 1, 2015. Newspaper advertisements, email bulletins and website information were published at least seven (7) days prior to five (5) meetings held throughout the state. All written information included Spanish language instructions on obtaining additional Spanish language assistance. The public hearings focused on housing and community development needs throughout the State and strategies to address those needs. The presentation was available via download on the ADOH website at azhousing.gov. The same notifications and time frames announced that availability of the draft Consolidated Plan which was made available to the public for a thirty (30) day comment period beginning April 1, 2015 and ending May 1, 2015. Among those receiving email notifications were governments, Continuums of Care, businesses, developers, institutions, non-profit organizations and all agencies serving low income, special needs (including persons with disabilities) and minority residents. ADOH conducted a statewide survey through Survey Monkey designed to receive comment on housing, community development and colonia community needs. The survey was available from December 22, 2014 through February 6, 2015 and was announced at all public meetings as well as through an ADOH electronic bulletin sent out to the department's listserve of over 4,500 persons including, local and county governments both urban and rural, service providers, private citizens, for profit and non-profit entities, regional councils of government, and other state agencies.

All public meetings included segments whereby participants were not only asked to identify housing and community development needs but to also prioritize these needs. The goals outlined in the 2015-2019 Consolidated Plan are based on the priorities and timelines outlined in the public meetings. The comments received through the citizen participation process were essential to outlining priorities over the Consolidated Plan timeframe. The majority of the needs identified throughout the Consolidated Plan process are incorporated in the Needs Assessment and covered in the Strategic Plan priorities and goals.

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	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community	The first public hearing requesting comments for upcoming Consolidated Plan was held 9/11/14 in Tucson AZ. Thirty-two (32) persons attended representing the following: developers, non-profits, county governments, city governments, regional councils of government, financial institutions, real estate professionals, property management companies, service providers, other federal government and ADOH staff.	Consolidated plan requirements, method of distribution for CDBG, HOME, ESG, HOPWA funds, Analysis to Impediments to Fair Housing were all discussed. Consensus that Fair Housing Education is needed for property owners and tenants throughout the State. No comments were made regarding the methods of distribution. County and Regional Council of Government representatives expressed the need to continue funding Owner Occupied Housing Rehabilitation with HOME funds.	N/A. ADOH allowed all those attending to make comments. No comments were made that did not pertain to the consolidated planning process.	

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	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community	A public Meeting was held on January 8, 2015 in Parker Arizona in conjunction with a Balance of State Continuum of Care meeting. Twenty-five (25) persons were in attendance including county and local governments, service providers, non-profit entities and four (4) ADOH staff persons.	Three (3) comments received regarding the need for HOME funds to be used for owner occupied housing rehabilitation in Mohave, La Paz and Yuma Counties. The need for eviction prevention funds to attack problems before homelessness occurs was identified as a need. Comment was made that the Qualified Allocation Plan for Low Income Housing Tax Credits (LIHTC) is swayed toward urban areas severely impacting rural communities in need of affordable rental housing. HOME funds distribution should be more like the State CDBG because they seem to go to other PJs who have access to their own funds.	N/A. ADOH allowed all those attending to make comments. No comments were made that did not pertain to the consolidated planning process.	
3	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community	A public meeting was held on January 13, 2015 in Benson Arizona in conjunction with a Balance of State Continuum of Care meeting. Thirty-two (32) Persons were in attendance including county and local governments, service providers, for profit and non-profit entities and five (5) ADOH staff persons.	Four (4) comments received regarding the need for housing rehabilitation and emergency repairs for both owner occupied and rental housing properties. Affordable farm-worker housing needed as well as transitional housing and homebuyer opportunities. Comments regarding LIHTC QAP included request to limit funds to rural communities rather than to urban. In 2013 fifty-nine point six percent (59.6%) of funding went to Phoenix. Rural communities are left behind because of transit. Perhaps restore points in LIHTC for new developments in new communities or score rural projects separately from urban. Comments received regarding community development included the need for CDBG funds to support infrastructure, small business development, economic development and historic preservation. Method of Distribution comments included requests to have HOME funds reserved for smaller rental project development that cannot get LIHTC; for ESG to be administered by ADOH because too many homeless prevention and rapid re-housing programs have been taken away from Cochise County; and CDBG application due dates pushed to several months after final federal allocation is announced to allow more time for final project selection and application preparation.	N/A. ADOH allowed all those attending to make comments. No comments were made that did not pertain to the consolidated planning process.	

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)
4	Public Meeting	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p>	<p>A public meeting was held on January 16, 2015 in Cottonwood Arizona in conjunction with a Balance of State Continuum of Care meeting. Twenty-nine (29) persons were in attendance including regional council of government, county and local governments, service providers, non-profit entities, citizens and five (5) ADOH staff persons.</p>	<p>Four (4) comments received regarding the need for housing rehabilitation to preserve existing owner occupied housing stock especially for vulnerable populations such as seniors and persons with disabilities. There is need for assistance in very rural areas especially in Apache and Navajo Counties where developers have so many restrictions and will not develop for special populations. It is hard for rural areas to benefit from LIHTC. Comment received that the greatest need in community development is the flexibility of CDBG resources with more diverse opportunities for project types. Comments regarding method of distribution included a request for one hundred percent (100%) of HOME funds to go to the rural communities; for smaller CDBG entitlements to have access to HOME Owner Occupied Housing Rehabilitation funds; for a consistent application process that is diverse enough to meet the needs of projects in rural areas for example always have applications due in Spring.</p>	<p>N/A. ADOH allowed all those attending to make comments. No comments were made that did not pertain to the consolidated planning process.</p>	

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)
5	Internet Outreach	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p>	<p>A survey was made available through Survey Monkey with a link provided from the ADOH website. The survey was designed to receive comment on housing, community development and Colonia community needs. The survey was available from 12/22/14 through 2/6/15 and was announced at all public meetings and through an ADOH electronic bulletin sent out to the department's listserve of over 4,500 persons including, local and county governments both urban and rural, service providers, private citizens, for-profit and non-profit entities, regional COG, and other State agencies.</p>	<p>All survey responses were compiled. Priority needs identified were: owner occupied and rental housing rehabilitation; rental development; public infrastructure and community facility improvements; ADA accessibility improvements; homeless prevention, re-housing and services; and economic development</p>	<p>N/A. All surveys were accepted and counted if information on specific questions was provided.</p>	<p>www.surveymonkey.com/s/OMOMTXL</p>

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)
6	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p>	<p>During the week of March 23, 2015 advertisements were published in the following newspapers of general circulation announcing the thirty (30) day comment period for the Plan: Arizona Daily Star (Tucson); Arizona Daily Sun (Flagstaff); Arizona Republic (Phoenix); Kingman Daily Miner (Kingman); and Yuma Sun (Yuma). It was advertised that persons with disability or language needs would be given accommodations in order to participate if needed.</p>	<p>This was advertising outreach only to announce the posting of the Draft Plan and the April 2015 Public Hearing. Summary of written comments to the posted draft have been included in the Executive Summary section of this Plan. Summary of comment received at the April 2015 Public Hearing have been included below.</p>	<p>N/A. ADOH accepted all written comments submitted. No comments were made that did not pertain to the consolidated planning process.</p>	

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)
7	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p>	<p>ADOH held a second public hearing on April 21, 2015 at 10:00 a.m.</p>	<p>Section 108: Who is applicant? What is national objective? Any community is eligible to apply as long as there are assets to back loan request. Loan is underwritten by HUD and put on national market for private investors. National objective is to create or retain low-mod jobs. Burden of proof is on applicant. What is the limit over the five (5) years of in number of applicants? As limited by HUD, there cannot be more loans outstanding than five (5) times the allocation of \$10 million. We cannot accept more applications if we are at capacity. You are short a CDBG staff person, will this put strain on your staff? Question cannot be answered as this program has not been done before. We do know there will be a lot more reporting. Due to risk of future CDBG funding, is there opportunity to deny loan if HUD is doing underwriting? ADOH will have opportunity to do initial review before HUD and could deny loan request. HOME: Are entitlements eligible to apply for HOME funding? Under new Plan, entitlements now eligible. State Housing Fund: Is there any headway in getting funds for State Housing Fund? We still get \$2.5 million which considering budget cuts is substantial. Tax credits and rental projects are needed in rural communities. Even though fifteen (15) points are awarded to balance of state, it does not offset points for transit oriented communities. Could this be revisited as rural communities could benefit from rental housing? AZ Housing Alliance: Plan is well researched and written. Housing needs analysis page 140 states ADOH will assist those below 80% AMI; would like to see funds going to those below 50% AMI. Expanding eligibility to all applicants for HOME funding is appreciated. Would like ADOH to explore ways to get rental housing into rural communities. Is comment period through end of the day on May 1st? Yes, but if you get your comments in within a few days after they will be accepted. Analysis of Impediments: Has ADOH addressed crime-free housing in their programs? This issue should be addressed with Southwest Fair Housing Council or Attorney General's office if there is discrimination. Rapid Re-housing is misinterpreting crime-free housing and it's a problem Statewide. How does ADOH deal with fair housing? Staff knows to contact Southwest Fair Housing Council or Attorney General's office. Communities are required to get training by Southwest Fair Housing Council each year. ADOH & AG must report action items to HUD.</p>	<p>N/A all comments were accepted</p>	

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

According to 2010 U.S. Census Bureau figures, the State of Arizona has 6,246,816 residents with 2,326,468 households. Of these, 166,775 are cost burdened low income households paying greater than fifty percent (50%) of their income for housing. The States median household income is about \$50,448. The greatest number of Low-Income households in all categories (Extremely Low, Very Low and Low Income families) are Small Family Households (two (2) to four (4) members) followed by households with children six (6) years of age (or less) then Large Family Households (five (5) or more members). The most common problem facing residents in Arizona is housing cost burden. Renter households paying greater than fifty percent (50%) of their income for rent consist of sixty-six percent (66%) of the Extremely Low Income, forty-four percent (44%) of the Very Low Income and sixteen percent (16%) of Low Income. Owner occupied households paying greater than fifty percent (50%) of their income for their mortgage payment consist of sixty-one percent (61%) for Extremely Low income, fifty-seven percent (57%) for Very Low income and forty percent (40%) for Low income. Demographic data and outreach efforts to nonprofits and individuals indicate that many residents struggle to afford housing, in some cases deciding between paying their rent/mortgage and purchasing food or medicines. Affordable housing, especially for people with extremely low- and very low-incomes was commonly mentioned as a high priority need.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

The Housing Needs Assessment is based on data provided by HUD through the Comprehensive Housing Affordability Strategy (CHAS) data and supplemental Census data. Although the CHAS data is dated, it helps provide a glimpse of the housing needs within the State. This data, in combination with interviews with agencies and housing providers in the State provides a snapshot view of the housing needs. The following table provides an overview of the data. The following tables, with the exception of the Housing Needs Table, are automatically HUD- generated tables within the IDIS eCon Planning Suite. HAMFI refers to “HUD Adjusted Median Family Income,” which is the median family income calculated by HUD for each jurisdiction, in order to determine Fair Market Rents and income limits for HUD programs

Demographics	Base Year: 2000	Most Recent Year: 2010	% Change
Population	5,130,632	6,246,816	22%
Households	1,901,327	2,326,468	22%
Median Income	\$40,558	\$50,448	24%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2006-2010 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80- 100% HAMFI	>100% HAMFI
Total Households *	243,170	246,000	377,630	237,010	1,222,655
Small Family Households *	73,065	76,035	128,675	85,555	604,315
Large Family Households *	25,185	29,155	43,755	27,270	109,715
Household contains at least one person 62-74 years of age	37,805	47,495	75,240	48,465	231,905
Household contains at least one person age 75 or older	28,820	47,165	56,650	29,240	94,765
Households with one or more children 6 years old or younger *	50,780	52,555	77,585	42,540	153,810

* the highest income category for these family types is >80% HAMFI

Table 6 - Total Households Table

Data Source: 2006-2010 CHAS

Housing Needs Summary Tables
1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	3,970	2,475	2,105	835	9,385	4,510	2,675	2,385	1,220	10,790
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	5,465	4,400	3,560	1,360	14,785	1,490	1,410	2,245	1,225	6,370
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	10,375	9,450	9,675	4,120	33,620	3,515	4,370	7,590	3,720	19,195
Housing cost burden greater than 50% of income (and none of the above problems)	86,595	47,075	16,040	2,290	152,000	51,565	43,535	45,745	17,455	158,300
Housing cost burden greater than 30% of income (and none of the above problems)	8,615	43,565	70,555	20,570	143,305	10,875	24,595	55,890	44,190	135,550
Zero/negative Income (and none of the above problems)	16,380	0	0	0	16,380	12,875	0	0	0	12,875

Table 7 – Housing Problems Table

Data Source: 2006-2010 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	106,405	63,400	31,375	8,610	209,790	61,080	51,990	57,965	23,620	194,655
Having none of four housing problems	24,290	60,595	130,520	76,130	291,535	22,135	70,020	157,765	128,655	378,575
Household has negative income, but none of the other housing problems	16,380	0	0	0	16,380	12,875	0	0	0	12,875

Table 8 – Housing Problems 2

Data Source: 2006-2010 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	39,545	38,775	35,455	113,775	16,930	21,435	41,505	79,870
Large Related	13,340	11,605	8,080	33,025	6,660	10,255	15,850	32,765
Elderly	14,705	17,395	12,785	44,885	27,815	29,285	29,530	86,630
Other	43,390	34,610	34,685	112,685	15,860	11,080	19,200	46,140
Total need by income	110,980	102,385	91,005	304,370	67,265	72,055	106,085	245,405

Table 9 – Cost Burden > 30%

Data Source: 2006-2010 CHAS

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	35,865	17,120	5,475	58,460	14,860	15,460	18,605	48,925
Large Related	11,615	4,225	805	16,645	5,690	6,540	5,130	17,360

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Elderly	12,375	10,275	5,075	27,725	20,805	15,370	12,255	48,430
Other	39,935	18,515	5,495	63,945	13,715	7,995	10,795	32,505
Total need by income	99,790	50,135	16,850	166,775	55,070	45,365	46,785	147,220

Table 10 – Cost Burden > 50%

Data Source: 2006-2010 CHAS

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	13,675	11,945	10,650	4,180	40,450	4,300	4,495	7,225	3,415	19,435
Multiple, unrelated family households	2,010	1,695	1,815	1,045	6,565	1,390	1,820	3,090	1,715	8,015
Other, non-family households	765	585	905	405	2,660	125	30	54	15	224
Total need by income	16,450	14,225	13,370	5,630	49,675	5,815	6,345	10,369	5,145	27,674

Table 11 – Crowding Information – 1/2

Data Source: 2006-2010 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Data Source Comments:

Describe the number and type of single person households in need of housing assistance.

There are 36,270 low-income single person households in Arizona in need of assistance.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

There is no definitive source that accurately counts people with disabilities in Arizona. However, several sources provide some insight and the numbers are as follows: Over 32,000 people with developmental disabilities are served through the Department of Economic Security. According to DES, who contracts with seventy-seven (77) non-profit organizations that serve persons who were victims of domestic violence, there were 3,206 sheltered victims of domestic violence and 273 unsheltered for a total of 3,479. It can be assumed that the victims of domestic violence are in need of housing assistance.

During the last week of January 2015, a Point In Time count was conducted and the Homeless Management Information System was utilized for those in shelter and face to face interviews were held with those people experiencing street homelessness. Persons were surveyed in structured interviews conducted by provider staff and/or trained volunteers. The survey used specific questions to identify the following subpopulations: chronically homeless, severely mentally ill, victims of domestic violence, chronic substance abusers, veterans, persons with HIV/AIDS, and unaccompanied youth.

What are the most common housing problems?

The most common housing problem among low income persons in Arizona is cost burden, followed closely by substandard housing and overcrowding. There is also a shortage of permanent supportive housing for homeless individuals/families and persons with disabilities.

Renter households paying greater than fifty percent (50%) of their income for rent consist of sixty-six percent (66%) Extremely Low Income; forty-four percent (44%) Very Low Income; and sixteen (16%) low-income. Owner occupied households paying greater than fifty percent (50%) of their income for rent consist of sixty-one percent (61%) extremely low-income; fifty-seven (57%) percent very low-income; and forty percent (40%) for low-income. With respect to substandard housing, twenty-nine percent (29%) of Extremely Low Income Renter Households and twenty-six percent (26%) of Owner Occupied Households live in homes without kitchen or complete plumbing. The highest incidence of overcrowding is among Very Low Income Single Family Households in which eighty-four percent (84%) are overcrowded, which is followed close behind by eighty-three percent (83%) extremely low-income; and eighty percent (80%) low-income.

Are any populations/household types more affected than others by these problems?

Extremely low-income renters and owners were the most likely to have at least one (1) housing problem with twenty-nine percent (29%) of renters and twenty-six percent (26%) of owners indicating problems with cost burden, substandard facilities, or overcrowding. Very Low Income (fifty (50) to eighty (80) percent AMI) White families have the highest incidence of housing problems at fifty-three percent (53%) followed by Hispanic families at thirty-three percent (33%).

As income rose, the incidence of housing problems decreased. However, low-income households still report facing housing cost burden in significant numbers. Low-income renters tended to be slightly better off than low-income owners.

Low Income owner occupied elderly households have the most housing problems at forty-one percent (41%) extremely low-income; forty-four percent (44%) very low-income; and forty-four percent (44%) low-income followed by small related family renter households at thirty-six percent (36%) extremely low-income; thirty-eight percent (38%) very low-income; and thirty-nine percent (39%) low-income.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The BOSCO, administered by ADOH, supports thirteen (13) counties where individuals and families typically have a combination or all of these factors present in their lives: lack of a living wage job; cost burden of fifty percent (50%) or more of their income for housing; poverty; high child care costs; high medical expenses; no transportation; and chronic illness including behavioral health issues. Many of these families are living “doubled-up” with friends and family. Households living with these factors can easily slip into homelessness from a loss of a fraction of their income due to illness, reduced hours at work or a family crisis. Families account for approximately forty percent (40%) of the total homeless population. According to data reported by the Arizona Department of Education (ADE) Homeless Education Office, 31,097 children (Pre-Kindergarten through twelfth (12th) grade) were reported throughout the State as homeless in 2013, which represents a one point eight percent (1.8%) decrease over 2012. Reported as doubled-up or living temporarily with another family were seventy-three percent (73%) which twenty-two percent (22%) were living in shelters, three percent (3%) residing in hotels/motels and two percent (2%) living in unsheltered situations (i.e. cars, parks, campgrounds).

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The State of Arizona does not provide estimates of its at-risk populations.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The connection between substandard housing and low-income household(s) that are at risk of becoming homeless is one that has been well explored. The State of Arizona, as highlighted by the U.S. Census data, contains primarily single-family housing stock. Although the cost of housing varies by region, the lack of affordability remains a key issue. The few decent homes available are financially out of reach and many so called affordable units are in need of repair. In addition, the high level of extremely low-income renter households who are cost-burdened creates a risk of homelessness. These households have few to zero resources in case of a family emergency or economic decline. The RRH program can assist some

families in need who would otherwise be homeless and the BOSCO is prioritizing those with the highest acuity for the permanent supportive housing programs but lower rents and increased housing stock are needed.

Discussion

Renter households paying greater than fifty percent (50%) of their income for rent consist of sixty-six percent (66%) extremely low-income; forty-four percent (44%) very low-income; and sixteen (16%) low-income. Owner occupied households paying greater than fifty percent (50%) of their income for rent consist of sixty-one percent (61%) extremely low-income; fifty-seven (57%) percent very low-income; and forty percent (40%) for low-income. With respect to substandard housing, twenty-nine percent (29%) of extremely low-income Renter Households and twenty-six percent (26%) of Owner Occupied Households live in homes without kitchen or complete plumbing. The highest incidence of overcrowding is among very low-income Single Family Households in which eighty-four percent (84%) are overcrowded, which is followed close behind by eighty-three percent (83%) extremely low-income; and eighty percent (80%) low-income.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A household is considered to have a housing problem when their home lacks complete kitchen or plumbing facilities, when there is more than one (1) person per room, or when a cost burden (thirty percent (30%) or more of income toward housing) exists. For the purposes of this Plan, disproportionately greater need is assumed to exist when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten (10) percentage points higher than the percentage of persons in the category as a whole. For example, ten percent (10%) of the low-income households in Arizona experience one (1) or more housing problems. Therefore, if more than ten percent (10%) of a racial or ethnic group experienced a housing problem, a disproportionately greater need would be presumed to exist. For purposes of comparison, Arizona’s ethnic breakdown by percentage in the 2010 Census is as follows: White, eighty-four percent (84%); Asian, three point two percent (3.2%); Hispanic, thirty point three percent (30.3%); Black, four point six percent (4.6%); Other or multiracial, two point six percent (2.6%); American Indian/Alaskan Native, five point three percent (5.3%); and Hawaiian/Pacific Islander, point three percent (.3%). This information is summarized in the following table based on the HUD-generated tables in the subsequent pages. The tables break down each income segment by racial/ethnic category and the number of housing problems, and are HUD-generated tables using 2006-2010 CHAS data.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	192,977	30,552	25,013
White	100,038	18,247	13,983
Black / African American	10,962	1,083	1,651
Asian	3,997	453	1,147
American Indian, Alaska Native	12,121	2,938	1,629
Pacific Islander	83	65	10
Hispanic	63,065	7,461	6,101

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2006-2010 CHAS

*The four (4) housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one (1) person per room; and 4) Cost Burden greater than thirty percent (30%).

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	185,864	69,851	0
White	98,488	47,186	0
Black / African American	8,158	1,247	0
Asian	3,116	768	0
American Indian, Alaska Native	7,035	3,570	0
Pacific Islander	310	34	0
Hispanic	66,504	16,496	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2006-2010 CHAS

*The four (4) housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one (1) person per room; and 4) Cost Burden greater than thirty percent (30%).

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	206,256	185,017	0
White	121,457	121,730	0
Black / African American	8,957	5,667	0
Asian	3,916	2,511	0
American Indian, Alaska Native	5,855	7,350	0
Pacific Islander	227	239	0
Hispanic	63,345	45,509	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2006-2010 CHAS

*The four (4) housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one (1) person per room; and 4) Cost Burden greater than thirty percent (30%).

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	87,944	152,943	0
White	57,864	106,623	0
Black / African American	2,928	4,893	0
Asian	1,890	2,767	0
American Indian, Alaska Native	2,189	4,556	0
Pacific Islander	200	130	0
Hispanic	21,770	31,898	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2006-2010 CHAS

*The four (4) housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one (1) person per room; and 4) Cost Burden greater than thirty percent (30%).

Discussion

Overall, thirteen percent (13%) of low-income households in Arizona experience at least one (1) housing problem. The groups with disproportionately greater need are the Extremely Low Income White (fifty-two percent (52%)) and Hispanic (thirty-three percent (33%)) populations, Very Low Income White (fifty-three percent (53%)) and Hispanic (thirty-six percent (36%)) populations and Low Income White (fifty-nine percent (59%)) and Hispanic (thirty-one percent (31%)) populations.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A household is considered to have a severe housing problem when their home lacks complete kitchen or plumbing facilities, when there is more than one (1) person per room, or when a cost burden (fifty percent (50%) or more of income toward housing) exists. For the purposes of this Plan, disproportionately greater need is assumed to exist when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten (10) percentage points higher than the percentage of persons in the category as a whole. For example, ten percent (10%) of the low-income households in Arizona experience one (1) or more housing problem. Therefore, if more than ten percent (10%) of a particular racial or ethnic group experienced a housing problem, a disproportionately greater need would be presumed to exist. This information is summarized in the following table based on the HUD-generated tables in the subsequent pages. The following tables break down each income segment by racial/ethnic category and the number of severe problems, and are HUD-generated tables using 2006-2010 CHAS data.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	168,905	54,613	25,013
White	86,297	32,004	13,983
Black / African American	9,853	2,189	1,651
Asian	3,707	738	1,147
American Indian, Alaska Native	10,986	4,094	1,629
Pacific Islander	79	69	10
Hispanic	55,360	15,107	6,101

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source: 2006-2010 CHAS

*The four (4) severe housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one point five (1.5) person per room; and 4) Cost Burden greater than fifty percent (50%).

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	108,509	147,246	0
White	55,620	90,054	0
Black / African American	4,645	4,763	0
Asian	2,074	1,820	0
American Indian, Alaska Native	4,961	5,651	0
Pacific Islander	230	114	0
Hispanic	39,621	43,342	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data Source: 2006-2010 CHAS

*The four (4) severe housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one point five (1.5) person per room; and 4) Cost Burden greater than fifty percent (50%).

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	80,730	310,582	0
White	43,174	199,978	0
Black / African American	2,701	11,924	0
Asian	1,803	4,574	0
American Indian, Alaska Native	3,840	9,346	0
Pacific Islander	68	393	0
Hispanic	28,303	80,530	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data Source: 2006-2010 CHAS

*The four (4) severe housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one point five (1.5) person per room; and 4) Cost Burden greater than fifty percent (50%).

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	27,429	213,503	0
White	15,006	149,509	0
Black / African American	706	7,107	0
Asian	554	4,091	0
American Indian, Alaska Native	1,763	4,993	0
Pacific Islander	120	215	0
Hispanic	8,962	44,743	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data Source: 2006-2010 CHAS

*The four (4) severe housing problems are:

1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one point five (1.5) person per room; and 4) Cost Burden greater than fifty percent (50%).

Discussion

Overall, thirteen percent (13%) of low-income households in Arizona experience at least one (1) severe housing problem. The groups with disproportionately greater need are the Extremely Low Income White (fifty-one percent (51%)) and Hispanic (thirty-three percent (33%)) populations, Very Low Income White (fifty-one percent (51%)) and Hispanic (thirty-seven percent (37%)) populations and Low Income White (fifty-three percent (53%)) and Hispanic (thirty-five percent (35%)) populations.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

HUD defines a disproportionately greater number of housing cost burden when a racial/ethnic group experiences housing cost burden at a rate greater than ten percent (10%) more than for the income level as a whole. The table below summarizes the percentage of each racial/ethnic group experiencing housing cost burden. Racial/ethnic groups are sub-divided into the percentage of each racial/ethnic group paying less than thirty percent (30%) (No cost burden), between thirty percent (30%) to fifty percent (50%) (cost burdened), and above fifty percent (50%) (severely cost burdened) of their gross income on housing costs. The column labeled no/negative income is the population paying one-hundred percent (100%) of their gross income on housing costs.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,456,027	433,282	330,831	27,682
White	1,059,895	279,791	201,824	14,256
Black / African American	37,031	17,618	16,604	1,851
Asian	31,421	7,889	7,836	1,247
American Indian, Alaska Native	48,795	7,962	8,402	2,540
Pacific Islander	1,601	593	322	10
Hispanic	262,817	114,751	91,305	7,250

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2006-2010 CHAS

Discussion

Overall, 145,602 (twenty-three percent (23%)) of Arizona residents live in a household that experiences a housing cost burden. The racial/ethnic groups that experience a disproportionate need are the Extremely Low Income (seventy-three percent (73%)), the Very Low Income (sixty-five percent (65%)) and the Low Income (fifty-one percent (51%)) White population as well as the Very Low Income (twenty-six percent (26%)) and the Low Income (twenty-six percent (26%)) Hispanic population.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Housing problems are defined as: 1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than one (1) person per room; and 4) Cost burden greater than thirty percent (30%). Overall, thirteen percent (13%) of low-income households in Arizona experience at least one (1) housing problem. The groups with disproportionately greater need are the Extremely Low Income White (fifty-two percent (52%)) and Hispanic (thirty-three percent (33%)) populations, Very Low Income White (fifty-three percent (53%)) and Hispanic (thirty-six percent (36%)) populations and Low Income White (fifty-nine percent (59%)) and Hispanic (thirty-one percent (31%)) populations.

Those experiencing severe housing problems have one (1) or more of the housing problems defined previously with an increase to the housing cost burden from thirty percent (30%) to fifty percent (50%). Thirteen percent (13%) of low-income households in Arizona experience at least one (1) severe housing problem. The groups with disproportionately greater need are the Extremely Low Income White (fifty-one percent (51%)) and Hispanic (thirty-three percent (33%)) populations, Very Low Income White (fifty-one percent (51%)) and Hispanic (thirty-seven percent (37%)) populations and Low Income White (fifty-three percent (53%)) and Hispanic (thirty-five percent (35%)) populations.

Overall, 145,602 (twenty-three percent (23%)) of Arizona residents live in a household that experiences a housing cost burden. The racial/ethnic groups that experience a disproportionate need are the Extremely Low Income (seventy-three percent (73%)), the Very Low Income (sixty-five percent (65%)) and the Low Income (fifty-one percent (51%)) White population as well as the Very Low Income (twenty-six percent (26%)) and the Low Income (twenty-six percent (26%)) Hispanic population.

If they have needs not identified above, what are those needs?

All of the known needs were identified through the CHAS data, census data, surveys, and interviews. Most of the needs were previously known from past Strategic Plans or the Analysis of Impediments to Fair Housing Choice (AI).

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

This Consolidated Plan is for a State grantee. The State is diverse in its racial and ethnic composition in the major cities, and less diverse in the outlying rural areas.

NA-35 Public Housing – (Optional)

Introduction

While ADOH and its PHA Division do not own or manage any public housing, the PHA has monitoring and compliance oversight of approximately 114 federally-financed properties (through the competitively awarded Project-Based Contract Administration award from HUD), 186 Section 8 Housing Choice Vouchers, and approximately eighty-six (86) port-in vouchers. The HCVP, administered by the agency, is an extremely small program confined to Yavapai County and one that requires in-kind contributions from the State to administer. ADOH does not collect this information from the public housing authorities that service the non-entitlement regions of the State and has no authority over them. There are 166,775 low income households in need of housing assistance and an additional 145,602 households who are cost burdened for a total of 312,377 total households in need of housing assistance. There are 7,221 Public Housing Units and 22,737 Section 8 Units in Arizona for a total of 29,958 who need continued rental assistance as well as educational and job opportunities for all family members. The waiting lists are approximately 1,680 households for public housing and 5,300 families for Section 8. About sixty-four percent (64%) of the public housing in Arizona is in need of capital expenditures or modernization and rehabilitation.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	186	0	152	34	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 22 - Public Housing by Program Type

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	0	8	0	0	8	0
# of Elderly Program Participants (>62)	0	0	0	60	0	48	12	0
# of Disabled Families	0	0	0	88	0	76	12	0
# of Families requesting accessibility features	0	0	0	186	0	152	34	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 - Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	177	0	146	31	0	0
Black/African American	0	0	0	6	0	4	2	0	0
Asian	0	0	0	1	0	0	1	0	0
American Indian/Alaska Native	0	0	0	1	0	1	0	0	0
Pacific Islander	0	0	0	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	12	0	12	0	0	0
Not Hispanic	0	0	0	174	0	140	34	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Not required per State grantee instruction in the Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan and CAPER/PER version February 14, 2014.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

Not required per State grantee instruction in the Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan and CAPER/PER version February 14, 2014.

How do these needs compare to the housing needs of the population at large

Not required per State grantee instruction in the Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan and CAPER/PER version February 14, 2014.

Discussion:

Not required per State grantee instruction in the Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan and CAPER/PER version February 14, 2014.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

Homelessness in most cases is a temporary circumstance and not a permanent condition which makes homelessness difficult to quantify. The causes and factors that lead to homelessness are complex. As the same time, there are consistent and identifiable contributing factors for both individuals and families in urban and rural communities who are experiencing homelessness. In the midst of a slow but recovering economy, economic factors such as jobs, evictions, foreclosures, lack of affordable housing and access to affordable health care continue to impact the growth of first time homelessness. In the face of a poor economy, conditions such as physical and mental health issues, domestic violence and substance abuse exacerbate the downward spiral into homelessness. Multiple strategies and approaches are necessary to restore individuals experiencing homelessness to independence. Affordable housing and employment remain at the heart of preventing and ending homelessness.

The largest population of individuals experiencing homelessness is in the urban areas of Phoenix and Maricopa County, accounting for slightly over sixty-one percent (61%) of the State's homeless population. Pima County represents the second largest concentration of homelessness at twenty-three percent (23%). Rural counties that make of the Balance of State account for the remaining sixteen percent (16%) of individuals experiencing homelessness in the State. Based on the 2014 Point In Time count, on a single night in January there were 7,926 homeless individuals and families housed in shelters and 2,569 unsheltered homeless on the streets. This represents an eighteen percent (18%) decrease in the number of unsheltered individuals and families since the last Point In Time count from January 2013. The State Fiscal Year 2014 Point in Time count reported nine percent (9%) of the homeless population was chronically homeless and that sixty-seven percent (67%) of the chronically homeless were unsheltered. During the 2014 Point In Time count, Arizona counted 858 veterans with 635 housed in shelters or transitional housing and 223 unsheltered.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	226	4,075	0	0	0	0
Persons in Households with Only Children	3	47	0	0	0	0
Persons in Households with Only Adults	2,343	3,851	0	0	0	0
Chronically Homeless Individuals	643	904	0	0	0	0
Chronically Homeless Families	42	13	0	0	0	0
Veterans	223	635	0	0	0	0
Unaccompanied Child	210	457	0	0	0	0
Persons with HIV	13	81	0	0	0	0

Table 26 - Homeless Needs Assessment

The State Homeless Coordination office will work with the Continua of Care and their HMIS lead agencies to monitor the quality of data collection and reporting of first time homeless, exit destinations and duration of homeless episodes.

Data Source
Comments:
 Indicate if the homeless population is:

Partially Rural Homeless

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	176	215	215	0	0	0
Persons in Households with Only Children	2	2	2	0	0	0
Persons in Households with Only Adults	873	685	685	0	0	0
Chronically Homeless Individuals	119	302	310	0	0	0
Chronically Homeless Families	42	28	30	0	0	0
Veterans	125	236	240	0	0	0
Unaccompanied Youth	70	98	100	0	0	0
Persons with HIV	3	2	5	0	0	0

Table 27 - Homeless Needs Assessment

Data Source
Comments:

The State Homeless Coordination office will work with the Continua of Care and their HMIS lead agencies to monitor the quality of data collection and reporting of first time homeless, exit destinations and duration of homeless episodes.

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

Based on the 2014 Annual Point In Time count, an estimated 2,398 persons experienced homelessness on that given night in the rural areas of the State. The majority of the persons experiencing homelessness in the rural communities are adult only households who represented seventy percent (70%) of the homeless population on the night of the count, while family households with children represented thirty percent (30%). The areas referred to as the Balance of State accounts for twenty-five percent (25%) of the State's population and eighty-six (86%) percent of the State's land mass. Geography is a major obstacle to providing coordinated services and shelter to the homeless population in the rural areas of the Balance of State.

Forty-four percent (44%) of those experiencing homelessness on the night of the Point In Time were unsheltered and eighty-three percent (83%) of those who were unsheltered were single adults. Historically, the smaller communities of the Balance of State have provided homeless services and shelters through charitable funding and churches that have focused their assistance on victims of domestic violence and families with children. Larger communities in the Balance of State have been able to attract funding and to support programs for families, individuals and veterans. Geography and transportation have made it difficult for some populations to locate services. Supportive Services for Veterans (SSVF) and Rapid Re-housing programs that have been focused on rural areas during the past two (2) years have provided more funding and greater access to housing and services for homeless individuals in the Balance of State.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Statewide, in 2014, there were an estimated 29,170 persons experiencing homelessness. Estimates, based on available HMIS data, suggest that approximately thirty-eight percent (38%) of the homeless population in 2014 became homeless for the first time which calculates to approximately 11,380 individuals and family members who were newly homeless. Estimates based on the same available HMIS data also suggest that approximately 12,868 individuals and family members exited the homeless system with positive housing outcomes. Calculating recidivism is an issue being worked on nationwide and will include additional HUD input. Similarly, calculating the average length of stay has been difficult. New HMIS standards implemented October 1, 2014 show promise and hopefully these factors can be tracked and reported on in future years. Data quality continues to be closely monitored. Efforts in Phoenix and Maricopa County to end veteran homelessness have shown that it is possible to track a small number of people in a sub population in order to end their homelessness. Efforts to use what we learned from ending chronic veteran homelessness in Phoenix and Maricopa County to track and house chronically homeless veterans are being applied to larger groups as we focus on ending chronic homelessness.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	5,181	0
Black or African American	1,578	0
Asian	22	0
American Indian or Alaska Native	602	0
Pacific Islander	49	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	2,142	0
Not Hispanic	5,784	0

Data Source: The State Homeless Coordination office will work with the Continua to ensure consistency of collecting street count data in the future.
Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Approximately 4,301 adults and children, living as families, were counted in homeless shelters and on the streets during the 2014 Annual Arizona Point In Time count. Families accounted for approximately forty-one percent (41%) of the total homeless population on the night of the count. Two percent (2%) of the persons counted on the night of the annual street count were families living in an unsheltered environment. The number of families living in emergency shelter and transitional housing has remained fairly steady over the past two (2) years; however, 1,592 additional families have been served through Rapid Re-housing, which is not captured in the Point In Time count. The number of families experiencing homelessness in shelters has remained constant since the PIT 2013 count; however, over the past five (5) years, the number of unsheltered homeless families has decreased by forty-one percent (41%).

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The majority of persons experiencing homelessness Statewide by ethnicity are non-Hispanic at seventy-nine percent (79%). Twenty-one percent (21%) identify as Hispanic. Statewide the majority of persons experiencing homelessness by race are White at seventy percent (70%). Twenty percent (20%) identify themselves as African American and the remaining balance of ten percent (10%) includes American Indian, Alaskan Native, Asian and Pacific Islander, in that order.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Based on annually reported information from all three (3) Continua of Care, approximately 29,170 adults and children experiencing homelessness in Arizona were served in Emergency Shelters, Transitional Housing and Permanent Housing programs during SFY 2014. Single adults constitute the largest group of homeless persons and are predominantly male. Lack of available healthcare has contributed significantly to their inability to overcome barriers to employment and independence. They are more likely to

experience serious illness, depression and mental illness, and often self-medicate, leading to serious substance abuse issues. Families, on the other hand, tend to be younger and populated by females with young children. Families experience less physical and mental health issues or substance abuse problems, which is likely the result of more readily available healthcare. For families, lack of safe, affordable childcare is a major barrier to stable employment income and independence.

Chronically homeless individuals include the most vulnerable, the most visible street homeless and the most difficult population to serve. Many have lived on the streets for years and have difficulty transitioning to housing and reconnecting with their community. They are predominately single (ninety-four percent (94%)) and they are the highest users of emergency rooms and hospital services. During the 2014 Point In Time Survey, 2,569 homeless persons were counted living on the streets of Arizona, which represented an eighteen percent (18%) decrease in the unsheltered population. Twenty-six percent (26%) or 643 of those living on the streets were identified as chronically homeless, and only experienced a three percent (3%) decrease from the previous year.

Discussion:

Affordable housing and employment remain at the heart of preventing and ending homelessness. Statewide, in 2014, there were an estimated 29,170 persons experiencing homelessness. Estimates, based on available HMIS data, suggest that approximately thirty-eight percent (38%) of the homeless population in 2014 became homeless for the first time which calculates to approximately 11,380 individuals and family members who were newly homeless. Estimates based on the same available HMIS data also suggest that approximately 12,868 individuals and family members exited the homeless system with positive housing outcomes. The number of families living in emergency shelter and transitional housing has remained fairly steady over the past two (2) years; however, 1,592 additional families have been served through Rapid Re-housing, which is not captured in the Point In Time count. The number of families experiencing homelessness in shelters has remained constant since the PIT 2013 count; however, over the past five (5) years, the number of unsheltered homeless families has decreased by forty-one percent (41%).

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

In the American Community Survey of 2013, 801,728 persons in Arizona reported that they had at least one (1) disability either physical or cognitive. This represents approximately twelve percent (12%) of the population of the State. The largest majority of disabled people were in the over sixty-five (65) age group with thirty-five percent (35%) of all senior citizens reporting a disability. The second highest was in the eighteen (18) to sixty-four (64) years of age population level with ten percent (10%). It is reasonable to expect these types of numbers; as people age they tend to develop disabilities, therefore the numbers and percentages would elevate. It can be expected that in the next five (5) years, these numbers will increase dramatically as the life expectancy increases and the massive “baby boomers” generation come into their senior years.

Households with disabilities, whether physical or cognitive, have similar housing needs as those households of very low income. In Arizona in 2013 ten point three percent (10.3%) or 400,687 of its disabled population were of the working age of eighteen (18) to sixty-four (64). This is comparable to the national average of ten point four percent (10.4%). Twenty-one percent (21%) of the population considered to have any type of disability is at the poverty rate or below. It is difficult to find affordable, accessible units sufficient to address the disabled population. Once occupying these units, the disabled person/family tends to stay longer, thus not allowing for a great deal of turnover especially in the rural areas of the State.

All of the federal programs that ADOH administers require compliance with Section 504 of the Rehabilitation Act of 1973, Fair Housing Act of 1988, and the Architectural Barriers Act of 1968 by its grantees. These regulations address the inclusion of persons with disabilities in various portions of the programs. ADOH does not target special programs for specifically the disabled, but allows the units of local government to determine their communities’ needs in these areas and incorporate them into their grants.

The majority of this section details with the population needing the assistance with HOPWA funding.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	1,215
Area incidence of AIDS	50
Rate per population	4
Number of new cases prior year (3 years of data)	168
Rate per population (3 years of data)	5
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	1,147
Area Prevalence (PLWH per population)	93
Number of new HIV cases reported last year	0

Table 28 – HOPWA Data

Data Source: CDC HIV Surveillance

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	2
Short-term Rent, Mortgage, and Utility	2
Facility Based Housing (Permanent, short-term or transitional)	0

Table 29 – HIV Housing Need

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

Describe the characteristics of special needs populations in your community:

Persons with special needs include elderly; frail elderly; persons with severe mental illness; developmentally disabled; physically disabled; persons with alcohol/other drug addictions; and public housing residents. Many persons with such special needs have very low incomes. Therefore, their needs may have already been taken into account in estimating the housing needs of persons with very low incomes. However, for some, housing with supportive services is needed as they are unable to undertake the activities of daily living without assistance. Various subpopulations requiring supportive housing are described herein:

Elderly and Frail Elderly: Elderly persons may need housing assistance for financial and/or supportive reasons. When an elderly person has one (1) or more limitations, he or she may need assistance to perform routine activities of daily living and therefore can be considered frail. Supportive housing offers services to compensate for the frailty in addition to the financial assistance.

Persons with Mental, Physical, and/or Other Developmental Disabilities: Severe mental illness includes the diagnoses of psychoses and the major affective disorders such as bipolar and major depression. The condition must be chronic, meaning it has existed for at least one (1) year, to meet the HUD definition for a disability. Those persons that cannot live with supportive family or are in need of help in basic life activities typically require supportive housing and/or services. In 2014, twelve percent (12%) of Arizonans reported having a disability. Twenty-five percent (25%) of the State’s population lives in the thirteen (13) rural counties translating to about 198,000 people with a disability in this region. In Arizona, the number of individuals with disabilities is expected to increase due to an increase in life expectancy and aging baby boomers. In FFY 2013 14,455 persons received in-home services through a provider network under the Department of Economic Security Division of Aging and Adult Services. Forty percent (40%) were rural residents and 54 percent (54%) had incomes below poverty.

Persons with Alcohol or other Drug Addictions: According to data provided by the Arizona Department of Health Services Division of Behavioral Health, in 2014, 123,500 of Arizonans reported illicit drug dependence/ abuse and 422,500 individuals reported alcohol dependence or abuse. This comprised approximately one point nine percent (1.9%) and six point five percent (6.5%) of the population, respectively.

Persons with HIV/AIDS and their families: Persons diagnosed with HIV/AIDS represented a very small portion of the Arizona population. In 2014, the Arizona HIV/ AIDS Report System reported 15,798

persons living with HIV/AIDS, a rise of thirteen percent (13%) in five (5) years. However, only ten percent (10%), 1,523 live outside the urban counties. The five (5) year emergent HIV/AIDS case rate has had an overall decline for over a decade. The reported unmet need for housing in the 2013 CAPER was estimated at about fifteen (15) households in northern Arizona, five (5) TBRA and ten (10) in need of STRMU.

Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking: Arizona does not have a central domestic violence access system in state. All calls are referred to the national hotline. Statewide there were 4,093 calls to the National Domestic Violence Hotline of which forty-two percent (42%), or 1,714, were seeking shelter. Arizona has one of the highest rates of domestic violence related fatalities in the U.S. The 2013 report from the Arizona Coalition to End Sexual and Domestic Violence states there were 139 domestic violence related fatalities in 2012 in Arizona. Native American women experience DV at rates fifty percent (50%) higher than other groups (DOJ).

What are the housing and supportive service needs of these populations and how are these needs determined?

Aside from adaptations to their units to allow them to live independently and specialized health services based on their disability, the average special needs individual or family has the same needs as all low-moderate income family - affordable housing that is decent, safe and sanitary near required amenities.

There is a growing share of need among senior homeowners aging in place, extremely low income senior renters, and older seniors needing service enriched housing options. These seniors need home repair/improvement, rental assistance, and residential support service. Additionally, many frail elderly do not have access to appropriate housing considering their disabilities.

While specific use of HOPWA funds is driven by regionally identified needs, there is a broad need for affordable, accessible housing for low-income families affected by HIV disease. Short-term rent, mortgage, and utility payments and tenant-based rental assistance are the most needed services. Other services needed are permanent housing placement, supportive services – case management, and resource identification. HOPWA funds have been used to: 1) increase the number of accessible housing units and/or cooperative landlords; 2) increase the number of services offered; 3) promote regional resource development, and 4) housing information activities broadening the scope of available housing services. Approximately 300 households over five (5) years will receive HOPWA services. The ability for clients to find stable, permanent housing is directly contributed to each agency's success by focusing on their client's housing needs as well as medical, legal and social service needs.

Case management continues to be an integral part of the service delivery system for each Regional Grantee. Each case manager is responsible for assessing clients and establishing individualized care plans. A formal monitoring and evaluation system ensures the quality and propriety of this care. Case managers conduct a thorough assessment of the current state of who, what, when, and why a person is experiencing the need. A one-to-one (1 to 1) informal counseling is done to develop a housing plan with the client. Clients are linked to financial, medical, behavioral health, and other support services, along with referrals that are made to community resources such as consumer credit counseling to assist in preventing homelessness. Other funding including Ryan White enhances case management services.

The previous Statewide Consolidated Plan noted that there was a significant need for appropriate housing for the physically disabled. Considering disability demographics, the number of housing units available for this population has not changed since 2010, this need still remains.

According to the National Survey on Drug Use and Health (NSDUH) in 2013 there is a significant need for more treatment for persons with alcohol abuse/ dependence and illicit drug abuse/ dependence. The rate in Arizona in 2010 for drug induced deaths was seventeen point six (17.6) people per 100,000 and has continuously increased every year since 2000. Four (4) counties had rates higher than the state rate and three (3) of those counties are in the balance of state: Gila, La Paz and Yavapai. In Arizona more deaths were caused by accidental poisoning: cocaine, heroin, alcohol, oxycodone (879) than motor vehicle accidents (711).

According to the 2013 CAPER, in terms of housing need, persons living with HIV/AIDS need continued assistance for housing, utilities and rental assistance. Supportive service needs identified include: assistance with medication and paying health insurance premiums.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Approximately sixty (60) households in the six (6) northern counties will receive HOPWA TBRA and STRMU services annually. Based on prior experience, it is anticipated that approximately seventy-five percent (75%) of the persons served will be male; ninety-eight percent (98%) of them will be over thirty-one (31) years of age; approximately seven percent (7%) will identify themselves as Hispanic; and approximately ninety percent (90%) will identify themselves as White and the remaining three percent (3%) will identify in one (1) of the other categories. (i.e. American Indian/Alaskan Native, Asian, Black, Multi-Racial).

Discussion:

The primary need of Non-homeless Persons with Disabilities in Arizona is accessible affordable housing. Secondly the greatest need is services. In Arizona 801,728 persons reported that they had at least one disability either physical or cognitive. This represents approximately twelve percent (12%) of the population of the state. The largest majority of disabled people were in the over sixty-five (65) age group with thirty-five percent (35%) of all senior citizens reporting a disability. The second highest was in the eighteen (18) to sixty-four (64) years of age population level with ten percent (10%). Meeting the needs of this population has its key in enabling them to live independently and the provision of specialized health services.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction’s need for Public Facilities:

The need for public facilities was primarily identified through feedback received at the public meetings and in the online survey. Each region of the State, as well as each local jurisdiction, has specific needs for facilities. These needs are best defined in applications and plans submitted by COGs and local governments. However, some common themes emerged.

Public facility needs that were frequently mentioned were homeless facilities, community centers, senior centers, parks, and historic preservation and accessibility improvements to community facilities. Often these public facilities are the only gathering places available in the small rural communities that can serve a variety of community needs such as congregate meals for seniors, temporary disaster shelter, recreation etc.

Note: while HUD defines the activities as “public facilities”, some of the activities are defined as “community facilities” in Arizona.

How were these needs determined?

These needs were determined through consultation with units of local government, regional councils of government, social service agencies, public meetings, public hearings and the Five (5) Year Consolidated Plan Online Survey. Additionally, a review of previously funded CDBG projects in the State gave a historic perspective on the types and numbers of public facility funded activities.

Describe the jurisdiction’s need for Public Improvements:

The State of Arizona continues to need public improvements. Community Development Block Grant (CDBG) funds will be directed towards constructing and improving the following types of infrastructure: water lines, waste water treatment lines and facilities; curb, gutters, sidewalks, street improvements; and drainage infrastructure. Investment in infrastructure improvements is likely to result in the creation of short-term jobs, and long-term benefit and the basis for expanded economic opportunities in Arizona’s rural communities.

It is estimated that thirteen percent (13%) of CDBG funds will be expended on public improvements in any given year, depending on the level of need for public infrastructure during the five (5) year period.

How were these needs determined?

These needs were determined through consultation with units of local government, regional councils of government, social service agencies, public meetings, public hearings and the Five (5) Year Consolidated Plan Online Survey. Additionally, a review of previously funded CDBG projects in the state gave a historic perspective on the types and numbers of public improvement funded activities.

Describe the jurisdiction's need for Public Services:

The State of Arizona utilizes CDBG to address public service needs in the State. The State of Arizona continues to need public services. Community Development Block Grant (CDBG), Emergency Services Grant (ESG) and Housing for Persons with AIDS (HOPWA) funds will be directed towards the following types of public services: Homeless/AIDS patient programs; Senior Services; Handicapped Services; Legal Services; Youth Services; Transportation Services; Substance Abuse Services; Services for Battered/ Abused Spouses; Employment Training; Crime Awareness/Prevention; Housing Counseling; Childcare Services; Health Services; Services for Abused/Neglected Children; and Mental Health Services.

How were these needs determined?

These needs were determined through consultation with units of local government, regional councils of government, social service agencies, public meetings, public hearings and the Five (5) Year Consolidated Plan Online Survey. Additionally, a review of previously funded CDBG projects in the State gave a historic perspective on the types and numbers of public improvement funded activities.

Based on the needs analysis above, describe the State's needs in Colonias

Lack of access to public water and wastewater services continue to be a barrier to Colonias community improvement and are therefore of the highest priority need. Additionally, during the eligibility certification process each Colonias community performed a housing assessment according to the housing assessment guide developed by ADOH in partnership with the University of Arizona, Drachman Institute. The outcome of these housing assessments indicated that an average of thirty-eight percent (38%) of housing in the sixty-three (63) ADOH Certified Colonias communities is in need of significant rehabilitation or replacement.

ADOH encourages Colonias communities to apply for water, wastewater improvements or housing rehabilitation funding through the competitive Colonia Set Aside bi-annual funding round. Colonias communities are entitled to apply for an amount of funding that can significantly address infrastructure or housing rehabilitation needs. Technical assistance is provided whenever requested.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Single family units comprise sixty-three percent (63%) of all units in Arizona. The median home value in Arizona is \$185,300. Arizona home values have gone up three point one percent (3.1%) over the past year and it is predicted they will rise another three point one percent (3.1%) within the next year. The median list price per square foot in Arizona is \$122. The median price of homes currently listed in Arizona is \$225,990 while the median price of homes that sold is \$195,775. Consultation for the development of this plan included heavy emphasis on the continued need to fund housing rehabilitation throughout all regions of the State; however; the numbers have not been quantified.

The median rent price in Arizona is \$1,100. There is a shortage of affordable units for extremely low-income residents. However, this shortage does not exist for higher income groups. Forty-five percent (45%) of rental units had one (1) or more housing conditions compared with thirty-one percent (31%) of owner-occupied units including lack of complete plumbing, overcrowding or cost burdened households paying over thirty percent (30%) of income. Forty percent (40%) of all units were constructed before 1980 and may contain lead based paint hazard. It is estimated that 30,399 housing units occupied by low or moderate income families may contain lead-based paint hazards.

Needed housing programs in Arizona include: Rental Development and Rehabilitation (HOME); Owner Occupied Housing Rehabilitation (HOME and CDBG); Rapid Re-housing (ESG); Rental Assistance; and Housing Opportunities for Persons with Aids (HOPWA).

MA-10 Number of Housing Units – 91.310(a)

Introduction

The State of Arizona has a varied housing stock. Single family detached structures comprise the majority (sixty-three percent (63%)) of the housing stock throughout the State. The second largest group is mobile homes (eleven percent (11%)), followed closely by small five (5) to nineteen (19) unit multi-family (ten percent (10%)). Urban areas contain more of the twenty (20) plus unit multi-family structures, while rural areas are more likely to have more single family detached structures and smaller multi-family properties.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	1,741,053	63%
1-unit, attached structure	142,924	5%
2-4 units	132,633	5%
5-19 units	268,703	10%
20 or more units	172,911	6%
Mobile Home, boat, RV, van, etc	317,813	11%
Total	2,776,037	100%

Table 30 – Residential Properties by Unit Number

Data Source: 2006-2010 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	7,529	0%	27,569	4%
1 bedroom	61,223	4%	190,959	25%
2 bedrooms	336,425	21%	283,482	37%
3 or more bedrooms	1,163,336	74%	255,945	34%
Total	1,568,513	99%	757,955	100%

Table 31 – Unit Size by Tenure

Data Source: 2006-2010 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

Arizona administers several programs to assist persons with housing needs from rental housing, to home purchase, to improving housing quality. These programs include: CDBG (homeowner rehabilitation); the HOME Program (homeowner rehabilitation and development of affordable rental

units); LIHTC (affordable rental developments); HOPWA (services and rental assistance); ESG (emergency shelter, rapid re-housing and homeless prevention targeting individuals and families at or below thirty percent (30%) of AMFI in the homeless categories of chronically homeless, youth, veterans, domestic violence victims, substance abuse and mental health); Housing Trust Fund (HOME match, emergency shelter operation, COC Administration) and finally the Arizona Housing Finance Authority provides assistance to new homeowners with mortgage and down payment assistance.

The following types of housing activities will be targeted to very low income and special needs populations. Housing Rehabilitation produced with CDBG to complete 459 households. Multi-family construction and rehabilitation produced with HOME to complete 622 households. Housing and services for Persons with HIV/AIDS produced with HOPWA to serve fifty (50) households. Rental assistance and services (TBRA and Rapid Re-housing) for the homeless produced with ESG and Continuum of Care to serve 1,000 households. Provide ADA improvement to housing with CDBG to serve fifty (50) rental households and fifty (50) owner occupied households.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

While the data is not yet in, Arizona anticipates that FY 2015 will show a reduction in the affordable housing inventory due to HUD reductions in the availability of funding to support public housing authorities (PHAs), particularly for the Housing Choice Voucher Program. Many PHAs have reported that funding reductions will require reductions in the number of households assisted through attrition. Arizona has 38,315 units of federally assisted housing. It is estimated that 575 units of HOME and Housing Trust fund affordable multi-family housing units will be lost due to expiring affordability periods over the next five (5) years (2015 through 2019) from 2010 to 2014, 2,371 LIHTC assisted units withdrew from the program due to the expiration of Land Use Restrictive Agreements and LIHTC compliance periods.

Does the availability of housing units meet the needs of the population?

In terms of homeownership there are generally enough units available in most neighborhoods to meet the needs of the populations, but the affordability of the units or the condition are the issues on many of the available units. In terms of rental units, market rate developments are available and usually fairly well occupied. The need is for affordable housing units for the low and moderate income households especially in the rural areas where most developers find it difficult to sustain the units without some form of public assistance. As assistance programs are reduced or eliminated, the need for these types of units will only increase. Arizona is currently experiencing a significant shortage of affordable and available rental units for extremely low households due to expired federal housing subsidies and public housing units taken out of service.

Describe the need for specific types of housing:

Many aspects of Arizona's population components will affect the types of housing needed within the state. Due to the ever increasing aging population, more senior housing and housing with supportive services will need to be developed in all communities so its residents may age in the same communities they have spent the majority of their lives. Continued development of affordable rental units is essential

in almost every community across the State. In the more rural areas, smaller five (5) to twenty (20) developments best meet the needs while not affecting the community composition.

New construction of affordable rental units is not the only need throughout the State. Rehabilitation of the aging housing stock of both homeownership and rental units will be essential to maintain availability and affordability. Accessibility modification of existing units will continue to be a need throughout the State, as more of the residents' age and become disabled but choose to stay in their homes rather than to be institutionalized.

Census data reveals that building permits significantly decreased after 2006 (65,363 permits) and after an eighty-one percent (81%) decrease bottomed out in 2010 (12,370 permits). Since 2010, building permits have slowly been increasing. In 2014 there were 27,254 building permits compared to 25,209 in 2013; 21,726 in 2012; and 13,007 in 2011.

Discussion

The State directs resources to address a variety of affordable housing needs from multi-family new construction or rehabilitation to single family owner occupied rehabilitation. Accessible housing that is supported with services will become increasingly in need in Arizona for seniors and special needs populations. Additional housing affordable to very low income and extremely low income households is needed in Arizona particularly in Balance of State areas of the state. Multi-housing production will replace affordable units lost during the next five (5) years.

MA-15 Cost of Housing – 91.310(a)

Introduction

The table below reviews changes in median gross rent and median home value between 2000 and 2010 with 2000 rent and home values adjusted for inflation. Overall, median rent and median home value increased by thirty-five percent (35%) and ninety-seven percent (97%), respectively.

In Phoenix, the 2014 Fair Market Rent (FMR) for a two (2) bedroom apartment was \$957. A low sixty percent (60%) AMI low income four (4) person household earning \$49,500 annually can afford \$898 a month without paying greater than thirty percent (30%) of their income on rent and utilities.

The following tables were created by HUD IDIS system. No data was available for the Monthly Rent table.

Cost of Housing

	Base Year: 2000	Most Recent Year: 2010	% Change
Median Home Value	109,400	215,000	97%
Median Contract Rent	538	726	35%

Table 32 – Cost of Housing

Data Source: 2000 Census (Base Year), 2006-2010 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	169,595	22.4%
\$500-999	434,754	57.4%
\$1,000-1,499	123,728	16.3%
\$1,500-1,999	19,058	2.5%
\$2,000 or more	10,820	1.4%
Total	757,955	100.0%

Table 33 - Rent Paid

Data Source: 2006-2010 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	31,970	No Data
50% HAMFI	121,850	77,915
80% HAMFI	423,715	237,995
100% HAMFI	No Data	385,075
Total	577,535	700,985

Table 34 – Housing Affordability

Data Source: 2006-2010 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	0	0	0	0	0
High HOME Rent	0	0	0	0	0
Low HOME Rent	0	0	0	0	0

Table 35 – Monthly Rent

Data Source Comments:

Is there sufficient housing for households at all income levels?

The cost of housing has increased over the past decade (2000-2010). The median home value increased ninety-seven percent (97%) and median contract rent increased by thirty-five percent (35%). The affordability problem is most severe for persons earning very low incomes (thirty percent (30%) of the HUD AMI) in that there is a shortage of 178,406 affordable units. Very low income homeowners are virtually priced out of the homebuyer market in Arizona in which there is a shortage of 118,937 homes affordable to this income group. For fifty percent (50%) AMI renters there are a shortage of 313,876 affordable rental units and 209,250 affordable homes for purchase. The problem is slightly less severe for households earning eighty percent (80%) AMI in which there is a shortage of 212,138 rental units and 141,425 homes for sale.

How is affordability of housing likely to change considering changes to home values and/or rents?

The median home value in Arizona is \$185,300 although the median values in Flagstaff, Prescott and Phoenix are much higher than this figure. Arizona home values have gone up three point one percent (3.1%) over the past year and market experts predict they will rise another three point one percent (3.1%) within the next year. The median list price per square foot in Arizona is \$122. The median price of homes currently listed in Arizona is \$225,990 while the median price of homes that sold is \$195,775.

The median rent price in Arizona is \$1,100. In the third (3rd) quarter of 2014 apartment demand in Phoenix came in above the three (3) year average, outpacing new supply. As a result, occupancy rose point three (.3) points to ninety-four percent (94%), a seven (7) year high. As occupancy climbed, apartment operators pushed effective pricing up one percent (1%) quarter-over-quarter and three point nine percent (3.9%) year-over-year.

Changes in housing affordability in Arizona will vary from region to region. More urbanized areas where growth is projected and the demand for housing will increase, such as Maricopa and Pima Counties. Rent prices have increased by four point four percent (4.4%) in the northern parts of the State. These regions have very high rents in comparison to the rest of the State.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The majority of regions have HOME rents and Fair Market Rents (FMR) that are lower than the median rents. This includes all areas except Northern Arizona where median rents are equal or higher. With relatively low HOME and FMR rents in comparison to market rates, HOME funded rental projects provide low income renters with very affordable rates. What is needed, as referenced early in this section, is a larger inventory of affordable rental units. The number of affordable rental units renting for less than \$500 is far less than the number of households able to afford up to \$500 per month on rent.

Discussion:

Preservation of affordable housing will be most important in the metro areas which have the highest market rental rates in the State and HOME rents as well as FMRs more or less equal to the median rental rates in the area. Preservation of affordable housing will also be very important in Northern Arizona which has the highest market rental rates by region in the State.

The slow increases in FMRs issued by HUD do not adequately mirror the actual trends in Arizona rental markets. When this occurs, households have difficulty securing rental units through the Housing Choice Voucher Program and subsidized housing providers have difficulty maintaining units that are subsidized.

The HOME rent increases, while necessary to support the maintenance and operation of good quality rental developments, requires greater resources to operate those units if rental incomes are insufficient to support the housing developments. HOME rents that remain lower than the actual market benefits more low income households and their ability to afford rental housing.

MA-20 Condition of Housing – 91.310(a)

Introduction:

Arizona housing stock is a mix of newly constructed units, median aged units and older units constructed before 1950. Older housing units constructed before 1950 represent three percent (3% or 49,080) of all owner occupied units and four percent (4% or 33,773) of all renter occupied units. Between 1950 and 1979, thirty-two percent (32% or 501,044) of owner occupied units and thirty-six percent (36% or 270,341) of all rental units were constructed. Since 2000 twenty-four percent (24% or 376,565) of all owner occupied and twenty percent (20% or 149,530) of all renter occupied units have been constructed. The table on the following page shows the number of housing units, by tenure, based on the number of conditions or characteristics of the unit. Selected conditions are similar to housing problems in the Needs Assessment and include the following: lack of complete plumbing facilities; lack of complete kitchen facilities; more than one (1) person per room; and cost burden greater than thirty percent (30%). The table also includes the calculations for the percentage of total units for each category. Renter occupied units have a higher prevalence of substandard condition (forty-five percent (45%) for renter versus thirty-one percent (31%) for owner occupied units); however the vast majority of units with a substandard condition only have one (1) substandard condition. Only one percent (1%) of owner occupied units have more than one (1) substandard condition, and only four percent (4%) of renter occupied units have two (2) selected conditions. The number of units for both owner and renter occupied with three (3) or more substandard conditions is very low.

Definitions

Substandard Condition: Residential property that does not meet local building or housing code.

Substandard Condition But Suitable for Rehabilitation: The nature of the substandard condition is both financially and structurally feasible for rehabilitation. The definition of substandard but suitable for rehabilitation may also include a quantifiable standard such as a dwelling in which the deficiencies are limited in number and magnitude such that the cost of rehabilitation would not exceed one hundred percent (100%) of the replacement cost of the dwelling. Examples of minor repairs may include disability access, lead-based paint remediation, foundation repair, wall repair, window/ door replacements, electrical repair, and or roof repair.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	487,023	31%	341,983	45%
With two selected Conditions	20,364	1%	33,620	4%
With three selected Conditions	2,903	0%	2,019	0%
With four selected Conditions	155	0%	190	0%
No selected Conditions	1,058,068	67%	380,143	50%
Total	1,568,513	99%	757,955	99%

Table 36 - Condition of Units

Data Source: 2006-2010 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	376,565	24%	149,530	20%
1980-1999	641,824	41%	304,318	40%
1950-1979	501,044	32%	270,334	36%
Before 1950	49,080	3%	33,773	4%
Total	1,568,513	100%	757,955	100%

Table 37 - Year Unit Built

Data Source: 2006-2010 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	550,124	35%	304,107	40%
Housing Units build before 1980 with children present	102,370	7%	903,135	119%

Table 38 – Risk of Lead-Based Paint

Data Source: 2006-2010 ACS (Total Units) 2006-2010 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 39 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

Due to the age of Arizona housing stock, as described previously, and the age of its population, one can assume that many households have trouble maintaining their homes due to ailing health and disabilities. Low income homeowners have similar challenges in affording to make needed repairs. Arizona seniors, especially in the rural areas, pride themselves on attaining homeownership and are not quick to enter into nursing homes or apartment living once homeownership becomes too difficult or expensive. Most existing owner occupied housing rehabilitation programs conducted by State grantees find that approximately sixty percent (60%) to eighty percent (80%) of the households served are elderly. Without this assistance, many elderly persons would lose the homeownership they worked all their lives to attain.

Table 35 shows that thirty-one percent (31%) of the owner-occupied housing requires at least one (1) condition to be addressed and forty-five percent (45%) of rental units have one (1) or more conditions to be addressed.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Based on the available data, it is estimated that 550,124 housing units occupied by low or moderate income families may contain lead based paint hazards and of these households 102,370 have children present. Of the rental units built, forty percent (40%) were built prior to 1980, most of which have children present. Low and moderate income persons, who typically rent, often inhabit homes that have not been renovated or updated which leads to an increased risk of lead based paint. HUD estimates that seventy-five percent (75%) of all units built before 1970 have LBP hazards.

Discussion:

The State directs resources to improve quality of housing stock through HOME funded owner occupied housing rehabilitation and multi-family rehabilitation. Additionally, the State allows for multi-family rehabilitation with CDBG funds and LIHTC funds. One third (1/3) of owner-occupied housing and almost half of rental housing require repair or rehabilitation. ADOH will continue to direct resources to improve the existing housing stock and ensure that an adequate supply is available, though the need continues to exceed available resources. ADOH continues to enforce lead hazard removal regulations as required by each respective funding source and also looks to expand the scope of its review of residential hazards through its partnership with the Arizona Partnership for Healthy Homes.

MA-25 Public and Assisted Housing – (Optional)

Introduction:

While the State of Arizona is designated as the Arizona Public Housing Authority (AzPHA), serving areas uncovered by a local housing authority, it does not own or operate any public housing units. The AzPHA administers the Section 8 Housing Choice Voucher (HCV) program for Yavapai County, providing approximately 235 vouchers (eighty-nine (89) regular vouchers, seventy (70) VASH, and about seventy-six (76) incoming portable vouchers.) Additionally, the AzPHA serves as the Section 8 Project Based Contract Administrator (PBCA), providing monitoring oversight and passing through housing assistance payments to 8,083 project based units throughout Arizona.

Areas served by local housing authorities in Arizona include: Chandler, Cochise County, Douglas, Eloy, Flagstaff, Gila County, Glendale, Maricopa County, Mesa, Mohave County, Nogales, Phoenix, Pima County, Pinal County, Scottsdale, South Tucson, Tempe, Tucson, Williams, Winslow, Yuma, and Yuma County. The State has no jurisdiction over these public housing authorities, which all report directly to HUD.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available				128			274	0	0
# of accessible units									

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 40 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There are 7,221 public housing units located throughout the State of Arizona: 6,032 of those units are located in the urban counties of Maricopa and Pima, with the remaining 1,189 located in rural areas.

The 7,221 public housing units are operated by fifteen (15) different public housing authorities. All units are in livable conditions, though some of the stock is certainly aging.

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

The State owns no public housing units, so it does not hold detailed information regarding the revitalization needs of the public housing units operated by other public housing authorities in the State.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

The State does not operate a public housing program. From time to time local housing authorities have utilized the State's Low-Income Housing Tax Credit program in concert with HOPE VI to revitalize some of the oldest public housing projects in the State. Arizona will continue to support those types of efforts.

Discussion:

Given the federal budget situation, Arizona does not anticipate the receipt of additional public housing resources during the term of this plan. Local housing authorities expect to remain challenged to utilize all available vouchers, given federal budget cuts. Arizona expects that some local housing authorities will seek financial assistance through the Low Income Housing Tax Credit program operated by the State in order to revitalize their aging units.

MA-30 Homeless Facilities – 91.310(b)

Introduction

Based on the 2014 Housing Inventory Count, Arizona has 8,788 emergency shelter and transitional housing beds with 4,845 (fifty-five percent (55%)) serving only families with children and 3,943 (forty-five percent (45%)) serving single adults. Additionally, the State has 663 overflow beds for single adults which are being reduced by 400 in spring 2015 due to one (1) building in metro Phoenix being closed because of safety concerns. The State Homeless Coordination Office has been working with the county, city, ADOH and other community partners to implement a focused Rapid Re-housing effort directed to current residents of this Overflow Shelter in order to house those who become displaced. During the 2014 homeless street count, 2,569 individuals and members of families were identified as unsheltered. Ninety-one percent (91%) of persons found living on the street were single adults and over 600 were chronically homeless. Arizona has added 1,263 permanent housing beds since 2012 and has increased its use of rapid re-housing with the addition of over 3,800 beds in order to keep up with the housing demand.

All Continua are in the process of examining their bed capacity and establishing procedures for prioritization of those who are chronically homeless and most vulnerable. The three (3) continua are working diligently to decrease both the number who experience homelessness and the length they experience it.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	2,222	0	2,623	3,541	0
Households with Only Adults	2,231	663	1,712	5,081	200
Chronically Homeless Households	0	0	0	1,096	7
Veterans	0	0	301	561	0
Unaccompanied Youth	28	2	17	0	0

Table 41 - Facilities Targeted to Homeless Persons

Data Source Comments: The State Homeless Coordination office will work with the Continua and the HMIS lead agencies to quantify utilization of emergency shelter beds by specific subpopulations.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Arizona has a broad spectrum of supports and services. The Arizona Commission on Homelessness and Housing (ACHH) and State Homeless Coordination Office have established a robust system of communication between the Departments of Economic Security, Housing, Health Services, Veteran Services and Corrections as well as city and county governments and the Continua of Care. As a result of these collaborative partnerships, the State Homeless Coordination Office has been able to coordinate scopes of work with contracted providers to improve service delivery and develop common performance measures and better outcomes. Supports and services are delivered using a universal assessment tool to measure vulnerability and prioritize housing and support services. PATH teams throughout the State outreach to those experiencing homelessness and work to engage them in case management, mental health and substance abuse services through the local provider networks. The COCs, in collaboration with the State Homeless Coordination Office, continue efforts to work with mainstream programs that offer rental and support services to develop holistic plans to move families out of homelessness. Action steps include: working with public housing authorities and other subsidized housing programs to gain priority for those who are homeless on wait lists; developing relationships with landlords and other housing providers to work with families with multiple barriers; and working with housing developers and local governments to develop additional affordable housing units. In addition, the establishment of a Statewide SOAR Steering Committee working to increase the number of those SOAR trained, is beginning to have a great impact on the number of people applying for and receiving social security benefits for which they are eligible.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

The State of Arizona, through contracts and agreements with non-profit and faith based service providers, provides emergency shelter services, transitional housing, Rapid Re-housing and permanent supportive housing options for all sub-populations within the homeless community. Additionally, the Department of Veteran Affairs provides similar services for eligible veterans. The State uses coordinated assessment systems in all three (3) Continua of Care to prioritize vulnerable persons and to determine the most appropriate housing interventions and support services. As described in the introduction to this section, Arizona service providers have been successful in prioritizing housing and services for victims of Domestic Violence and families with children. Current data demonstrates that more beds and services need to be allocated to single adults, chronically homeless, families without children, and youth.

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

Through a broad range of statewide programs and coordination efforts between several State agencies, Arizona provides facilities and services that assist persons who are not homeless but who require supportive housing and programs.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	18
PH in facilities	0
STRMU	20
ST or TH facilities	0
PH placement	0

Table 42 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Aside from adaptations to their units to allow them to live independently and specialized health services based on their disability, the average special needs individual or family has the same needs as all low-moderate income family - affordable housing that is decent, safe and sanitary near required amenities. To accomplish this goal: Arizona is one (1) of twenty-five (25) States to receive a Section 811 Project Rental Assistance (PRA) grant through a recent competitive application process conducted by HUD. The Arizona Department of Housing (ADOH), partnered with the Arizona Department of Economic Security (ADES), Arizona Department of Health Services (ADHS) and the Arizona Health Care Cost Containment System (AHCCCS) to apply for the funds. ADOH will eventually receive \$2.95 million which will be utilized to provide monthly rental subsidy payments for up to fifty-four (54) individuals with developmental disabilities and their families. Eligible participants will live in rental units developed through the Low-Income Housing Tax Credit Program or other multi-family financing available through ADOH. In addition, the HOPWA Tenant Based Rental Assistance (TBRA) program funds are available for TBRA activities to local housing authorities and other non-profit organizations for eligible households.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Arizona's behavioral health system took the historic step of integrating health care and treating the whole person, increasing quality of life and improving outcomes, while reducing costs. By October 1, 2015 integrated health contracts will be in place for all of Arizona. The thirteen (13) counties will be covered by two (2) Regional Behavioral Health Authorities: Cenpatico Integrated Care (CPIC), covering eight (8) counties and Health Choice Integrated Care (HCIC) covering six (6) counties including Pima County which is not part of the Balance of State COC. Maricopa County is covered by Maricopa Mercy Integrated Care (MMIC) and has been under contract since April 1, 2014. The Arizona Department of Health Services, which includes mental health and substance use disorder services, enacted a policy in 2006 that ensures to the maximum extent possible that all individuals who are discharged from State funded institutions or systems of care have housing options available in order to prevent their being discharged into homelessness. However, an individual can exercise his or her right to refuse treatment and or aid with placement, therefore becoming homeless upon discharge.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Aside from adaptations to their units to allow them to live independently and specialized health services based on their disability, the average special needs individual or family has the same needs as all low-moderate income family - affordable housing that is decent, safe and sanitary near required amenities. To accomplish this goal ADOH will support and administer the following activities:

Section 811 Project Rental Assistance (PRA) grant - ADOH partnered with the Arizona Department of Economic Security (ADES), Arizona Department of Health Services (ADHS) and the Arizona Health Care Cost Containment System (AHCCCS) to apply for 811 PRA funds. ADOH was awarded and will eventually receive \$2.95 million which will be utilized to provide monthly rental subsidy payments for up to fifty-four (54) individuals with developmental disabilities and their families. Eligible participants will live in rental units developed through Low-Income Housing Tax Credit Program or other multi-family financing available through ADOH.

CDBG and HOME – ADOH will fund owner occupied housing rehabilitation to include any necessary ADA accessibility improvements or ADA accessibility improvements as a standalone activity (CDBG Only). It is anticipated that approximately 118 owner occupied households and six (6) rental households will receive housing rehabilitation assistance through these two (2) funding sources. CDBG funds will also fund ADA accessibility improvements for public facilities as well as public services for low-mod income persons and low-mod income special needs persons. ADOH anticipates serving approximately 4,800 persons through public service activities over the next five (5) years.

HOPWA – ADOH funds supportive services, TBRA and STRMU with HOPWA funds and anticipates serving approximately seventy-five (75) eligible households through the HOPWA program over the next year.

AGING 2020 - ADOH participates in the Aging 2020 meetings working to meet the needs of Arizona's aging population especially the frail and elderly.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not applicable to this State Consolidated Plan.

MA-40 Barriers to Affordable Housing – 91.310(d)

Describe any negative effects of public policies on affordable housing and residential investment.

1. Illegal housing discrimination continues to occur in Arizona outside of Community Development Block Grant (CDBG) entitlement jurisdictions including Maricopa County, Pima County, Yuma, Prescott, Sierra Vista, Flagstaff, and Douglas.
2. Housing consumers continue to be largely unaware of their rights under the Fair Housing Act and the resources available to help them understand and exercise those rights.
3. Housing providers and entities that assist people with housing related issues do not adequately understand rights and responsibilities under the Fair Housing Act. They also do not know how to identify fair housing violations or where to refer people whose fair housing rights may have been violated.
4. NIMBY (Not in My Backyard) attitudes are an impediment to fair housing choice.
5. Lack of affordable housing throughout the state has a greater impact on classes protected by the Fair Housing Act.
6. On-going data gathering from CDBG subrecipients will need to improve to meet evolving AI requirements. The 2006 AI stated, “Information gathering and monitoring fair housing performance needs to be improved.” ADOH responded with improvements in these areas; however this impediment carries over to the 2015 Plan of Action.
7. The post-foreclosure crisis housing market experienced tighter credit conditions for homebuyers and rising rents for renters. This limited homeownership opportunities and made rental housing less affordable for minority households.
8. Arizona demographics vary greatly by region making it necessary to look at fair housing issues through a regional perspective. Differences in income, racial and ethnic concentrations of poverty, and age vary greatly across the state, making it difficult to create “one (1) size fits all” policies and programs to AFFH in Arizona.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

The following tables contain data that is pertinent to economic development in Arizona. Discussion and analysis of this data follows the Median Earnings in the Last 12 Months Table.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	16,030	17,396	5	8	3
Arts, Entertainment, Accommodations	55,747	38,992	17	18	1
Construction	20,997	13,132	6	6	0
Education and Health Care Services	56,435	35,143	17	16	-1
Finance, Insurance, and Real Estate	19,512	9,464	6	4	-2
Information	5,956	4,217	2	2	0
Manufacturing	22,614	11,664	7	5	-2
Other Services	11,012	7,023	3	3	0
Professional, Scientific, Management Services	20,264	10,632	6	5	-1
Public Administration	9,969	10,882	3	5	2
Retail Trade	59,139	44,921	18	21	3
Transportation and Warehousing	10,533	5,683	3	3	0
Wholesale Trade	15,157	8,961	5	4	-1
Total	323,365	218,110	--	--	--

Table 43 - Business Activity

Data Source: 2006-2010 ACS (Workers), 2010 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	567,643
Civilian Employed Population 16 years and over	515,863
Unemployment Rate	9.12
Unemployment Rate for Ages 16-24	19.17
Unemployment Rate for Ages 25-65	5.09

Table 44 - Labor Force

Data Source: 2006-2010 ACS

Occupations by Sector	Number of People
Management, business and financial	100,197
Farming, fisheries and forestry occupations	20,425
Service	59,269
Sales and office	92,284
Construction, extraction, maintenance and repair	68,336
Production, transportation and material moving	32,729

Table 45 – Occupations by Sector

Data Source: 2006-2010 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	325,557	68%
30-59 Minutes	113,886	24%
60 or More Minutes	38,523	8%
Total	477,966	100%

Table 46 - Travel Time

Data Source: 2006-2010 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	48,232	8,949	51,420

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
High school graduate (includes equivalency)	117,387	11,425	69,613
Some college or Associate's degree	169,453	11,973	73,669
Bachelor's degree or higher	92,498	2,675	27,044

Table 47 - Educational Attainment by Employment Status

Data Source: 2006-2010 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	4,369	7,611	9,169	21,597	27,345
9th to 12th grade, no diploma	28,579	19,654	18,600	31,980	25,608
High school graduate, GED, or alternative	38,209	46,942	48,204	103,692	72,120
Some college, no degree	30,920	43,333	46,589	104,887	56,516
Associate's degree	4,486	14,674	14,317	33,111	12,224
Bachelor's degree	3,281	18,320	19,223	44,701	23,420
Graduate or professional degree	358	5,086	7,835	28,186	17,325

Table 48 - Educational Attainment by Age

Data Source: 2006-2010 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Table 49 – Median Earnings in the Past 12 Months

Data Source: 2006-2010 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

Arizona's major employment sectors include the Education and Health Care at sixteen percent (16%), Arts and Entertainment at eighteen percent (18%) and Retail sectors at twenty-one percent (21%).

Describe the workforce and infrastructure needs of business in the state.

Workforce needs vary by industry, but according to the Arizona Workforce Connection, the most common theme among businesses is the need for workers proficient in basic applied math, reading and soft skills. Colleges and universities in Arizona indicate a higher than normal demand for basic skills like reading, writing, math and computers. Therefore more effective Kindergarten through twelfth (12th) grade education is needed. Community and technical colleges serve business and industry directly through short term programs for adults seeking competency based instruction in order to meet the skill requirements of companies.

Besides a competent and fully trained workforce, other infrastructure needs of the business community include quality roads, bridges, rail spurs, water, sewer, broadband (hi speed internet) and other utility connections.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Construction employment is expected to increase by nine point four percent (9.4%) in 2015 with steady increases continuing over the next five (5) years. Therefore training in building trades is needed. Community colleges and technical schools provide occupational technical training for secondary, postsecondary and adult participants. One third (1/3) of community college students in Arizona are enrolled in technical programs.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

The Arizona education system is a powerful factor contributing to the success of Arizona businesses. The progressive business climate, coupled with a top notch education system has resulted in an adept, well skilled workforce. One of the nation's largest concentrations of science and technology students and graduates is accessible through Arizona State University, University of Arizona and Northern Arizona University. In addition to attracting large numbers of college students, these public institutions have major science and technology research programs which contribute to the high number of engineers in the State's skilled workforce.

The National Science Foundation ranked Arizona fourth (4th) in the U.S. regarding bachelor's degrees conferred per 1,000 students age eighteen (18) to twenty-four (24) and eighth (8th) in science and engineering doctorates conferred per 1,000 employed holders of science and engineering doctoral degrees.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

The State of Arizona provides workforce support to job seekers through a number of agencies. Assistance is primarily offered by three (3) agencies: Arizona Commerce Authority, The Arizona Department of Education and the Arizona Department of Economic Security; but there are a total of five

(5) partners in Arizona's workforce development system that can be called upon for help: One-Stop Centers; United States Department of Labor; Industrial Commission of Arizona; Arizona Department of Education's Adult Education Services; and the Arizona Commerce Authority.

These efforts support the Consolidated Plan by providing low income families and individuals resources for obtaining employment.

Describe any other state efforts to support economic growth.

The Arizona Mature Workforce Initiative (MWI) was launched in February 2005 to address the changing demographics impacting the workplace. With nearly twenty percent (20%) of the total U.S. workforce fifty-five (55) years of age or older, U.S. companies and governments face the potential loss of talent and knowledge across key areas including leadership and technical disciplines. While much has changed since the launch of the MWI, the impact of this undeniable trend continues from industry to industry and across job categories. Many companies have learned to avoid the loss of skills, knowledge and talent by encouraging today's mature workers, those ages fifty (50) and over, to stay in the workforce longer.

Discussion

State universities, community colleges and technical schools play a key role in Arizona's economic development strategy, particularly in the crucial areas of research, continuing education and trades. Arizona's three (3) State universities, nineteen (19) community colleges, two (2) tribal colleges and thirteen (13) private colleges provide an adequate education infrastructure to meet the education needs of the workforce.

MA-50 Needs and Market Analysis Discussion

**Are there areas where households with multiple housing problems are concentrated?
(Include a definition of "concentration")**

This Consolidated Plan is for a State Grantee and therefore this question is not applicable.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (Include a definition of "concentration")

This Consolidated Plan is for a State Grantee and therefore this question is not applicable.

What are the characteristics of the market in these areas/neighborhoods?

This Consolidated Plan is for a State Grantee. Each applicant for funds to States programs will define the characteristics in their respective areas or neighborhoods of the State.

Are there any community assets in these areas/neighborhoods?

This Consolidated Plan is for a State Grantee and therefore this question is not applicable.

Are there other strategic opportunities in any of these areas?

This Consolidated Plan is for a State Grantee and therefore this question is not applicable.

Based on the needs analysis above, describe the State's needs in Colonias

Lack of access to public water and wastewater services continue to be a barrier to Colonias community improvement and are therefore of the highest priority need. Additionally, during the eligibility certification process each Colonias community performed a housing assessment according to the housing assessment guide developed by ADOH in partnership with the University of Arizona, Drachman Institute. The outcome of these housing assessments indicated that an average of thirty-eight percent (38%) of housing in the sixty-three (63) ADOH Certified Colonias communities is in need of significant rehabilitation or replacement.

ADOH encourages Colonias communities to apply for water, wastewater improvements or housing rehabilitation funding through the competitive Colonia Set Aside bi-annual funding round. Colonias communities are entitled to apply for an amount of funding that can significantly address infrastructure or housing rehabilitation needs. Technical assistance is provided whenever requested.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The following Strategic Plan is the five (5) year plan from 2015 through 2019 for the federal Community Planning and Development (CPD) programs administered by the State of Arizona: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Housing Opportunities for Persons with AIDS (HOPWA); and Emergency Solutions Grant (ESG). The Strategic Plan discusses the distribution methods for these four (4) CPD programs as well as the priority needs that will be addressed by each program.

The Arizona Department of Housing is the lead agency responsible for the development and implementation of this plan. The Arizona Department of Economic Security is responsible for the administration of the ESG funds. Further collaborations will occur with local governments and non-profit and for-profit organizations which are contracted by ADOH to develop projects or deliver services. Additionally, significant collaboration will occur with the BOSCOG in implementing issues of homelessness at a statewide level.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 50 - Geographic Priority Areas

1	Area Name:	State of Arizona
	Area Type:	State Service Area
	Other Target Area Description:	State Service Area
	HUD Approval Date:	
	% of Low/ Mod:	
	Revitalization Type:	
	Other Revitalization Description:	
	Identify the neighborhood boundaries for this target area.	State of Arizona
	Include specific housing and commercial characteristics of this target area.	Described in the Needs Assessment and Market Analysis sections of the 2015-2019 State of Arizona Consolidated Plan.
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	Described in the Process section of the 2015-2019 State of Arizona Consolidated Plan.
	Identify the needs in this target area.	Described in the Needs Assessment section of the 2015-2019 State of Arizona Consolidated Plan.
	What are the opportunities for improvement in this target area?	Described in the Needs Assessment and Market Analysis sections of the 2015-2019 State of Arizona Consolidated Plan.
Are there barriers to improvement in this target area?	Described in the Needs Assessment and Market Analysis sections of the 2015-2019 State of Arizona Consolidated Plan.	

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The State of Arizona does not provide specific geographic target priorities for allocating investments for the programs that it administers.

CDBG Program Geographic Priorities: CDBG funds are allocated to all non-entitlement Units of General Local Government outside of Pima and Maricopa Counties. After the set aside of ten percent (10%) for

Colonias projects and State allowable retention of administration (two percent (2%) plus \$100,000) and technical assistance (one percent (1%)) funding, eighty five percent (85%) of remaining CDBG funds are distributed on a non-competitive basis through the Regional Account to each Council of Government region using a method of distribution developed by each respective COG and approved by the State. The type of projects that can be undertaken with the Regional Account are largely unrestricted from that which is allowable under 24 CFR Part 570. Fifteen percent (15%) of the remaining CDBG funds are distributed on a competitive basis through the State Special Projects Account using a Notice of Funding Available. Each non-entitlement unit of local government determines their individual priority needs through their public participation process. See attached COG Region Map

HOME Program Geographic Priorities: Arizona does target special needs populations and service enriched locations through its competitive point structures used for awarding HOME funds. The State HOME funds are targeted to rental development programs and Owner Occupied Housing Rehabilitation Programs and allocated on a competitive basis.

HOPWA Program Geographic Priorities: HOPWA funds are allocated based on need to service providers located outside of Cochise, Maricopa and Pima Counties.

ESG Program Geographic Priorities: The method of distribution for ESG funding is determined based on the percent of homeless served and counted as represented in the annual demographics report and the annual Point In Time count submitted to the Homeless Coordination Office each year by each Continuum of Care. The cumulative percent is then set as a target for the percent of total available funding to be awarded in each of the three (3) Continua of Care. Funds are then awarded through contracts with specific providers from each Continuum as long as there are enough providers who qualify for funding based on the RFP selection process. The DES will award contracts through a competitive request for proposal (RFP) process. Proposals are reviewed by a panel comprised of internal staff, Continua of Care and community partners. Proposals are assessed using the rating system published in each RFP. The rating system may include service methodology, experience and expertise, cost, capacity and other factors deemed relevant.

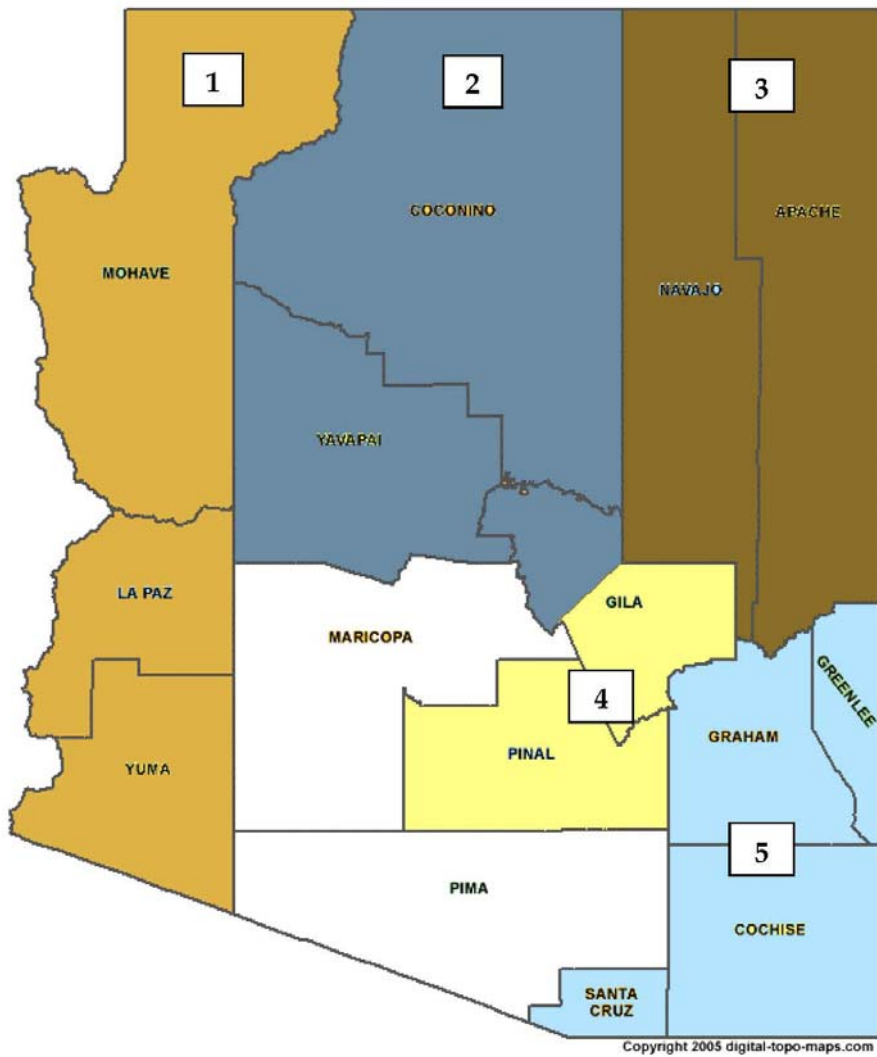
See also Balance of State Continuum of Care Map attached.

Rural COG Regions for CDBG



Balance of State COC Map

Balance of State Continuum of Care Regions



3-29-11

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 51 – Priority Needs Summary

1	Priority Need Name	Rental Housing Development and Rehabilitation
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Chronic Homelessness Individuals Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	State Service Area
	Associated Goals	Improve quality of housing stock Construction and Rehabilitation of Rental Units Clearance and Demolition of Substandard Units Housing and Services for Persons with HIV/AIDS Rental Assistance and Services for the Homeless Further Fair Housing and Address Impediments Improve the Economic Environment Housing for persons with special needs Provide ADA improvements for housing

	Description	Construction and rehabilitation of affordable rental housing for low income and special needs populations. Funding sources include LIHTC, HOME, CDBG and NSP. Activities may include acquisition, disposition, demolition, clearance, weatherization, permanent supportive housing, ADA improvements, housing for veterans, housing for homeless, housing for elderly, housing ex-offenders, and historic preservation.
	Basis for Relative Priority	As previously established in the "Basis for Relative Priority" for the Rental Assistance Priority Need, the most common housing problem for renters is distinctly cost burden. Creation of new multifamily units that offer reduced rents work hand-in-hand with rental assistance, since both types of assistance alleviate cost burden. The ADOH Online-Survey indicates a high demand for new and rehabilitated rental housing. Public comments received during the public meeting process indicate a strong need for rental housing development and rehabilitation.
2	Priority Need Name	Public Facilities and Improvements
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Non-housing Community Development
	Geographic Areas Affected	State Service Area
	Associated Goals	Provide Public Infrastructure and Facilities Improve the Economic Environment Building Local Capacity Provide ADA improvements for housing
	Description	Construction and rehabilitation of public facilities. Funding source is CDBG. Funding targeted to non-entitlement counties and communities in rural Arizona. Activities may include water and sewer infrastructure, drainage infrastructure, streets, sidewalks, parkways, parks, community centers, senior centers, youth centers, libraries, health centers, social service centers, rehabilitation centers, food banks, solid waste disposal, police and fire stations and equipment, ADA improvements, and historic preservation.

	Basis for Relative Priority	The Needs Assessment shows the need for public improvements and infrastructure as a majority of the applications received for CDBG funds include improvements and/or installation of public infrastructure. This predominance demonstrates a priority need for these types of projects. The ADOH Online-Survey indicates a high demand for public facilities and improvements. Public comments received during the public meeting process indicate a strong need for public facilities and improvements.
3	Priority Need Name	Owner Occupied Housing Rehabilitation
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities
	Geographic Areas Affected	State Service Area
	Associated Goals	Improve quality of housing stock Clearance and Demolition of Substandard Units Provide ADA improvements for housing
	Description	Rehabilitation of owner occupied single family housing. Funding sources include CDBG and HOME. Funding is targeted to non-entitlement counties and communities in the State of Arizona. Activities may include ADA improvements, weatherization, mobile home replacement, reconstruction, and historic preservation.
	Basis for Relative Priority	The Needs Assessment shows the most common housing problem among low income persons in Arizona is cost burden, followed closely by substandard housing and overcrowding. The ADOH Online-Survey indicates a high demand for owner occupied housing rehabilitation. Public comments received during the public meeting process indicate a strong need for single family housing rehabilitation.
4	Priority Need Name	Emergency Services
	Priority Level	High

	Population	Extremely Low Low Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	State Service Area
	Associated Goals	Rental Assistance and Services for the Homeless Housing for persons with special needs
	Description	Provide emergency services to homeless individuals and families. Funding source is ESG. Activities include street outreach, temporary shelter, homeless prevention and rapid re-housing.
	Basis for Relative Priority	The Needs Assessment shows the most common housing problem is cost burden. As discussed in Needs Assessment certain characteristics, such as cost burden, can lead to instability of housing and risk of homelessness. With the 16,336 estimated number of homeless persons unsheltered on a given night listed in the Needs Assessment Section 40, the need for emergency services are apparent. The ADOH Online-Survey indicates a high demand for emergency services. Public comments received during the public meeting process indicate a strong need for emergency services.
5	Priority Need Name	Public Services
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Victims of Domestic Violence
	Geographic Areas Affected	State Service Area
	Associated Goals	Public Services for LMI
	Description	Provide public services (including labor, supplies and materials) to low income and special needs individuals and families. Funding source is CDBG. Funding is targeted to non-entitlement counties and communities in the State of Arizona. Activities include job training, senior services, substance abuse treatment, life skills training, case management, housing placement, youth services, child care, health care, mental health, fair housing, homeless services, lead hazard screening, crime prevention, and energy conservation.
	Basis for Relative Priority	The ADOH Online-Survey indicates a high demand for public services. Public comments received during the public meeting process indicate a strong need for public services.
6	Priority Need Name	Rental Assistance
	Priority Level	High

	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families
	Geographic Areas Affected	State Service Area
	Associated Goals	Rental Assistance and Services for the Homeless Housing for persons with special needs
	Description	Provide rental assistance to low income and special needs individuals and families. Funding sources include Section 8 Project and Tenant Based Vouchers, private rental assistance, and HUD 811 funds.
	Basis for Relative Priority	The Needs Assessment shows the most common housing problem is cost burden. The ADOH Online-Survey indicates a high demand for rental assistance. Public comments received during the public meeting process indicate a strong need for rental assistance.
7	Priority Need Name	Economic Development and Section 108
	Priority Level	High

	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Non-housing Community Development
	Geographic Areas Affected	State Service Area
	Associated Goals	Improve the Economic Environment
	Description	Promote job growth and retention through investment into local economies. Funding source is CDBG and Section 108. Funding is targeted to non-entitlement counties and communities in the State of Arizona. Activities include acquisition, construction, rehabilitation, installation of commercial or industrial buildings, structures and other real property equipment and improvements, including railroad spurs and similar extensions, grants and loans for businesses, and special economic development activities undertaken by nonprofit development organizations under 105(a)(15), technical assistance to businesses, microenterprise development, and commercial rehabilitation.
	Basis for Relative Priority	The ADOH Online-Survey indicates a high demand economic development. Public comments received during the public meeting process indicate a strong need for economic development.
8	Priority Need Name	Accessibility for Disabled Persons
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence

	Geographic Areas Affected	State Service Area
	Associated Goals	Improve quality of housing stock Housing for persons with special needs Provide ADA improvements for housing
	Description	Compliance with all laws related to accessibility for disabled persons. Funding sources include CDBG, HOME, ESG and HOPWA. Activities include improvements to buildings and workplace to accommodate physical and sensory disabilities.
	Basis for Relative Priority	The ADOH Online-Survey indicates a high demand for accessibility for disabled persons. Public comments received during the public meeting process indicate a strong need for accessibility for disabled persons.
9	Priority Need Name	Further Fair Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents
	Geographic Areas Affected	State Service Area
	Associated Goals	Further Fair Housing and Address Impediments
	Description	Administer all programs and activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act. Funding sources include CDBG, HOME, ESG and HOPWA. Activities include Fair Housing Education, Testing, technical assistance and legal assistance.
	Basis for Relative Priority	The ADOH Online-Survey indicates a high demand for furthering fair housing. Public comments received during the public meeting indicate a strong need for furthering fair housing.
10	Priority Need Name	Homebuyer Assistance
	Priority Level	High

Population	Low Moderate Middle Large Families Families with Children Elderly Individuals Families with Children Elderly
Geographic Areas Affected	State Service Area
Associated Goals	Assist New Homebuyers
Description	Provide down payment and closing cost assistance and homebuyer education for low and moderate income individuals and families. Funding source includes the Arizona Housing Finance “HOME PLUS” Mortgage program.
Basis for Relative Priority	The ADOH Online-Survey indicates a high demand for homebuyer assistance. Public comments received during the public meeting process indicate a strong need for homebuyer assistance.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Tenant Based Rental Assistance is needed for homeless and chronically homeless individuals and families as this population has the lowest of incomes in Arizona.
TBRA for Non-Homeless Special Needs	Tenant Based Rental Assistance is not supported for non-homeless populations due to its relatively low priority with respect to the use of CDBG and HOME funds.
New Unit Production	New construction of affordable rental housing for all low income and special needs populations is in great demand due to the shortage of affordable rental housing in Arizona.
Rehabilitation	Rehabilitation of single family owner occupied housing and rental housing are high priorities. Forty percent (40%) of the single family housing stock owned by low income homeowners is in need of rehabilitation. Thirty eight percent (38%) of the affordable rental housing stock is in need of rehabilitation.
Acquisition, including preservation	Acquisition and rehabilitation of rental housing is a high priority especially those developments that currently have rental assistance. Arizona cannot afford to lose its existing subsidized affordable rental housing stock because new rental assistance is becoming rare. The loss of rental of subsidies will only increase the already high demand for affordable housing for the very low and extremely low income individuals and families.

Table 52 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The State will use the program resources covered by this Five (5) Year Consolidated Plan including CDBG, HOME, HOPWA, ESG, NSP Program Income as well as AzHFA Bond Financing in the following manner:

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,127,360	0	0	10,127,360	40,509,440	State of Arizona CDBG State and Small Cities Program
CDBG Colonias Set-aside	public - federal	Admin and Planning Homeowner rehab Multifamily rental rehab Public Improvements	1,012,736	0	0	1,012,736	5,063,680	State of Arizona CDBG Colonia Set Aside
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	4,459,753	0	0	4,459,753	17,839,012	State of Arizona HOME

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	236,060	0	0	236,060	944,240	State of Arizona HOPWA
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,545,994	0	0	1,545,994	6,183,976	State of Arizona ESG
Other	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	1,000,000	0	0	1,000,000	200,000	State of Arizona NSP 1 Program Income
Other	public - state	Acquisition Homebuyer assistance	36,000,000	0	0	36,000,000	144,000,000	The Arizona Housing Finance Authority (AzHFA) provides low interest mortgage bond financing with down payment assistance for homebuyers throughout the state.

Table 53 - Anticipated Resources

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 Arizona Housing Finance Authority's HOME PLUS Mortgage program leverages mortgage financing. The NSP 1 Program Income leverages mortgage financing as well as construction financing, local government contributions and private equity. The LIHTC/HOME Program leverages construction financing, local government contributions, Federal Home Loan Bank-AHP and private equity. The CDBG program leverages local government contributions. Arizona Housing Trust Fund will provide the twenty-five percent (25%) HOME match requirement and the administrative funds for ADOH's Continuum of Care funds.

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

The State has no land holdings that will be used to address the needs in this plan.

Discussion

Anticipated resources include CDBG - \$10,127,360; HOME - \$4,459,753; ESG - \$1,545,994; and HOPWA - \$236,060. The State of Arizona, through the Arizona Department of Housing leverages private, State and local funds to address affordable housing, community development and homeless issues. These leverage funds, especially the State Housing Trust Funds also provide the required program match for CPD Programs. These leverage resources are necessary to accomplish the goals as outlined in this Five (5) Year Consolidated Plan.

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Arizona Department Of Housing	Government	Economic Development Homelessness Non-homeless special needs Ownership Planning Rental Neighborhood Improvements Public facilities Public services	State
NORTHERN ARIZONA COUNCIL OF GOVERNMENT	Government	Economic Development Homelessness Non-homeless Special Needs Ownership Planning Neighborhood Improvements Public facilities Public services	Region
SEAGO HOUSING & COMMUNITY DEVELOPMENT	Government	Homelessness Non-homeless Special Needs Ownership Planning Neighborhood Improvements Public facilities Public services	Region
WESTERN ARIZONA COUNCIL OF GOVERNMENTS	Government	Homelessness Non-homeless Special Needs Ownership Planning Neighborhood Improvements Public facilities Public services	Region

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Maricopa Association of Governments	Government	Economic Development Homelessness Non-homeless Special Needs Ownership Planning Neighborhood Improvements Public facilities Public services	Region
Central Arizona Governments	Government	Economic Development Non-homeless Special Needs Ownership Planning Neighborhood Improvements Public facilities Public services	Region
ARIZONA DEPT OF HOUSING /ARIZONA HOUSING FINANCE AUTHORITY	Government	Ownership	State

Table 54 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The effectiveness of implementing activities by contracting with outside agencies is dependent upon the capacity of the agencies conducting the activities and the expertise of ADOH staff in administering the contracts. Each contract is assigned a Program Specialist to oversee the progress and distribute funding. The Program Specialist is the primary point of contact for the implementing agency. Gaps in delivery exist most often at the implementation level. ADOH staff works collaboratively with local contracting organizations to remove gaps in the delivery system of provision of services and successful completion of projects.

Assess the strengths and gaps in the institutional delivery system working within the Colonias

Arizona has sixty-three (63) designated Colonias existing in the southern counties of Cochise, Gila, Graham, Greenlee, La Paz, Pima, Santa Cruz, and Yuma as well as on the Cocopah Indian and Tohono O’odham Nation Reservations. As the Colonias communities typically do not have sufficient capacity to administer CDBG projects, it is left to the communities or counties where they are located to step up and provide leadership in the administration of Colonias set aside funded projects. Additionally, the

State of Arizona has a partnership with the regional Councils of Governments (COGs) in Arizona to provide both technical and administrative assistance to these CDBG eligible grantee communities. The State sets aside ten percent (10%) of its CDBG funds for infrastructure and housing activities within Colonias annually but awards the funds on a bi-annual basis therefore making sufficient funding available for a Colonia to fully address a water, wastewater or housing need.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X	X	X
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	X
Mobile Clinics			
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	X
Education	X	X	X
Employment and Employment Training	X	X	X
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	X
Other			
	X		

Table 55 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

The sheer size of Arizona results in large areas of the State where there are significant gaps in the availability of services for persons who are experiencing homelessness or are at risk of homelessness. This is especially true in rural areas where only one (1) organization may serve numerous counties and towns. The VI-SPDAT survey tool is administered to those who experience homelessness and make it to a participating continuum agency or are outreached via a PATH team. This score assists the contact agency with providing the most appropriate referral. HOPWA provides assistance for short term rent, utilities, and mortgage which is provided in four (4) of the BOS counties while tenant based rental assistance is provided in seven (7) counties and supportive services are available for all who need them. Two (2) of the HOPWA TBRA programs are administered by public housing authorities. HOPWA sub-recipients provide targeted outreach activities to HIV clients. Integration with Ryan White services provide the clients with access to core and support services including but not limited to medical care, mental health counseling, substance abuse counseling, health insurance assistance, HIV medication and medical transportation. In addition the establishment of a Statewide SOAR Steering Committee working to increase the number of those SOAR trained, is beginning to have a great impact on the number of people applying for and receiving social security benefits for which they are eligible. Regarding ESG, mainstream services such as health, mental health and employment services are primarily provided to homeless persons who are residing in emergency shelter or who have been housed through rapid re-housing.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The partner agencies and local governments are looking at opportunities for long-term affordable housing to meet the needs of those with special needs and are continuing to invest resources into homeless prevention and rapid re-housing. Planning funds are providing communities with additional training on the Coordinated Entry process, Housing First and other best practices. Communities can house far more people with existing housing resources by adopting these best practices and using tools such as the VI-SPDAT and HMIS data to better utilize local assets. With the development of the coordinated entry system, homeless persons seeking assistance will be directed to appropriate services. Though not available in all fifteen (15) counties, the PATH program provides outreach to homeless persons in order to help identify their needs and connect them to appropriate services. As discussed in section NA-40 of this Plan, Homeless Needs Assessment, serving Arizona's homeless citizens is complex due to geographic differences among the counties, which range from frontier to urban. Subsequently, the needs and gaps in housing vary depending on the community. Another major gap is the availability of affordable, decent permanent housing. Some rural and frontier counties have limited units available for persons experiencing homelessness. Often the units that are available are in poor condition. In the urban counties, there are housing units available. However, many are not affordable without a housing subsidy.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The State works to overcome its limited staff resources through collaboration and training. Collaboration among State agencies and local communities is paramount. The State works to leverage

and layer funding sources. And while the leveraging and layering cannot stretch the funds to address all the needs, it makes existing funds go further to reach the citizens in need.

The Continua of Care host meetings focusing on raising awareness of homelessness and providing education about the continuum of care process. Through these efforts, new members of the Continuum are recruited. All meetings are posted on websites and are open to the public. Each Continuum is implementing coordinated entry systems, developing their governance boards, and coordinating with the State Homeless Coordination Office to develop a plan for ensuring that ESG will target the gaps and needs of the various continuums.

SP-45 Goals Summary – 91.315(a)(4)
Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve quality of housing stock	2015	2019	Affordable Housing Public Housing	State of Arizona	Rental Housing Development and Rehabilitation Owner Occupied Housing Rehabilitation Accessibility for Disabled Persons	CDBG: \$14,500,000 HOME: \$5,000,000 CDBG Colonias Set-aside: \$500,000	Rental units rehabilitated: 30 Household Housing Unit Homeowner Housing Rehabilitated: 590 Household Housing Unit
2	Construction and Rehabilitation of Rental Units	2015	2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	State of Arizona	Rental Housing Development and Rehabilitation	CDBG: \$500,000 HOME: \$10,000,000 NSP 1 Program Income: \$1,200,000	Rental units constructed: 600 Household Housing Unit Rental units rehabilitated: 60 Household Housing Unit
3	Clearance and Demolition of Substandard Units	2015	2019	Affordable Housing Non-Housing Community Development	State of Arizona	Rental Housing Development and Rehabilitation Owner Occupied Housing Rehabilitation	CDBG: \$990,000	Buildings Demolished: 10 Buildings Housing Code Enforcement/Foreclosed Property Care: 10 Household Housing Unit
4	Public Services for LMI	2015	2019	Non-Housing Community Development	State of Arizona	Public Services	CDBG: \$1,560,000	Public service activities other than Low/Moderate Income Housing Benefit: 24,000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Provide Public Infrastructure and Facilities	2015	2019	Non-Housing Community Development	State of Arizona	Public Facilities and Improvements	CDBG: \$20,000,000 CDBG Colonias Set-aside: \$4,000,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 90,000 Persons Assisted
6	Housing and Services for Persons with HIV/AIDS	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Arizona	Rental Housing Development and Rehabilitation	HOPWA: \$1,180,300	Public service activities other than Low/Moderate Income Housing Benefit: 50 Persons Assisted HIV/AIDS Housing Operations: 50 Household Housing Unit
7	Rental Assistance and Services for the Homeless	2015	2019	Homeless	State of Arizona	Rental Housing Development and Rehabilitation Emergency Services Rental Assistance	ESG: \$7,729,970	Public service activities for Low/Moderate Income Housing Benefit: 1000 Households Assisted Tenant-based rental assistance / Rapid Re-housing: 1,000 Households Assisted
8	Further Fair Housing and Address Impediments	2015	2019	Affordable Housing	State of Arizona	Rental Housing Development and Rehabilitation Further Fair Housing	CDBG: \$615,000	Other: 1,000 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
9	Improve the Economic Environment	2015	2019	Non-Housing Community Development	State of Arizona	Rental Housing Development and Rehabilitation Public Facilities and Improvements Economic Development and Section 108	CDBG: \$250,000	Facade treatment/business building rehabilitation: 10 Business Jobs created/retained: 100 Jobs Businesses assisted: 10 Businesses Assisted
10	Assist New Homebuyers	2015	2019	Affordable Housing	State of Arizona	Homebuyer Assistance	AzHFA Bond Financing: \$180,000,000	Direct Financial Assistance to Homebuyers: 3,750 Households Assisted
11	Building Local Capacity	2015	2019	Non-Housing Community Development	State of Arizona	Public Facilities and Improvements	CDBG: \$375,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 455 Persons Assisted
12	Housing for persons with special needs	2015	2019	Affordable Housing	State of Arizona	Rental Housing Development and Rehabilitation Emergency Services Rental Assistance Accessibility for Disabled Persons	CDBG: \$5,000,000 HOPWA: \$500,000 HOME: \$5,000,000 ESG: \$3,500,000	Public service activities for Low/Moderate Income Housing Benefit: 250 Households Assisted Tenant-based rental assistance / Rapid Re-housing: 250 Households Assisted Homelessness Prevention: 250 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Provide ADA improvements for housing	2015	2019	Affordable Housing Non-Housing Community Development	State of Arizona	Rental Housing Development and Rehabilitation Public Facilities and Improvements Owner Occupied Housing Rehabilitation Accessibility for Disabled Persons	CDBG: \$500,000 HOME: \$1,250,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,000 Persons Assisted Rental units rehabilitated: 50 Household Housing Unit Homeowner Housing Rehabilitated: 50 Household Housing Unit

Table 56 – Goals Summary
Goal Descriptions

1	Goal Name	Improve quality of housing stock
	Goal Description	The poor quality of the housing stock is generally identified as one of Arizona's largest housing problems. By improving the quality of the housing stock through rehabilitation of existing single family and multi-family units, the community sustains its affordable housing stock while allowing the current residents to be able to afford their homes.
2	Goal Name	Construction and Rehabilitation of Rental Units
	Goal Description	This goal will aid individuals and families with finding affordable housing through the construction and rehabilitation of affordable rental units.
3	Goal Name	Clearance and Demolition of Substandard Units
	Goal Description	Provide the necessary assistance for local governments to clear and demolish substandard buildings alleviating hazards to the health and safety of its residents.

4	Goal Name	Public Services for LMI
	Goal Description	This goal is to assist individuals and families in obtaining the necessary public services to improve their quality of life.
5	Goal Name	Provide Public Infrastructure and Facilities
	Goal Description	Assist local governments with providing and upgrading public facilities including community buildings, neighborhood facilities, fire equipment, parks, water and drainage infrastructure, streets, sidewalks, lighting, water treatment facilities and energy infrastructure.
6	Goal Name	Housing and Services for Persons with HIV/AIDS
	Goal Description	Provide the necessary rental assistance and services for persons diagnosed with HIV/AIDS.
7	Goal Name	Rental Assistance and Services for the Homeless
	Goal Description	Through coordination with the Continuum of Care, ADOH will address the housing needs of the homeless persons and provide the necessary supportive services to help them attain stability.
8	Goal Name	Further Fair Housing and Address Impediments
	Goal Description	This goal encourages subrecipients to further fair housing in their communities and address the impediments that may be hindering housing choice for the protected classes.
9	Goal Name	Improve the Economic Environment
	Goal Description	Develop economic opportunities to improve the economic environment for the State of Arizona especially the rural areas.
10	Goal Name	Assist New Homebuyers
	Goal Description	Assist families and individuals with the financial and educational resources to become homebuyers through homebuyer counseling, low interest mortgage bond financing and down payment assistance provided through the Arizona Housing Finance Authority (AzHFA).
11	Goal Name	Building Local Capacity
	Goal Description	Build the capacity of local governments and non-profit organizations giving them the ability to implement projects and programs that benefit the low income populations.

12	Goal Name	Housing for persons with special needs
	Goal Description	Increase the number of housing units that accommodate the following populations: homeless individuals and families, elderly (sixty two (62) and over), persons with sensory or physical disabilities, persons with developmental disabilities, veterans, victims of violence, persons recovering from substance abuse and seriously mentally ill.
13	Goal Name	Provide ADA improvements for housing
	Goal Description	Provide ADA improvements for housing and public facilities to ensure accessibility to persons with physical and sensory impairments.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

Arizona’s estimate of the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing over the next five (5) years as defined by HOME 91.315(b)(2) is 1,255 households.

Activities in both the HOME and CDBG program will provide extremely low-income, low-income, and moderate-income families affordable housing as defined by HOME 91.315 (b) (2), paying no more than thirty percent (30%) of their income on housing.

The following is an estimate of the number of affordable units that will be provided by program for the period of the 2014-2019 Consolidated Plan:

CDBG: Through single family housing rehabilitation activities ADOH expects to assist eighty-five (85) extremely low-income; 208 low-income; and 201 moderate income.

HOME: Through single family housing rehabilitation activities, ADOH expects to assist 140 Extremely Low-income, 225 Low-income, and 140 Moderate Income. Through Rental Development activities, ADOH expects to assist twenty (20) extremely low-income, 115 low-income, and seventy (70) moderate income.

ESG: Through the Rapid Re-housing Program ADES expects to assist extremely low-income; low-income, and moderate income. Through Emergency Shelter activities ADES expects to assist extremely low-income, and low-income. Through Homeless Prevention and Outreach ADES expects to assist extremely low-income, low-income, and moderate income.

HOPWA: Through the Short Term Rent, Mortgage and Utilities (STRMU), Transitional Emergency Housing, Supportive Services including mental health, drug and alcohol counseling, transportation and nutrition supplements, Tenant Based Rental Assistance and coordinated services ADOH expects to assist 185 extremely low-income, fifty-five (55) low-income, and ten (10) moderate income.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)**Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

The State of Arizona will remain ready to assist any Public Housing Agency in Arizona with technical assistance and planning instructions to ensure they promote resident involvement and continue to address the needs for public housing in their respective jurisdictions.

Activities to Increase Resident Involvements

Not applicable to Arizona.

Is the public housing agency designated as troubled under 24 CFR part 902?

Not applicable to Arizona.

Plan to remove the ‘troubled’ designation

Not applicable to Arizona.

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

1. Illegal housing discrimination continues to occur in Arizona outside of Community Development Block Grant (CDBG) entitlement jurisdictions including Maricopa County, Pima County, Yuma, Prescott, Sierra Vista, Flagstaff, and Douglas.
2. Housing consumers continue to be largely unaware of their rights under the Fair Housing Act and the resources available to help them understand and exercise those rights.
3. Housing providers and entities that assist people with housing related issues do not adequately understand rights and responsibilities under the Fair Housing Act. They also do not know how to identify fair housing violations or where to refer people whose fair housing rights may have been violated.
4. NIMBY (Not in My Backyard) attitudes are an impediment to fair housing choice.
5. Lack of affordable housing throughout the state has a greater impact on classes protected by the Fair Housing Act.
6. On-going data gathering from CDBG subrecipients will need to improve to meet evolving AI requirements. The 2006 AI stated, “Information gathering and monitoring fair housing performance needs to be improved.” ADOH responded with improvements in these areas; however this impediment carries over to the 2015 Plan of Action.
7. The post-foreclosure crisis housing market experienced tighter credit conditions for homebuyers and rising rents for renters. This limited homeownership opportunities and made rental housing less affordable for minority households.
8. Arizona demographics vary greatly by region making it necessary to look at fair housing issues through a regional perspective. Differences in income, racial and ethnic concentrations of poverty, and age vary greatly across the state, making it difficult to create “one (1) size fits all” policies and programs to AFFH in Arizona.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

FORECLOSURE AFTERMATH: HOMEOWNERSHIP & NEIGHBORHOOD ISSUES ADDRESSED. To promote new homeownership opportunities while the economy struggled and address neighborhood issues arising due to large numbers of homes and rental units left vacant in hardest hit neighborhoods, ADOH funded both homeownership and rental housing opportunities for individuals or developers who wished to purchase vacant, foreclosed properties. ADOH assisted 913 households to purchase foreclosed homes at a cost of \$26.2 million. ADOH utilized \$12.8 million to purchase several foreclosed rental properties that will provide 687 units of affordable housing. ADOH also provided financial assistance to aid renter households to avoid evictions or to assist in keeping utilities on when renters fell on hard times. ADOH assisted 3,166 households at a cost of \$4.3 million.

OFFERING MORTGAGE ALTERNATIVES TO FIRST TIME HOMEBUYERS: To assist first time homebuyers in Arizona in finding alternatives to predatory lending practices, the Arizona Housing Finance Authority

(AzHFA) has continued to offer low-interest mortgage products along with down payment, closing cost assistance and homebuyer counseling to promote homeownership in Arizona. While the AzHFA has typically focused on the thirteen (13) rural counties of the State, in 2014 it began piloting a homeownership program in Maricopa County: 1,008 first time homebuyers were assisted through the AzHFA with over \$102.7 million in low-interest mortgages and down payment/closing cost assistance.

ACCESS TO AFFORDABLE RENTAL OPPORTUNITIES: To assist low-income Arizonans in finding decent, affordable rental units throughout the State, ADOH sponsors a web-based search engine through socialserve.com which provides information on affordable rental units financed by ADOH and other public funders. The search engine also allows for searches for ADA related accommodations for disabled renters. The site logs more than 125,000 searches annually.

FAIR HOUSING ACTIVITIES: During its annual monitoring visits to rental properties financed by the State, ADOH checks to make sure a fair housing sign is visible in the property's Leasing Office. They also inquire as to whether the property has had any fair housing complaints or legal actions against it. Nearly 3,000 rental units are monitored annually by ADOH.

ANNUAL ARIZONA HOUSING FORUM: ADOH continues to host an annual statewide housing conference to promote affordable, fair housing choices throughout Arizona. During the event, approximately 400 participants attend sessions on a myriad of topics ranging from best practices in development and design, to fair housing and addressing the housing needs of the homeless and special needs populations.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG): The CDBG program provides oversight of and technical assistance to units of local government to assure compliance with fair housing regulations. To demonstrate compliance with Affirmatively Furthering Fair Housing, local governments who participate in the State CDBG program must at a minimum: 1) adopt a Fair Housing Proclamation or Resolution annually; 2) display a Fair Housing poster in at least one (1) public area of the community's administration building/office year round; and 3) undertake at least one (1) additional action. The additional action must be specifically designed to further fair housing, and/or educate the public about fair housing laws. Further guidance is provided to units of local government in the State's CDBG Administration Handbook, Section 4, available for download on the ADOH website. Additionally, units of local government receive a reminder each March that April is National Fair Housing Month and that they are required to demonstrate compliance annually whether or not they have open CDBG funded projects.

SP-60 Homelessness Strategy – 91.315(d)

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

The State of Arizona has developed a Statewide plan to end homelessness which is driven by four (4) major goals and objectives: 1) End Chronic Homelessness by 2016; 2) Prevent and End Veteran Homelessness by 2015); 3) Continue Work to Prevent and End Homelessness for Families, Youth and Children by 2021; and 4) Develop Measurement Standards, Data Collection and Accurate Reporting System by 2013 which has been accomplished. From 2012 to 2014 the number of unsheltered homeless veterans has been reduced by forty-seven percent (47%) and the State Homeless Coordination Office anticipates further reduction when the results of the 2015 Point In Time count are released. The number of unsheltered chronically homeless individuals has been reduced by fifty percent (50%) during the same time period. The Continua of Care have adopted a statewide common assessment tool and ADOH sponsored the development of a statewide shared Database of Permanent Supportive Housing, Affordable Housing and Tax Credit supported housing options. Through commitment to improved outreach and assessment tools the State Homeless Coordination office fully expects to effectively end unsheltered homelessness for the remaining 223 veterans and 643 chronically homeless in Arizona by 2015 and 2016, respectively.

Addressing the emergency and transitional housing needs of homeless persons

Arizona service providers have done a good job of prioritizing housing and services for victims of domestic violence, veterans and families with children. Current data demonstrates that more beds and services need to be allocated to households without children, chronically homeless, and youth. The State of Arizona has adopted an aggressive Rapid Re-housing approach in order to move homeless individuals and families out of emergency shelters and into permanent housing which will free up beds for those populations who are predominately unsheltered. State contracts for Rapid Re-housing emphasize priority targets which include chronically homeless, veterans, youth between eighteen (18) and twenty-four (24), victims of domestic violence, persons exiting an institutional setting, and those exiting a substance abuse program. All three (3) Continua are focusing on performance measures and examining the effectiveness of current programs. A collaboration of State, county and city governments as well as service providers is also exploring various means to improve the current shelter system for single individuals in Maricopa County.

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 State of Arizona has developed a Statewide plan to end homelessness which is driven by four (4) major goals and objectives: 1) End Chronic Homelessness by 2016; 2) Prevent and End Veteran Homelessness by 2015; 3) Continue Work to Prevent and End Homelessness for Families, Youth and

Children by 2021 and 4) Develop Measurement Standards, Data Collection and Accurate Reporting System by 2013 which has been accomplished. From 2012 to 2014, the number of unsheltered homeless veterans has been reduced by forty-seven percent (47%). The number of unsheltered chronically homeless individuals has been reduced by fifty percent (50%) and the number of unsheltered people living in families has been reduced by sixty percent (60%) during the same time period. The number of unsheltered youth has been reduced by fifteen percent (15%) from 2013 to 2014. The State Homeless Coordination Office expects all of these measures to have increased when the 2015 Point In Time counts are released. By implementing focused strategies for rapid re-housing, funding set asides for veterans and those who are homeless in the State's LIHTC program, coordinated entry becoming the norm, and commitment to improved outreach Arizona fully expects to effectively end unsheltered homelessness in Arizona by 2021.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Departments of Economic Security, Corrections and Health Services are the agencies that oversee health care facilities, mental health facilities, prisons, foster care and other youth facilities. Each has a policy regarding discharge and that discharging citizens into homelessness is unacceptable and will not occur. Through collaborations with the Department of Housing, Department of Economic Security, Department of Corrections, Department of Veterans Services, and the Department of Health Services, as well as community stakeholders, the State of Arizona has launched several collaborative projects that are currently underway to address the need for additional affordable housing, respite services for patients discharged from medical facilities to avoid homelessness, plans for facilities to transition persons discharged from correctional institutions and the myriad of services from nutrition assistance to employment training and jobs that will move low income and homeless individuals and families to self-sufficiency and independence.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

ADOH requires grantees to comply with, the HUD lead-based paint regulations implementing Title X of the Housing and Community Development Act of 1992. These regulations cover the CDBG, HOME, ESG and HOPWA programs, and identify the appropriate type of activity to control lead paint hazards, in projects using federal funds.

ADOH has adopted long-term goals to promote affordable housing and community development. These goals, as applied to lead-based paint hazards, become ADOH's lead-based paint strategy. Arizona's strategy objectives are: 1) collaborate with local cities and counties to reduce housing-related lead-based paint hazards, especially for low-income families and children; 2) encourage risk assessment for lead-based paint being part of every home inspection; 3) refer families with children to Arizona Department of Health Services, Office of Environmental Health for blood testing if lead-based paint is found in units proposed for rehabilitation. The Arizona Department of Health Services maintains the lead exposure registry for Arizona. The program develops lead poisoning prevention programs, investigates cases with elevated blood lead levels and conducts educational outreach activities.

In recent years, ADOH has undertaken a wide range of activities to address the problem of lead-based paint in the housing stock. The Arizona Lead Poisoning Screening Coalition and the Arizona Department of Health Services recommends screening children six (6) years of age and younger according to the Childhood Lead Poisoning Targeted Screening Plan. These steps will hopefully prove important in assuring the long-term health and stability of lower-income children who are living in substandard housing.

For the FY2015-2015 Consolidated Plan years ADOH will fund lead-based paint hazard reduction primarily through housing rehabilitation programs for owners and renters.

The State of Arizona will encourage training, education and other resources related to lead based paint hazards, and will require that grantees and sub grantees utilize staff and contractors that have the appropriate training and certification. The Arizona Department of Housing is a member of the Arizona Partnership for Healthy Communities a body organized which meets quarterly to review current issues related to LBP and other health issues related to housing.

How are the actions listed above integrated into housing policies and procedures?

The following may be found in the Housing Rehabilitation Guidelines that are used as the procedures for both CDBG and HOME programs:

The regulations implement sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which are Title X of the Housing and Community Development Act of 1992. The Act applies to all homes constructed prior to 1978. The guidelines include the requirements of safe work practices and lead paint abatement based on the estimate of the project. In addition to the actions outlined above, subrecipients are advised of the new EPA regulations of April, 2010 and their Renovation, Repair and Painting Rule.

All State of Arizona contracts include provisions to ensure that grantees comply with the HUD lead-based paint regulations implementing Title X of the Housing and Community Development Act of 1992. These regulations cover the CDBG, HOME, ESG and HOPWA programs, and identify the appropriate type of activity to control lead paint hazards in projects using federal funds.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

ADOH's anti-poverty strategy is based on helping families to move to economic self-sufficiency. Providing low-income households with assistance through the CDBG and HOME programs allows them to live in safe, decent, attractive housing. This helps to provide a base for them to maintain employment; provides a nurturing environment to raise children; and helps them become a part of the community where they work.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?

The State's poverty reducing goals, programs and policies are the same as those for this affordable housing plan. All activities eligible for funding under the programs proposed in this plan will address the needs of poverty-level families. The units of local government are given the flexibility to use the programs to best address their needs in these areas.

SP-75 Colonias Strategy – 91.315

Describe the State's homeless strategy within Colonias.

Working with the Arizona Balance of State Continuum of Care which includes areas of the State where Colonias are common, the COC Program plans to publicize the availability of homelessness services. When families are identified that are “doubled-up” or otherwise possibly at risk of homelessness, those persons will be provided information about available services in the areas closest to the Colonia.

Describe the barriers to affordable housing in Colonias.

In general, the Colonias in Arizona were built on a legal loophole which allows a property owner to subdivide up to five (5) times before triggering subdivision regulations that require roads, utilities, etc. This form of subdivision in Arizona is known as 'wildcat', and has been heavily criticized for passing costs to the public for roads, utilities, etc.; costs that would otherwise be borne by the developer and purchaser. Arizona Colonias are primarily in need of water and sewer infrastructure. Barriers include high unemployment, low wages and lack of creditworthiness that hinders qualification for low-cost, traditional lending products. Some Colonias lack proper infrastructure which must be in place in order to receive CDBG and HOME housing rehabilitation assistance. The lack of clear title, due to an accepted informality in land transactions and the practice of unrecorded contracts for also preclude Colonia families from qualifying for housing assistance. Local government offices and housing nonprofits that address Colonia housing issues may lack the capacity to apply for and manage competitive funding opportunities.

Describe the State's strategy for addressing barriers to affordable housing (including substandard housing) in Colonias.

Following an audit by HUD's Office of the Inspector General in 2008, Arizona began a Colonias survey to better define the Colonias boundaries and measure their needs. In order to give "priority to Colonias having the greatest need for such assistance" per Section 916, Arizona made changes to the manner in which Colonias funding is distributed; instituting a competitive funding process that scores applications based on need in terms of water, sewer and housing. The State dedicates ten percent (10%) of CDBG funds annually for Colonia areas. Colonia funding will be distributed through a competitive application process. ADOH will issue a funding notice, once every two (2) years, to solicit projects located in eligible, designated Colonias. All cities, towns, counties and tribal reservations that contain either geographically defined neighborhoods or unincorporated communities designated as Colonias and that are eligible to receive CDBG Colonia set aside funding through ADOH are eligible to apply for these funds. The funding notice will further outline the Colonia set aside maximum project funding, application requirements as well as the scoring categories which will be designed to award projects for Colonias demonstrating the greatest need due to severe water, sewer and housing issues. Other scoring categories will include, but are not limited to, poverty level, leveraged funds, project need, project priority, project readiness, past performance and organizational capacity. HOME funds for owner occupied housing rehabilitation will also be distributed to Colonias through a similar competitive process.

Describe the State's goals/programs/policies for reducing the number of poverty level families in Colonias.

State CDBG Colonia Set Aside funds primarily water and wastewater treatment as these have been identified as the highest priority issues affecting Arizona Colonias communities. Colonias funding is awarded through a competitive process once every two (2) years and allows potential for sufficient funding to complete very large projects. Scoring criteria emphasizes demonstrated need, poverty statistics and whether the project will completely eliminate issues relating to water, wastewater and housing within the Colonia. Addressing these issues improves sustainability and quality of life issues for residents who could not afford to pay increases in water or sewer service fees that would be required if the community were trying to fund improvements on their own.

Describe how the State's goals/programs/policies for producing and preserving affordable housing in the Colonias will be coordinated with other programs and services.

State CDBG Colonia set-aside funds primarily fund water infrastructure projects. Water infrastructure projects are often leveraged with State Water Infrastructure Finance Authority funding. WIFA is an independent agency of the State of Arizona and is authorized to finance the construction, rehabilitation and/or improvement of drinking water, wastewater, wastewater reclamation and other water quality facilities/projects. Generally, WIFA offers borrowers below market interest rates on loans.

As a "bond bank," WIFA is able to issue water quality bonds on behalf of communities for basic water infrastructure. Through active portfolio and financial management, WIFA provides significant savings due to lower interest rates and no closing costs. WIFA is able to lower a borrower's interest costs to between seventy percent (70%) and ninety-five percent (95%) of WIFA's tax-exempt cost of borrowing.

WIFA's principal tools for providing low interest financial assistance include the Clean Water Revolving Fund for publicly held wastewater treatment projects and the Drinking Water Revolving Fund for both publicly and privately held drinking water systems.

WIFA also manages a Planning and Design Technical Assistance Program. This program offers planning and design funding to eligible wastewater and drinking water systems. The purpose of the program is to help prepare water and wastewater facilities for future infrastructure project construction.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Arizona has developed a monitoring plan to ensure activities carried out in accordance with federal monitoring requirements of 24 CFR 570.501(V) and 24 CFR 85.40 and all applicable laws, regulations, and policies.

CDBG: ADOH conducts desk monitoring of projects including detailed review of: application; environmental review; procurement; labor standards; Section 3; progress reports; pay requests; closeout reports; and audits. Recipients are notified in writing regarding result of review. Staff schedules one (1) site visit per recipient annually. However, for some CDBG projects it is unnecessary to perform more than one (1) site visit due to scope of project (i.e. purchase of fire equipment). Staff conducts on-site monitoring visit as part of contract close-out. Site visits consist of a one (1) or two (2) day visit to recipient to review records, inspect progress, and meet with project staff. Within thirty (30) days staff provides written monitoring comments including: review date; those present; monitoring results; statement of basis for each conclusion; instructions to recipient on how to address non-compliance; and response deadline. In extreme non-compliance cases staff will determine if additional site monitoring is necessary before an issue can be resolved. In all cases, staff works with recipients to come to a satisfactory resolution.

HOME: ADOH conducts desk reviews of projects including detailed review of progress reports, pay requests and federally-mandated reporting such as labor standards and uniform relocation. Staff schedules one (1) site visit per recipient annually; one (1) occurs when project is at completion. Site visits consist of one (1) to two (2) day visit to recipient to review records, inspect progress and meet with staff. Within thirty (30) days staff provides written monitoring comments including: review date, those present, monitoring results, statement of basis for each conclusion, instructions to recipient on how to address non-compliance and a response deadline. In extreme cases of non-compliance, staff will determine if additional site monitoring is necessary before an issue can be adequately resolved. In all cases, staff works with recipients to come to a satisfactory resolution.

ESG: DES will review contracts and validate for environmental clearance prior to providing approval, expenditure and reimbursement of ESG funds. For new ESG agencies contracting with DES, an on-site visit will be conducted after the contract is awarded. ESG resources and program reports are monitored quarterly. Quarterly program reports attached to fiscal claims for reimbursement are designed to capture client data, average number of bed nights, activities, fiscal expenditures billed and types/sources of match. A formal desk review will be completed annually and a written report prepared with findings and recommendations identified for corrective actions, if necessary. At least every three (3) years, each ESG provider will receive a monitoring site visit and a written report prepared with findings and recommendations for corrective actions, if necessary. Completion of corrective actions with specific timelines for completion are required and verified by DES.

HOPWA: ADOH contracts and monitors for compliance with annual performance relative to HOPWA requirements. On-site visits are conducted and program reports are required on an annual basis.

Program reports are designed to capture client data and activities, while fiscal expenditures are billed monthly. Annually each HOPWA grantee receives an on-site monitoring visit and a written report with finding and corrective actions, if necessary. This visit provides opportunity for programmatic technical assistance. Completion of corrective actions with specific timelines are required and verified by ADOH.

Annual Action Plan

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The State will use the program resources covered by this Five (5) Year Consolidated Plan including CDBG, HOME, HOPWA, ESG, NSP Program Income as well as AzHFA Bond Financing in the following manner:

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	10,127,360	0	0	10,127,360	40,509,440	State of Arizona CDBG State and Small Cities Program
CDBG Colonias Set-aside	public - federal	Admin and Planning Homeowner rehab Multifamily rental rehab Public Improvements	1,012,736	0	0	1,012,736	5,063,680	State of Arizona CDBG Colonia Set Aside

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	4,459,753	0	0	4,459,753	17,839,012	State of Arizona HOME
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	236,060	0	0	236,060	944,240	State of Arizona HOPWA
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,545,994	0	0	1,545,994	6,183,976	State of Arizona ESG

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	1,000,000	0	0	1,000,000	200,000	State of Arizona NSP 1 Program Income
Other	public - state	Acquisition Homebuyer assistance	36,000,000	0	0	36,000,000	144,000,000	The Arizona Housing Finance Authority (AzHFA) provides low interest mortgage bond financing with down payment assistance for homebuyers throughout the state.

Table 57 - Expected Resources – Priority Table

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 Arizona Housing Finance Authority’s HOME PLUS Mortgage program leverages mortgage financing. The NSP 1 Program Income leverages mortgage financing as well as construction financing, local government contributions and private equity. The LIHTC/HOME Program leverages construction financing, local government contributions, Federal Home Loan Bank-AHP and private equity. The CDBG program leverages local government contributions. Arizona Housing Trust Fund will provide the twenty-five percent (25%) HOME match requirement and the administrative funds for ADOH’s Continuum of Care funds.

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

The State has no land holdings that will be used to address the needs in this plan.

Discussion

Anticipated resources include CDBG \$10,127,360; HOME \$4,459,753; ESG \$1,545,994; and HOPWA \$236,060. The State of Arizona through the Arizona Department of Housing leverages private, State and local funds to address affordable housing, community development and homeless issues. These leverage funds, especially the State Housing Trust Funds also provide the required program match for CPD Programs. These leverage resources are necessary to accomplish the goals as outlined in this Five (5) Year Consolidated Plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve quality of housing stock	2015	2019	Affordable Housing Public Housing	State of Arizona	Rental Housing Development and Rehabilitation Owner Occupied Housing Rehabilitation Accessibility for Disabled Persons	CDBG: \$2,900,000 HOME: \$2,000,000 CDBG Colonias Set-aside: \$146,000	Rental units rehabilitated: 6 Household Housing Unit Homeowner Housing Rehabilitated: 118 Household Housing Unit
2	Construction and Rehabilitation of Rental Units	2015	2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	State of Arizona	Rental Housing Development and Rehabilitation	CDBG: \$100,000 HOME: \$2,000,000 NSP 1 Program Income: \$1,000,000	Rental units constructed: 120 Household Housing Unit Rental units rehabilitated: 12 Household Housing Unit
3	Clearance and Demolition of Substandard Units	2015	2019	Affordable Housing Non-Housing Community Development	State of Arizona	Rental Housing Development and Rehabilitation Owner Occupied Housing Rehabilitation	CDBG: \$198,000	Buildings Demolished: 2 Buildings Housing Code Enforcement/Foreclosed Property Care: 2 Household Housing Unit
4	Public Services for LMI	2015	2019	Non-Housing Community Development	State of Arizona	Public Services	CDBG: \$312,000	Public service activities other than Low/Moderate Income Housing Benefit: 4800 Persons Assisted
5	Provide Public Infrastructure and Facilities	2015	2019	Non-Housing Community Development	State of Arizona	Public Facilities and Improvements	CDBG: \$4,000,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 18000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Housing and Services for Persons with HIV/AIDS	2015	2019	Affordable Housing Non-Homeless Special Needs	State of Arizona	Rental Housing Development and Rehabilitation Public Services	HOPWA: \$236,060	Public service activities other than Low/Moderate Income Housing Benefit: 10 Persons Assisted HIV/AIDS Housing Operations: 10 Household Housing Unit
7	Rental Assistance and Services for the Homeless	2015	2019	Homeless	State of Arizona	Rental Housing Development and Rehabilitation Emergency Services Rental Assistance	ESG: \$1,545,994	Public service activities for Low/Moderate Income Housing Benefit: 200 Households Assisted Tenant-based rental assistance / Rapid Re-housing: 200 Households Assisted
8	Further Fair Housing and Address Impediments	2015	2019	Affordable Housing	State of Arizona	Rental Housing Development and Rehabilitation Further Fair Housing	CDBG: \$123,000	Other: 200 Other
9	Improve the Economic Environment	2015	2019	Non-Housing Community Development	State of Arizona	Public Facilities and Improvements Economic Development and Section 108	CDBG: \$50,000	Facade treatment/business building rehabilitation: 2 Business Jobs created/retained: 20 Jobs Businesses assisted: 2 Businesses Assisted
10	Assist New Homebuyers	2017	2019	Affordable Housing	State of Arizona	Homebuyer Assistance	AzHFA Bond Financing: \$36,000,000	Direct Financial Assistance to Homebuyers: 750 Households Assisted
11	Building Local Capacity	2015	2019	Non-Housing Community Development	State of Arizona	Public Facilities and Improvements	CDBG: \$75,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 91 Persons Assisted
12	Housing for persons with special needs	2015	2019	Affordable Housing	State of Arizona	Rental Housing Development and Rehabilitation Emergency Services Accessibility for Disabled Persons	CDBG: \$1,000,000 HOPWA: \$100,000 HOME: \$1,000,000 ESG: \$700,000	Public service activities for Low/Moderate Income Housing Benefit: 50 Households Assisted Tenant-based rental assistance / Rapid Re-housing: 50 Households Assisted Homelessness Prevention: 50 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Provide ADA improvements for housing	2015	2019	Affordable Housing Non-Housing Community Development	State of Arizona	Rental Housing Development and Rehabilitation Public Facilities and Improvements Owner Occupied Housing Rehabilitation Accessibility for Disabled Persons	CDBG: \$100,000 HOME: \$250,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 200 Persons Assisted Rental units rehabilitated: 10 Household Housing Unit Homeowner Housing Rehabilitated: 10 Household Housing Unit

Table 58 – Goals Summary

Goal Descriptions

1	Goal Name	Improve quality of housing stock
	Goal Description	The poor quality of the housing stock is generally identified as one of Arizona's largest housing problems. By improving the quality of the housing stock through rehabilitation of existing single family and multi-family units, the community sustains its affordable housing stock while allowing the current residents to be able to afford their homes.
2	Goal Name	Construction and Rehabilitation of Rental Units
	Goal Description	This goal will aid individuals and families with finding affordable housing through the construction and rehabilitation of affordable rental units.
3	Goal Name	Clearance and Demolition of Substandard Units
	Goal Description	Provide the necessary assistance for local governments to clear and demolish substandard buildings alleviating hazards to the health and safety of its residents.
4	Goal Name	Public Services for LMI
	Goal Description	This goal is to assist individuals and families in obtaining the necessary public services to improve their quality of life.
5	Goal Name	Provide Public Infrastructure and Facilities
	Goal Description	Assist local governments with providing and upgrading public facilities including community buildings, parks, water and drainage infrastructure, streets, sidewalks, lighting, water treatment facilities and energy infrastructure.
6	Goal Name	Housing and Services for Persons with HIV/AIDS
	Goal Description	Provide the necessary rental assistance and services for persons suffering with HIV/AIDS.
7	Goal Name	Rental Assistance and Services for the Homeless
	Goal Description	Through coordination with the Continua of Care, ADOH will address the housing needs of the homeless persons and provide the necessary supportive services to help them attain stability.
8	Goal Name	Further Fair Housing and Address Impediments
	Goal Description	This goal encourages subrecipients to further fair housing in their communities and address the impediments that may be hindering housing choice for the protected classes.
9	Goal Name	Improve the Economic Environment
	Goal Description	Develop economic opportunities to improve the economic environment for the State of Arizona especially the rural areas.

10	Goal Name	Assist New Homebuyers
	Goal Description	Assist families and individuals with the financial and educational resources to become homebuyers through homebuyer counseling classes, low interest mortgage bond financing and down payment assistance provided by the Arizona Housing Finance Authority (AzHFA).
11	Goal Name	Building Local Capacity
	Goal Description	Build the capacity of local governments and non-profit organizations giving them the ability to implement projects and programs that benefit the low income populations.
12	Goal Name	Housing for persons with special needs
	Goal Description	Increase the number of housing units that accommodate the following populations: homeless individuals and families, elderly (62 and over), persons with sensory or physical disabilities, persons with developmental disabilities, veterans, victims of violence, persons recovering from substance abuse and seriously mentally ill.
13	Goal Name	Provide ADA improvements for housing
	Goal Description	Provide ADA improvements for housing and public facilities to ensure accessibility to persons with physical and sensory impairments.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The State determines allocation priorities through analysis of need, demand and historical funding data and through consultation with public and private partners, units of local government, service providers, for profit and non-profit entities. Funding allocation priorities for FY2015 are shown in the table below.

Funding Allocation Priorities

	Improve quality of housing stock (%)	Construction and Rehabilitation of Rental Units (%)	Clearance and Demolition of Substandard Units (%)	Public Services for LMI (%)	Provide Public Infrastructure and Facilities (%)	Housing and Services for Persons with HIV/AIDS (%)	Rental Assistance and Services for the Homeless (%)	Further Fair Housing and Address Impediments (%)	Improve the Economic Environment (%)	Assist New Homebuyers (%)	Building Local Capacity (%)	Housing for persons with special needs (%)	Provide ADA improvements for housing (%)	Colonias Set-Aside (%)	Total (%)
CDBG	29	1	2	3	41	0	0	1	1	0	1	10	1	10	100
CDBG Colonias Set-aside	7	0	0	0	93	0	0	0	0	0	0	0	0	0	100
HOME	45	55	0	0	0	0	0	0	0	0	0	0	0	0	100
HOPWA	0	0	0	0	0	100	0	0	0	0	0	0	0	0	100
ESG	0	0	0	0	0	0	55	0	0	0	0	45	0	0	100
Other AzHFA Bond Financing	0	0	0	0	0	0	0	0	0	100	0	0	0	0	100
Other NSP 1 Program Income	0	100	0	0	0	0	0	0	0	0	0	0	0	0	100

Table 59 – Funding Allocation Priorities

Reason for Allocation Priorities

The State determines allocation priorities through analysis of historical project funding data; Consolidated Annual Performance Evaluation Reports (CAPER); public meetings held and public comment received during the development of this plan; current market analysis as described in MA sections of this plan; and finally current needs assessment as described in NA sections of this plan.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

The proposed funds distribution has been determined based on allocation priorities using historical data going back a minimum of five (5) years. Historical data identified the percentage of federal allocation used for each priority listed. As the priorities identified for this plan are largely the same as for the previous plan, historical data provides an excellent basis for determining distribution.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

The method of distribution for the State takes into consideration the number of rurally located communities as well as the metropolitan areas which have the highest density populations. To reach all of these areas the State awards funds to sub-recipients who administer the projects and programs. The method of distribution for each funding source, as well as the award selection process is described below.

Distribution Methods

Table 60 - Distribution Methods by State Program

1	State Program Name:	AzHFA Home Plus Mortgage Program
	Funding Sources:	NSP 1 Program Income
	Describe the state program addressed by the Method of Distribution.	The Arizona Housing Finance Authority (AzHFA), acting on behalf of the Arizona Department of Housing, to assist creditworthy renters who can afford a mortgage but lack the resources for a downpayment. The AzHFA “Home Plus” Home Loan Program provides an attractive 30-year fixed-rate mortgage with a down payment assistance (DPA) grant equal to four percent (4%) of the mortgage amount.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Maximum applicant income is \$88,340. Maximum purchase price limit is \$353,360. All homebuyers are required to complete a pre-purchase homebuyer education course. Minimum 680 FICO score for conforming loans and minimum 640 FICO score for VA, FHA or USDA-RD loans.
	Describe how resources will be allocated among funding categories.	The AzHFA anticipates investing \$36,000,000 into low interest mortgage financing and down payment assistance.
	Describe threshold factors and grant size limits.	Maximum applicant income is \$88,340. Maximum purchase price limit is \$353,360. All homebuyers are required to complete a pre-purchase homebuyer education course. Minimum 680 FICO score for conforming loans and minimum 640 FICO score for VA, FHA or USDA-RD loans.
	What are the outcome measures expected as a result of the method of distribution?	The AzHFA expects to assist approximately 750 program eligible homebuyers.

2	State Program Name:	CDBG
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	CDBG Eligible activities are found in 24 CFR Part 570.482, as amended and typically involve construction and rehabilitation of public facilities (parks, streets, sewers) as well as public services like job training. ADOH plans to utilize no less than seventy percent (70%) of the CDBG funds for activities that directly benefit persons of low- and moderate-income and no more than thirty percent (30%) toward addressing community blight or other urgent need activities. Those activities listed in SP-25 of this document that have received a priority ranking of high are eligible for funding under this Action Plan.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Applicants must propose projects that are financially viable, necessary and feasible, ready to start, conform to compliance standards, meet a national objective and result in benefit. Projects must adhere to contracted timeliness parameters for both progress and expenditures. Projects must comply with the priorities communicated through this Annual Action Plan. Benefit to low-income persons, preventing or eliminating slum or blight or meeting other urgent community needs must be measurable by the end of the approved contract timeframe.
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	All application materials are available from the ADOH website. Additionally, the following handbooks are available: CDBG Application Handbook; CDBG Administration Handbook; Environmental Review Handbook and CDBG Procurement Handbook.	

Describe how resources will be allocated among funding categories.

The State expects to retain one percent (1%) set aside for technical assistance and two percent (2%) plus \$100,000 for State administration. ADOH will provide the two percent (2%) required match in non-federal matching funds. HUD mandates the State expend at least ten percent (10%) of its CDBG project allocation in areas designated as Colonias. Eighty-five percent (85%) of the remaining amount of CDBG funds after allocations to administration, technical assistance and the Colonia set aside will be distributed into the Regional Account (RA). The RA is divided into four (4) sub-accounts, one (1) for each of the non-metropolitan Council of Governments (COG) areas. To determine the amount of CDBG funding allocated to each COG's sub account, the State uses a formula based on population and persons in poverty. Regional Account allocations for 2015 are as follows: CAG \$2,118,676; NACOG \$1,927,483; SEAGO \$1,073,952; and WACOG \$2,284,072. Each COG region must adopt a Method of Distribution (MOD) and submit it to ADOH for approval. The MOD contains a multi-year schedule indicating how CDBG allocations are to be distributed such that all eligible communities within each respective COG region will receive funding. This will allow each community to plan its CDBG projects in advance.

After the MOD is determined, local governments must complete applications for funding and route them through the COG to ADOH. The COG reviews each application for completeness, priority project selection and assists the applicant with rectifying any application deficiencies. The COGs have no discretion to approve or reject applications and must forward all applications to the State. Only those communities and counties identified as eligible to receive funding in the current year MOD may submit an application.

All applications for the Regional Account are due to ADOH by 4:00 P.M. on the following dates: NACOG - June 1 annually; WACOG - July 1 annually; SEAGO - August 1 annually; and CAG - September 1 annually.

Fifteen percent (15%) of the remaining amount of CDBG funds, after allocations to administration, technical assistance and the Colonia Set Aside will be distributed into the competitive State Special Projects Account (SSP). All communities eligible to receive funding from the State CDBG program are eligible to apply for SSP funding. Eligible categories are as follows: 1) Public facilities and improvements; 2) Community/supportive housing facilities; 3) Housing; 4) Economic development and 5) Neighborhood revitalization and redevelopment. Applications submitted must propose all activities pursuant to 24 CFR 570 that are ready to begin implementation immediately with environmental review requirements completed, Release of Funds issued, land control secured, planning, design and permitting complete and all other related upfront issues resolved. A NOFA will be released and will include the application form and applicable deadlines. Additionally the NOFA will indicate any variances in project eligibility, documentation requirements, etc. Projects will be selected for SSP funding through a competitive process in which applications are scored by a rating and ranking system that includes project priority, project need, percentage of low/mod income persons served, project readiness, leveraged funds and organizational capacity. Projects must receive a minimum score of seventy (70) points to be eligible for an award. The highest scoring applications that have also achieved the minimum score of seventy (70) points will be awarded until SSP funding is exhausted.

<p>Describe threshold factors and grant size limits.</p>	<p>ADOH applies performance criteria to all communities that submit CDBG funding applications. Applications/projects in excess of one (1) per community or three (3) per county will be funded only if the following threshold criteria are met on the date the application is received by ADOH: all reporting required by the Department is up to date; all monitoring findings have been cleared; recipient is compliant with all current contracts; recipient is in compliance with all original contract Schedules of Completion or has obtained ADOH approvals for revisions or amendments to their Schedules of Completion; recipient has no contracts over the previous three (3) years that have been extended more than once; for all previously funded projects, environmental clearances have been obtained and scope of work has begun; and recipient has no current contract in which funds have not been drawn for six (6) months. Additional thresholds apply for recipients with current contracts for projects previously awarded and are as follows: Recipients with contracts in their twenty-fourth (24th) or greater month must be one hundred percent (100%) complete with Scope of Work and CDBG funds must be one hundred percent (100%) expended or de-obligated; Recipients with contracts in their eighteenth (18th) to twenty-third (23rd) month must be seventy-five percent (75%) complete with Scope of Work and CDBG funds must be seventy-five percent (75%) expended; Recipients with contracts in their twelfth (12th) to seventeenth (17th) month must be fifty percent (50%) complete with Scope of Work and CDBG funds must be fifty percent (50%) expended; and recipients with new contracts between their seventh (7th) and eleventh (11th) month must be twenty-five percent (25%) complete with Scope of Work and CDBG funds must be twenty-five percent (25%) expended. However, ADOH reserves the right to limit the number of applications submitted by any one (1) community or county based on past performance.</p> <p>Grant size for Regional Account projects are determined by the formulas used for each COG's approved method of Distribution. Grant size for Colonia set aside projects is determined by 2 years of pooled ten percent (10%) set asides and then through project application budgets and sources and uses. SSP grant size is a maximum \$300,000 per project.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Investment of CDBG funds will create suitable living environments, promote sustainability and make housing affordable and accessible. Over the year covered by this plan, ADOH anticipates assisting 370 households and 149,369 persons through investment of CDBG funds.</p>
<p>3 State Program Name:</p>	<p>CDBG Colonias Set Aside</p>
<p>Funding Sources:</p>	<p>CDBG Colonias Set-aside</p>
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>State of Arizona CDBG Colonias Set Aside. HUD mandates the State expend at least ten percent (10%) of its CDBG project allocation in the areas designated as Colonias. Colonia funding will be distributed through a competitive application process. ADOH will issue a funding notice, once every two (2) years, to solicit projects located in eligible, designated Colonias. Eligible projects include water or sewer infrastructure and substantial housing rehabilitation.</p>

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

According to Section 916 of the Cranston-Gonzalez Act of 1990, a “Colonia” is any identifiable community that: is located within 150 miles of the border between the United States and Mexico, except within any standard metropolitan statistical area that has a population exceeding 1,000,000; is designated by the State or county in which it is located as a Colonia; is determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems and lack of decent, safe and sanitary housing; and is generally recognized as a Colonia before the enactment of the National Affordable Housing Act of 1990.

All cities, towns, counties and tribal reservations that contain either geographically defined neighborhoods or unincorporated communities designated as Colonias and that are eligible to receive CDBG Colonia Set Aside funding through ADOH are eligible to apply for these funds. Maricopa and Pinal Counties, as well as the communities and tribal reservations located within those counties, are excluded from eligibility for Colonias funding. Under this funding, ADOH is able to serve eligible designated Colonia in Pima County, although the county is not eligible to receive other CDBG funds from ADOH. The funding notice will further outline the Colonia Set Aside maximum project funding, application requirements as well as the scoring categories which will be designed to award projects for Colonias demonstrating the greatest need due to severe water, sewer and housing issues. Other scoring categories will include, but are not limited to, poverty level, leveraged funds, project need, project priority, project readiness, past performance and organizational capacity. An application for Colonia Set Aside funds will not affect a jurisdiction’s eligibility for other CDBG funding. CDBG Colonia resources for Federal FY2015 and FY2016 will be combined and will be awarded through one (1) competitive funding round announced through a Notice of Funding Availability (NOFA) in State Fiscal Year 2016. Water/sewer infrastructure (delivery and/or treatment systems) and substantial housing rehabilitation activities will be considered eligible Colonia Set Aside projects for areas certified as designated Colonia.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)

All Colonia Set Aside application requirements and materials will be available on the ADOH website; in the NOFA; and in the CDBG Application Handbook. Additionally, the following handbooks are available: CDBG Administration; Environmental Review and CDBG Procurement.

Describe how resources will be allocated among funding categories.

Resources will be allocated based on relative needs based on needs assessment data provided in each application.

<p>Describe threshold factors and grant size limits.</p>	<p>Thresholds are outlined in the NOFA when released as well as in the CDBG Application Handbook. Grant size is limited to the total amount of available funds listed in the NOFA and is usually two (2) years worth of CDBG Colonia Set Aside funds at ten percent (10%) per year. This will allow sufficient funding for applicants to address water, sewer or housing related issues in their entirety.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Colonia Set Aside funding will provide accessibility/affordability, promote sustainability and create suitable living environments. It is anticipated that Colonia Set Aside Funds will provide assistance to approximately 400 Colonia residents every two (2) years.</p>
<p>4 State Program Name:</p>	<p>ESG</p>
<p>Funding Sources:</p>	<p>ESG</p>
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Emergency Solutions Grant (ESG) funds support Street Outreach Services to homeless persons living on the streets; basic shelter and supportive services for homeless persons in the form of operation costs and direct services for homeless persons living in Temporary Emergency Shelters; funding for Homeless Prevention services to assist individuals and families at risk of losing housing and becoming homeless; and Rapid Re-Housing support for individuals and families who are homeless and need assistance to return to housing and independent living. ESG funds also support HMIS data collection, information management and reporting systems and Administrative services necessary to coordinate grant activities.</p> <p>ESG funding for Outreach Essential Services and Temporary Emergency Shelter will not exceed sixty percent (60%) of the FY2015 grant amount.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The method of distribution for ESG funding is determined based on the percent of homeless served and counted as represented in the annual demographics report and the annual Point In Time count submitted to the Homeless Coordination Office each year by each Continuum of Care. The cumulative percent is then set as a target for the percent of total available funding to be awarded in each of the three (3) Continua of Care. Funds are then awarded through contracts with specific providers from each Continuum as long as there are enough providers who qualify for funding based on the RFP selection process. The DES will award contracts through a competitive request for proposal (RFP) process. Proposals are reviewed by a panel comprised of internal staff, Continua of Care and community partners. Proposals are assessed using the rating system published in each RFP. The rating system may include service methodology, experience and expertise, cost, capacity and other factors deemed relevant.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>ESG funding is allocated based on the percent of homeless served and counted as represented in the annual demographics report and the annual Point In Time count submitted to the Homeless Coordination Office each year by each Continuum of Care.</p> <p>The DES will award contracts through a competitive request for proposal (RFP) process. Proposals are reviewed by a panel comprised of internal staff, Continua of Care and community partners. Proposals are assessed using the rating system published in each RFP. The rating system may include service methodology, experience, expertise, cost, capacity and other factors deemed relevant.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The State expects to receive \$1,545,994 in FY2015 ESG Funds. These funds are administered through the Arizona Department of Economic Security (DES). The DES retains seven and one-half percent (7.5% or \$115,950) of the grant award for administrative costs. After administrative funds retention, the remaining ninety-two and one-half percent (92.5%) of ESG Funds will be allocated as follows: approximately ten percent (10% or \$143,004) for Street Outreach ; approximately fifty percent (50% or \$715,022) for Temporary Emergency Shelter; approximately five percent (5% or \$71,502) for Homelessness Prevention; and approximately thirty-five percent (35% or \$500,515) for Rapid Re-Housing.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Contracts are awarded based on the needs of the service area and available service providers. There are no grant size limits other than the budget proposals included in the RFP response. One aspect of the review process is assessing the number of people that each provider commits to serve and the projected cost per person served reflected in the proposed budget.</p>

	<p>What are the outcome measures expected as a result of the method of distribution?</p> <p>The State will utilize this grant to increase the availability and accessibility of suitable living environments and housing options by providing a wide range of supportive services to persons experiencing homelessness or at risk of homelessness including Street Outreach Services, Temporary Emergency Shelter, Rapid Re-Housing and Homeless Prevention Services. In FY2015, approximately 14,500 people are anticipated to be served using ESG funding for Emergency Shelter and Street Outreach Essential Services. Additionally, 1,100 to 1,250 households are expected to be served through Rapid Re-Housing activities.</p> <p>Contracts with sub-grantees also call out specific performance measures to be accomplished;</p> <p>6.0 Performance Measures</p> <p>6.1 Seventy-five percent (75%) of participants improve in overall Arizona Self-Sufficiency Matrix score from participant entry to participant exit.</p> <p>6.2 Sixty percent (60%) of participants who exit the Rapid Re-Housing program, exit to permanent housing during the program year.</p> <p>6.3 Seventy-five percent (75%) Rapid Re-Housing participants who exit the Rapid Re-Housing program score at least four (4) on the income question of the self-sufficiency matrix..</p> <p>6.4 Sixty percent (60%) of Rapid Re-Housing participants meet at least one (1) of the priority populations criteria. (See 3.3.1).</p> <p>6.5 Forty percent (40%) percent of Temporary Emergency Shelter clients exit to Positive Permanent Housing Situations during the program year.</p>
5	<p>State Program Name: HOME</p>
	<p>Funding Sources: HOME</p>
	<p>Describe the state program addressed by the Method of Distribution.</p> <p>The Home Investment Partnership (HOME) program provides funding to State and local governments and non-profit organizations for local programs that support the construction or rehabilitation of rental housing and the rehabilitation of ownership housing.</p>
	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p> <p>Competitive applications rounds are announced through a Notice of Funds Available (NOFA) and applications are selected through a competitive process. Competitive criteria include readiness, project team capacity, priority populations served and percentage of leverage funds in the project. Competitive point scoring favors non-entitlement areas outside of Maricopa and Pima Counties.</p>

Describe how resources will be allocated among funding categories.

ADOH will allocate new funding to the following activity in the approximate following amount: 1) Rental housing development, including CHDO set-aside: \$2,013,778; and 2) Owner-occupied housing rehabilitation (OOHR) : \$2,000,000

The State will make available owner-occupied housing rehabilitation funds through a competitive Notification of Funds Availability (NOFA) which will be announced and will include information regarding project eligibility, maximum funding amounts, application requirements, etc. A competitive advantage will exist in each NOFA for areas of the state that do not have access to other HOME funds or CDBG funds.

HOME funds set aside for rental development are expected to be utilized as gap financing in projects that are successful in securing a competitive Low-Income Housing Tax Credit (LIHTC) allocation. Any remaining funds may be made available through a competitive process NOFA. If CHDO funds remain available, a NOFA strictly for CHDO projects may be released.

Ten percent (10%) or \$445,975 of the FY2015 HOME funds will be for ADOSH administrative costs. Of the multi-family projects, an amount equal to fifteen percent (15%) or \$668,963 of the total HOME allocation will be reserved for CHDO sponsored multi-family development projects.

Describe threshold factors and grant size limits.

To be eligible to apply for HOME funds (for any project type) the applicant and all of its team members, with the exception of the applicant’s consultant (“Applicant Team”) must meet the following performance criteria on all SHF and CDBG contracts on the date the application is received by ADOSH: all reporting required by ADOSH is up to date; all monitoring findings have been cleared; all fees payable to ADOSH are paid; Applicant Team is compliant with all current contracts; Applicant Team is in conformance with all original contract project timelines or has obtained ADOSH approvals for revisions or amendments to their project timelines; for all previously funded projects, environmental clearances have been obtained and scope of work has begun; Applicant Team has no existing contracts in which project completion reports and data have not been submitted and accepted by ADOSH within sixty (60) days of a final draw; Applicant Team has no current contract in which funds have not been drawn for six (6) months; Applicant Team with contracts in their twenty-fourth (24th) or greater month must be one hundred percent (100%) complete with Scope of Work, Contract Close-out Report received and approved and HOME Funds one hundred percent (100%) expended or de-obligated; Applicant Team has no outstanding or unresolved contractual, property, or beneficiary-related compliance issues; the applicant is an eligible party to apply for funding through ADOSH; the activity, project and property type is eligible; SHFs are budgeted for eligible uses; the proposed beneficiaries are eligible; the amount of SHF invested per unit does not exceed the program limits and is at least \$1,000/unit; applicant has certified that all development or rehabilitation will meet, at a minimum, all local building codes and the property is properly zoned for the proposed use and meets local ordinances; the applicant (and all of its team members) is not included on the Federal Excluded Parties List located at: www.sam.gov; the Environmental Review requirements pursuant to 24 CFR Part 58, (up to Part III HUD Appendix A for Single Family Owner-Occupied Rehabilitation) are complete and an Authority to use Grant Funds from HUD or ADOSH is provided; and all funding sources (loans, grants, fee waivers, land donations, etc.) must be secured with written binding commitments at application and the project must be scheduled to start within ninety (90) days of executing a Funding Agreement with the ADOSH.

Grant sizes are determined in each NOFA but typically are \$500,000 per multi-family project and \$250,000 per Owner Occupied Housing Rehabilitation Project.

	What are the outcome measures expected as a result of the method of distribution?	The State will use its HOME allocation for program funding to increase the availability/accessibility and affordability of decent housing and provide suitable living environments for low-income households. ADOH anticipates assisting approximately one hundred (100) households at or below eighty percent (80%) AMI with owner occupied housing rehabilitation and approximately sixty-six (66) households at or below 80%AMI with construction or new or rehabilitation of multi-family rental units.
6	State Program Name:	HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Housing Opportunities for Persons with HIV/AIDS (HOPWA) funds provide housing and supportive services for persons with HIV/AIDS. These funds may go toward acquisition, rehabilitation or new construction of housing units and may also fund rental assistance, facility operations, short-term homelessness prevention, medical and mental health services, chemical dependency treatment, nutritional services, case management and other supportive services.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Contracts will be reviewed annually, with additional proposals solicited as necessary. Project sponsors are selected by ADOH after extensive outreach efforts to local governmental entities, non-profits and grassroots organizations.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Contracts will be reviewed annually, with additional proposals solicited as necessary. Project sponsors are selected by ADOH after extensive outreach efforts to local governmental entities, non-profits and grassroots organizations.
	Describe how resources will be allocated among funding categories.	ADOH expects to receive \$236,060 in FY2015 HOPWA Funds. Three percent (3%) or \$7,082 will be retained by ADOH to cover administrative related expenses of the program; grantees will be allowed to utilize seven percent (7%) or \$16,524 of the grant money for grantee administration costs. The remaining ninety percent (90%) or \$212,454) of the grant award will be spent on rental assistance and direct service provision. ADOH will contract with housing providers to administer the HOPWA program within the thirteen (13) non-entitlement counties. Two-thirds (2/3) of the funding will be spent for housing assistance, most for tenant-based subsidies, while the remaining one-third (1/3) will be used for supportive services.
	Describe threshold factors and grant size limits.	Contracts are awarded based on the needs of the service area and available service providers. There are no grant size limits.

	What are the outcome measures expected as a result of the method of distribution?	<p>ADOH will utilize HOPWA funds to increase the availability/accessibility and affordability of suitable living environments and decent housing through organizations that provide planning for housing needs, education, and access to essential community resources.</p> <p>In the FY2015, approximately fifty (50) people are anticipated to be served using available HOPWA funds.</p>
7	State Program Name:	NSP 1 Program Income
	Funding Sources:	NSP 1 Program Income
	Describe the state program addressed by the Method of Distribution.	Program Income from investment of Neighborhood Stabilization Program 1 funds (NSP1) will be invested in redevelopment or rehabilitation of eligible multi-family housing projects.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>According to the approved NSP1 Action Plan, the State will either directly select eligible multi-family housing projects or will select through a competitive application process as outlined through a NOFA where all application criteria will be announced. Investment of funds will include at least twenty-five percent (25%) of funding set aside to serve persons at or below fifty percent (50%) of area median income. Competitive criteria include readiness, project team capacity, priority populations served and percentage of leverage funds in project.</p> <p>Only applications that meet completeness requirements and minimum thresholds are considered for funding. Applications that meet minimum thresholds are underwritten based on the following criteria as relevant to the proposed activity: 1) market need/demand; 2) management/capacity; 3) budget/financial analysis; 4) program design; and 5) all other financing is secured. Once it is determined that an application meets minimum underwriting standards, the application and underwriting results are forwarded to an ADOH funding review.</p>
	Describe how resources will be allocated among funding categories.	One hundred percent (100%) of any NSP1 Program Income received will be invested in NSP1 eligible multi-family redevelopment or rehabilitation activities.

Describe threshold factors and grant size limits.

To be eligible to apply for NSP1 Program Income funds the applicant and all of its team members, with the exception of the applicant’s consultant (“Applicant Team”) must meet the following performance criteria on the date the application is received by ADOH: all reporting required by ADOH is up to date; all monitoring findings have been cleared; all fees payable to ADOH are paid; Applicant Team is compliant with all current contracts; Applicant Team is in conformance with all original contract project timelines or has obtained ADOH approvals for revisions or amendments to their project timelines; for all previously funded projects, environmental clearances have been obtained and scope of work has begun; Applicant Team has no existing contracts in which project completion reports and data have not been submitted and accepted by ADOH within sixty (60) days of a final draw; Applicant Team has no current contract in which funds have not been drawn for six (6) months; Applicant Team with contracts in their twenty-fourth (24th) or greater month must be one hundred percent (100%) complete with Scope of Work, Contract Close-out Report received and approved and grant funds one hundred percent (100%) expended or de-obligated; Applicant Team has no outstanding or unresolved contractual, property, or beneficiary-related compliance issues; the applicant is an eligible party to apply for funding through ADOH; the activity, project and property type is eligible; SHFs are budgeted for eligible uses; the proposed beneficiaries are eligible; applicant has certified that all development or rehabilitation will meet, at a minimum, all local building codes and the property is properly zoned for the proposed use and meets local ordinances; the applicant (and all of its team members) is not included on the Federal Excluded Parties List located at: www.sam.gov; the Environmental Review requirements pursuant to 24 CFR Part 58, (up to Part III HUD Appendix A for Single Family Owner-Occupied Rehabilitation) are complete and an Authority to use Grant Funds from HUD or ADOH is provided; and all funding sources (loans, grants, fee waivers, land donations, etc.) must be secured with written binding commitments at application and the project must be scheduled to start within ninety (90) days of executing a Funding Agreement with the ADOH.

Grant sizes are determined in each NOFA for competitive application rounds or through the underwriting process for projects directly selected by ADOH.

What are the outcome measures expected as a result of the method of distribution?

The State will use its NSP1 Program Income for program funding to increase the availability/accessibility and affordability of decent housing and provide suitable living environments for low-income households with incomes at or below fifty percent (50%) of area median income. ADOH anticipates assisting approximately fifty-two (52) households.

Discussion:

These methods of distribution will allow the State to address affordable housing, community development and homeless issues throughout its entire jurisdictional service area. CDBG funds are distributed to non-entitlement jurisdictions on a non-competitive that ensures all eligible communities receive funding for community development projects in their respective jurisdictions. HOME funds are distributed statewide on a competitive basis for Rental Development and Housing Rehabilitation with point scoring that slightly favors non-entitlement areas outside of Maricopa and Pima Counties. ESG funds are distributed on a competitive basis targeted to areas with a higher percentage of homeless populations. HOPWA contracts are reviewed annually, with additional proposals solicited as necessary. HOPWA project sponsors are selected by ADOH after extensive outreach efforts to local governmental entities, non-profits and grassroots organizations.

AP-35 Projects – (Optional)

Introduction:

Not required of State CDBG recipients.

#	Project Name

Table 61 – Project Information

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

Not required of State CDBG recipients.

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

Yes.

Available Grant Amounts

Section 108 Loan Guarantee grant amounts will be available in accordance with 24 CFR 570, subpart M. There is no minimum grant amount and the maximum grant amount would be determined by the funding requirements as presented in the application not to exceed the amount of available uncommitted Section 108 Loan Guarantee Funds.

Acceptance process of applications

Section 108 is the loan guarantee component of the Community Development Block Grant (CDBG) Program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities and large-scale physical development projects. Section 108 loan guarantee applications must meet a CDBG National Objective and the activity must be listed as eligible in accordance with the 24 CFR Part 570 and must meet a public benefit standard in accordance with 24 CFR Part 570.209 (b). Potential applicants must present a project concept to the State with a plan of development including resources, consultants and other entities involved with the development of the project and project application. The State will determine whether to move forward with a Section 108 Loan Guarantee based on the strength of the Section 108 Loan application. The project must have positive cash flow and have assets available as security. Applicants must have two (2) forms of collateral in addition to the Section 108 Loan Guarantee provided by the State. It is recommended that a financial consultant with experience in Section 108 Loans be contracted to ensure the project will meet HUD underwriting and feasibility standards. Applications will be forwarded to HUD on a rolling basis dependent upon the amount of available uncommitted Section 108 Loan Guarantee funds.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes.

State's Process and Criteria for approving local government revitalization strategies

The State provides detailed Neighborhood Revitalization Strategy (NRS) criteria (including details on how the criteria is met) and forms in its CDBG Application Handbook at Section 4 available for download from the ADOH website. The State will approve NRS based on the degree to which it addresses the following requirements per HUD regulation: 1) Consultation; 2) Boundaries; 3) Rationale; 4) Demographic Criteria; 5) Program Linkages; 6) Economic Conditions; 7) Strategy Assessment; 8) Timeline; and 9) Proposed Performance Measures.

AP-48 Method of Distribution for Colonias Set-aside – 91.320(d)&(k)

Introduction:

The following table indicates the method of distribution for the State’s 10% annual set aside for projects in eligible Colonias.

Distribution Methods

Table 62 - Distribution Methods by State Program for Colonias Set-aside

1	State Program Name:	CDBG Colonias Set Aside
	Funding Sources:	CDBG Colonias Set-aside
	Describe the state program addressed by the Method of Distribution.	State of Arizona CDBG Colonias Set Aside. HUD mandates the State expend at least ten percent (10%) of its CDBG project allocation in the areas designated as Colonias. Colonia funding will be distributed through a competitive application process. ADOH will issue a funding notice, once every two (2) years, to solicit projects located in eligible, designated Colonias. Eligible projects include water or sewer infrastructure and substantial housing rehabilitation.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>According to Section 916 of the Cranston-Gonzalez Act of 1990, a “Colonia” is any identifiable community that: is located within 150 miles of the border between the United States and Mexico, except within any standard metropolitan statistical area that has a population exceeding 1,000,000; is designated by the State or county in which it is located as a Colonia; is determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems and lack of decent, safe and sanitary housing; and is generally recognized as a Colonia before the enactment of the National Affordable Housing Act of 1990.</p> <p>All cities, towns, counties and tribal reservations that contain either geographically defined neighborhoods or unincorporated communities designated as Colonias and that are eligible to receive CDBG Colonia Set Aside funding through ADOH are eligible to apply for these funds. Maricopa and Pinal Counties, as well as the communities and tribal reservations located within those counties, are excluded from eligibility for Colonias funding. Under this funding, ADOH is able to serve eligible designated Colonia in Pima County, although the county is not eligible to receive other CDBG funds from ADOH. The funding notice will further outline the Colonia Set Aside maximum project funding, application requirements as well as the scoring categories which will be designed to award projects for Colonias demonstrating the greatest need due to severe water, sewer and housing issues. Other scoring categories will include, but are not limited to, poverty level, leveraged funds, project need, project priority, project readiness, past performance and organizational capacity. An application for Colonia Set Aside funds will not affect a jurisdiction’s eligibility for other CDBG funding. CDBG Colonia resources for Federal FY2015 and FY2016 will be combined and will be awarded through one (1) competitive funding round announced through a Notice of Funding Availability (NOFA) in State Fiscal Year 2016. Water/sewer infrastructure (delivery and/or treatment systems) and substantial housing rehabilitation activities will be considered eligible Colonia Set Aside projects for areas certified as designated Colonia.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>All Colonia Set Aside application requirements and materials will be available on the ADOH website; in the NOFA; and in the CDBG Application Handbook. Additionally, the following handbooks are available: CDBG Administration; Environmental Review and CDBG Procurement.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>Resources will be allocated based on relative needs based on needs assessment data provided in each application.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Thresholds are outlined in the NOFA when released as well as in the CDBG Application Handbook. Grant size is limited to the total amount of available funds listed in the NOFA and is usually two (2) years worth of CDBG Colonia Set Aside funds at ten percent (10%) per year. This will allow sufficient funding for applicants to address water, sewer or housing related issues in their entirety.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Colonia Set Aside funding will provide accessibility/affordability, promote sustainability and create suitable living environments. It is anticipated that Colonia Set Aside Funds will provide assistance to approximately 400 Colonia residents every two (2) years.</p>

Discussion:

This method of distribution is designed to allow Colonia to receive sufficient funding to address infrastructure or housing issues to an extent that completely addresses the Colonia's particular issue of greatest need. Benefit will be long lasting and viability of the Colonia improved.

AP-50 Geographic Distribution – 91.320(f)

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

The State of Arizona does not provide specific geographic target priorities for allocating investments for the programs that it administers.

CDBG Program Geographic Priorities: CDBG funds are allocated to all non-entitlement Units of General Local Government outside of Pima and Maricopa County and the cities of Casa Grande, Douglas, Flagstaff, Prescott, Sierra Vista and Yuma. After the set aside of ten percent (10%) for Colonias projects and State allowable retention of administration (two percent (2%) plus \$100,000) and technical assistance (one percent (1%)) funding, eighty five percent (85%) of remaining CDBG funds are distributed on a non-competitive basis through the Regional Account to each Council of Government region using a method of distribution developed by each respective COG and approved by the State. Fifteen percent (15%) of the remaining CDBG funds are distributed on a competitive basis through the State Special Projects Account using a Notice of Funding Available. Each non-entitlement unit of local government determines their individual priority needs through their public participation process. A minimum of seventy percent (70%) of all CDBG expenditures will serve persons at or below eighty percent (80%) of Area Median Income.

HOME Program Geographic Priorities: Arizona does target special needs populations and service enriched locations through its competitive point structures used for awarding HOME funds. The State HOME funds are targeted to rental development programs and owner occupied housing rehabilitation programs and allocated on a competitive basis.

HOPWA Program Geographic Priorities: HOPWA funds are allocated based on need to service providers located outside of Cochise, Maricopa and Pima Counties.

ESG Program Geographic Priorities: ESG funding is determined based on the percent of homeless served and counted as represented in the annual demographics report and the annual Point in Time count submitted to the Homeless Coordination Office each year by each Continuum of Care. The cumulative percent is then set as a target for the percent of total available funding to be awarded in each of the three (3) Continua of Care. Funds are then awarded through an RFP process and contracts are awarded from each Continuum as long as there are enough providers who qualify for funding based on the RFP selection process.

Geographic Distribution

Target Area	Percentage of Funds
State of Arizona	100

Table 63 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

ADOH works in cooperation with the Councils of Governments to ensure that CDBG funds are allocated as fairly as possible. Application scoring criteria for HOME funds for single family housing rehabilitation include a performance threshold that effectively rotates available funds in accordance with expenditure performance. HOPWA and ESG funds are allocated as in accordance with capacity.

ESG funding is allocated based on the percent of homeless served and counted as represented in the annual demographics report and the annual Point In Time count submitted to the Homeless Coordination Office each year by each Continuum of Care. The cumulative percent is then set as a target for the percent of total available funding to be awarded in each of the three (3) Continua of Care. Funds are then awarded through contracts with specific providers from each Continuum as long as there are enough providers who qualify for funding based on the RFP selection process.

Discussion

CDBG funds are distributed to non-entitlement jurisdictions on a non-competitive that ensures all eligible communities receive funding for community development projects in their respective jurisdictions. HOME funds are distributed statewide on a competitive basis for Rental Development and Housing Rehabilitation with point scoring that slightly favors non-entitlement areas outside of Maricopa and Pima Counties. ESG funds are distributed on a competitive basis targeted to areas with a higher percentage of homeless populations. HOPWA contracts are reviewed annually, with additional proposals solicited as necessary. HOPWA project sponsors are selected by ADOH after extensive outreach efforts to local governmental entities, non-profits and grassroots organizations.

Although no specific geographic target priorities are established by the State, funding is allocated in such a way as to address areas of greatest need and the needs determined by communities through their public participation processes.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Affordable Housing goals for FY2015 are indicated in the table below for the number of homeless, non-homeless and special needs households, and for the number of affordable housing units that will be provided by program type, including production of new units, rehabilitation of existing units or acquisition of existing units. Note that goals entered for ESG are only for Homeless Prevention and Rapid Re-housing. The HOME goals include multi-family and single family activities.

One Year Goals for the Number of Households to be Supported	
Homeless	750
Non-Homeless	0
Special-Needs	0
Total	750

Table 64 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	50
The Production of New Units	42
Rehab of Existing Units	487
Acquisition of Existing Units	9
Total	588

Table 65 - One Year Goals for Affordable Housing by Support Type

Discussion:

ADOH distributes approximately \$16 million in HUD Formula grant funds, \$4.5 million in Continuum of Care funds; \$140 million in LIHTCs and \$1.3 million in Section 8 funds impacting over \$1,338 units affordable housing units annually. Over the life of the State's FY2015-2019 plan, the State will assist no less than 6,690 households throughout its jurisdiction equating to approximately 1,339 households during this one (1) year action plan.

AP-60 Public Housing - 24 CFR 91.320(j)**Introduction:**

The State will from time to time provide support and technical assistance to PHAs upon local request.

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

While ADOH and its PHA Division do not own or manage any public housing, the PHA has monitoring and compliance oversight of approximately 114 federally-financed properties (through the competitively awarded Project-Based Contract Administration award from HUD), 186 Section 8 Housing Choice Vouchers, and approximately eighty-six (86) port-in vouchers. The Housing Choice Voucher Program (HCVP) administered by the agency is an extremely small program confined to Yavapai County and one that requires in-kind contributions from the State to administer. ADOH does not collect this information from the public housing authorities that service the non-entitlement regions of the State and has no authority over their programs, service areas or outcomes.

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

The State of Arizona will remain ready to assist any Public Housing Agency in Arizona with technical assistance and planning to ensure they promote resident involvement and continue to address the needs for public housing in their respective jurisdictions.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion:

Not applicable to State programs covered by this one (1) year consolidated Action Plan.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The Governor's Arizona Commission on Homelessness and Housing (ACHH) is the statewide planning and policy development resource to end homelessness for Arizona. It has the primary decision making authority regarding the content of the State Plan to End Homelessness, the implementation schedule and strategies of the Plan. ACHH is chaired by the Governor, co-chaired by the Directors of the ADES and ADOH and staffed by the State Homeless Coordinator. Meetings are held bi-monthly and additional work is accomplished by several committees that meet regularly. The Commission developed a revised State Plan to End Homelessness that aligns with the objectives of the United States Interagency Council on Homelessness (USICH) and the Federal Plan to End Homelessness, "Opening Doors." The Arizona Plan to End Homelessness focuses on five (5) goals: 1) end chronic homelessness; 2) prevent and end veteran homelessness; 3) continue work to prevent and end homelessness for families, youth and children; 4) develop measurement standards, data collection and accurate reporting systems; and 5) move from a homeless management system to a homeless prevention system.

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

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

All three (3) Continua of Care in Arizona have adopted the VI-SPDAT tool to affect a coordinated entry system to determine the needs and prioritize housing interventions and support services using a comprehensive universal assessment tool. For each region the Continuum and service delivery systems, through contracts and MOU's between community partners, utilize outreach teams; first responders; and crisis and medical agencies to reach individuals who are unsheltered. Special initiatives have been adopted through these community partners to respond to current priorities which include ending veteran homelessness by the end of 2015 and ending chronic homelessness by the end of 2016. The Arizona StandDown Coalition has been formed to share and spread resources to smaller communities for StandDown events to reach homeless veterans throughout the State. Larger initiatives are being led by counties and cities in the metropolitan areas of Phoenix, Mesa and Tucson to focus on ending chronic homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

During the 2014 homeless street count 2,569 individuals and members of families were identified as unsheltered. Ninety-one percent (91%) of those found living on the streets were single adults and over 600 of those unsheltered homeless were chronically homeless. Data shows that more beds and services need to be allocated to single adults, chronically homeless, families without children and youth. The State of Arizona has adopted an aggressive Rapid Re-housing approach in order to move homeless individuals and families out of emergency shelters and into permanent housing which will free up beds for those populations who are predominately unsheltered. State contracts for Rapid Re-housing emphasize priority targets including chronically homeless, veterans, youth between the ages of eighteen (18) and twenty-four (24), victims of domestic violence, persons exiting in an institutional setting and those exiting a substance abuse program. All three (3) Continua are focusing performance measures on

improving length of stay in order to encourage rapid re-housing and improve bed availability in those programs that provide immediate assistance to those currently living on the streets. A collaborative body of State, county and city governments, as well as service providers, is also exploring alternative "Low Demand" shelter alternatives in Maricopa County.

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 State of Arizona has developed a Statewide plan to end homelessness which is driven by the goals and objectives listed below. From 2012 to 2014 the number of unsheltered homeless veterans has been reduced by forty-seven percent (47%) and the State Homeless Coordination office anticipates further reduction when the results of the 2015 Point In Time count are released. The number of unsheltered chronically homeless individuals has been reduced by fifty percent (50%) during the same time period. The State has adopted a statewide common assessment tool and developed a Statewide shared Database of Permanent Supportive Housing, Affordable Housing and Tax Credit supported housing options. Through commitment to improved outreach and assessment tools the State Homeless Coordination office fully expects to effectively end unsheltered homelessness for the remaining 223 veterans and 643 chronically homeless in Arizona by 2015 and 2016, respectively.

END CHRONIC HOMELESSNESS BY 2016: 1.) Move 300 chronically homeless individuals or families into permanent housing each year for the next five (5) years; 2.) adopt and implement Statewide use of a common assessment tool to prioritize housing placement based on vulnerability by December 2012; 3.) support, monitor and assess all pilots for Centralized Intake to prioritize chronically homeless individuals for placement and to evaluate outcomes by December 2013; and 4.) develop a Statewide shared Database of Permanent Supportive Housing, Affordable Housing and Tax Credit supported housing options by July 2013.

PREVENT AND END VETERAN HOMELESSNESS BY 2015: 1) Insure all mainstream and community resources identify veteran status and connect veterans to additional veteran resources by July 2013; and 2) Target and prioritize use of Housing and Urban Development (HUD) VASH housing vouchers towards chronically homeless veterans.

CONTINUE WORK TO PREVENT AND END HOMELESSNESS FOR FAMILIES, YOUTH AND CHILDREN BY 2021: 1) Develop common reporting standards for family units versus beds to determine housing needs by December 2013; 2) Adopt common definition of Homeless Youth by July 2013; and 3) Add 300 units of Permanent Supportive housing to the housing system each year for the next ten (10) years.

DEVELOP MEASUREMENT STANDARDS, DATA COLLECTION AND ACCURATE REPORTING SYSTEMS BY 2013: 1) Organize a comprehensive Statewide street and shelter survey to establish baseline data for future comparisons and research by summer 2012; and 2) Establish common definitions, methodology, measurement tools and reporting standards to be compiled into standardized reports to the Commission by the three (3) Continua of Care by July 2013.

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 DES Homeless Coordination Office requires all sub-contractors to adhere to program goals and objectives including target populations to be served. Contracts require that at least sixty percent (60%) of all Rapid Re-Housing and/or Homeless Prevention participants shall represent at least one (1) of the priority population criteria: 1) chronically homeless; 2) disabled; 3) experiencing substance abuse issues; 4) being "released from an institution"; 5) being released from a substance abuse facility; 6) aging or aged-out of child foster care; 7) domestic violence survivor; 8) youth eighteen (18) to twenty-four (24) years of age; 9) veterans; or 10) sixty-two (62) years of age or older.

Sub-contractors are also required to adhere to standard performance measures and outcomes which consist of: 1) seventy-five percent (75%) of participants improve in overall Self Sufficiency Matrix score from participant entry to participant exit; 2) sixty percent (60%) of participants who exit the Rapid Re-Housing program, exit to permanent housing during the program year; 3) seventy-five percent (75%) of Rapid Re-Housing participants who exit the Rapid Re-Housing program score a four (4) or better income section of the Self Sufficiency Matrix, 4) sixty percent (60%) of Rapid Re-Housing participants meet at least one (1) of the priority populations criteria and 5) forty percent (40%) of Temporary Emergency Shelter clients exit to Positive Permanent Housing Situations during the program year.

Discussion

The adoption of the VI-SPDAT tool and ADOH's subsequent ability to improve recipient proficiency with this tool has greatly improved Arizona's adherence to its Statewide Plan to End Homelessness and has greatly improved data collection and reporting standards. Following this plan Arizona is on track to prevent further Veteran homelessness in 2015 and end Chronic Homelessness in 2016. ADOH, in partnership with DES and the Governor's Arizona Commission on Homelessness and Housing are working in concert to plan, improve and address services and housing for persons experiencing homelessness and those who are chronically homeless.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	45
Tenant-based rental assistance	30
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	75

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Please refer to the State of Arizona 2015-2019 Analysis to Impediments Report available at <https://housing.az.gov/>.

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 State of Arizona will continue to fund education and outreach (E&O) throughout its Community Development Block Grant (CDBG) jurisdiction as it has since 1994. ADOH presently contracts with a fair housing E&O provider to conduct E&O throughout the non-entitlement areas of the state. ADOH will conduct the following activities with same levels of frequency it has since 2006:

ADOH will continue to ensure CDBG sub-recipients are trained in effective fair housing referral procedures and encourage them to report any concerns.

ADOH will continue to provide trainings and other resources to communities throughout the state as the need arises so that residents have the opportunity to learn about the benefits of affordable housing, diverse neighborhoods, and the State's fair housing obligations; and monitor current events throughout the state and proactively respond to situations which may impact members of the protected classes.

ADOH request for proposals (RFP) for housing and community development related projects and funding will require that proposals address how they will affirmatively further fair housing (AFFH) based on its impact to racial and ethnic concentrations of poverty and protected classes. Housing and community development projects funded by ADOH will include an AFFH plan that includes demographic data and maps to identify racial and ethnic concentrations or poverty in the residential areas impacted by the project. Specific activities that will be conducted to AFFH (e.g. Affirmative Marketing Plan; and all tax credit, HOME and Housing Trust Fund projects) will be monitored to evaluate the performance of the projects fair housing goals.

ADOH will require a mandatory comprehensive questionnaire with new questions about local zoning and land use laws' compliance with fair housing laws be filled out and submitted by all CDBG subrecipients.

The State will assess how the housing crisis and its aftermath has had an impact on communities within the State's jurisdiction and respond with appropriate projects, programs and education outreach; continue to utilize the Councils of Government (COG) structure to monitor CDBG recipients and develop education and outreach strategies; create regional fair housing priorities, goals and selection criteria for potential CDBG recipients; utilize information provided in the CDBG recipient surveys to monitor and update regional fair housing priorities and goals.

Please refer to the State of Arizona 2015-2019 Analysis to Impediments report available at <https://housing.az.gov/>.

Discussion:

ADOH will undertake the following activities to alleviate barriers to fair housing and disparate impacts on low-income, financially troubled, disabled or other vulnerable populations:

FORECLOSURE ASSISTANCE: ADOH will invest funding to address the mortgage foreclosure crisis and other housing issues caused by economic distress. Through 2017, ADOH, in partnership with the Arizona Housing Finance Authority, will provide funding for direct financial assistance to aid Arizona homeowners avoid foreclosures by: 1) making housing counselors available to the public through a toll-free hotline; 2) providing in-depth foreclosure counseling; and 3) providing financial assistance in the form of principal reduction, second mortgage settlements, reinstatement, monthly mortgage payment assistance or short sale assistance. ADOH will continue to invest in paid advertising and marketing efforts to ensure households experiencing the threat of foreclosure know about available programs and gain access to assistance. Outreach efforts will include billboards, English and Spanish radio, internet banner ads, bus shelter ads, electronic news messages through the Motor Vehicle Network, Spanish newspapers, ecumenical newspapers, televised telethons and direct mail campaigns.

OFFERING MORTGAGE ALTERNATIVES TO FIRST TIME HOMEBUYERS: To assist first time homebuyers in Arizona in finding alternatives to predatory lending practices, the Arizona Housing Finance Authority (AzHFA) will offer low-interest mortgage products along with down payment/closing cost assistance and homebuyer counseling to promote homeownership in fourteen (14) counties in Arizona.

ACCESS TO AFFORDABLE RENTAL OPPORTUNITIES: To assist low-income Arizonans in finding decent, affordable rental units throughout the State, ADOH sponsors a web-based search engine through socialserve.com which provides information on affordable rental units financed by ADOH and other public funders. The search engine also allows for searches by certain ADA related accommodations for disabled renters.

FAIR HOUSING ACTIVITIES: During its annual monitoring visits to the rental properties financed by the Department, ADOH will continue to check that a fair housing sign is visible in the property's Leasing Office. ADOH will also inquire whether the property has had any fair housing complaints or legal actions against it.

ANNUAL ARIZONA HOUSING FORUM: ADOH continues to host an annual statewide housing conference to promote affordable, fair housing choices throughout Arizona. During the event, approximately 400 attendees attend sessions on a myriad of topics ranging from best practices in development and design, to fair housing and addressing the housing needs of the homeless and special needs populations.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG): The CDBG program provides oversight of and technical assistance to units of local government to assure compliance with fair housing regulations. To demonstrate compliance with Affirmatively Furthering Fair Housing, local governments must at a minimum: 1) adopt a Fair Housing Proclamation or Resolution annually; 2) display a Fair Housing poster in at least one (1) public area of the community's administration building/office year round; and 3) undertake at least one (1) additional action. The additional action must be specifically

designed to further fair housing and/or educate the public about fair housing laws. Further guidance is provided to units of local government in the State's CDBG Administration Handbook, Section 4, available for download on the ADOH website. Additionally, units of local government receive a reminder each March that April is National Fair Housing Month and that they are required to demonstrate compliance annually whether or not they have open CDBG funded projects.

AP-80 Colonias Actions – 91.320(j)

Introduction:

According to Section 916 of the Cranston-Gonzalez Act of 1990, a “Colonia” is any identifiable community that: 1) Is located within 150 miles of the border between the United States and Mexico, except within any standard metropolitan statistical area that has a population exceeding 1,000,000; 2) Is designated by the State or county in which it is located as a Colonia; 3) Is determined to be a Colonia on the basis of objective criteria, including the lack of potable water supply, lack of adequate sewage systems and lack of decent, safe and sanitary housing; and 4) Is generally recognized as a Colonia before the enactment of the National Affordable Housing Act of 1990. HUD mandates the State expend at least ten percent (10%) of its CDBG project allocation in the areas designated as Colonias. Arizona has sixty-three (63) designated Colonias existing in the southern counties of, Cochise, Gila, Graham, Greenlee, La Paz, Pima, Santa Cruz, and Yuma as well as on the Cocopah and Tohono O’odham Indian Reservation. The State of Arizona has a partnership with the regional Councils of Governments (COGs) in Arizona to provide both technical and administrative assistance to these CDBG eligible grantee communities. The State sets aside ten percent (10%) of its CDBG funds for infrastructure and housing activities within Colonias. Please refer to the following web page for the list of designated Colonias:

https://housing.az.gov/sites/default/files/documents/files/Arizona%20Designated%20Colonias_0.pdf.

Actions planned to address obstacles to meeting underserved needs

The largest obstacle to meeting underserved needs on Colonias is funding. ADOH will issue a funding notice, once every two (2) years, to solicit projects located in eligible, designated Colonias. All cities, towns, counties and tribal reservations that contain either geographically defined neighborhoods or unincorporated communities designated as Colonias and that are eligible to receive CDBG Colonia Set Aside funding through ADOH are eligible to apply for these funds. Maricopa and Pinal Counties, as well as the communities and tribal reservations located within those counties, are excluded from eligibility for Colonias funding. Under this funding, ADOH is able to serve eligible designated Colonia in Pima County, although the county is not eligible to receive other CDBG funds from ADOH.

Actions the state plans to take to reduce the number of poverty-level families

State CDBG Colonia Set Aside funds primarily water and wastewater treatment as these have been identified as the highest priority issues affecting Arizona Colonias communities. Colonias funding is awarded through a competitive process once every two (2) years and allows potential for sufficient funding to complete very large projects. Scoring criteria emphasizes demonstrated need, poverty statistics and whether the project will completely eliminate issues relating to water, wastewater and housing within the Colonia. Addressing these issues improves sustainability and quality of life issues for residents who could not afford to pay increases in water or sewer service fees that would be required if the community were trying to fund improvements on their own.

Actions the state plans to take to develop the institutional structure

The State of Arizona has a partnership with the regional Councils of Governments (COGs) in Arizona to provide both technical and administrative assistance to these CDBG eligible grantee communities. Working with the Arizona Balance of State COC (which includes areas of the State where Colonias are common), ADOH encourages the publication of the availability of homelessness services. Families that are “doubled-up” or otherwise possibly at risk of homelessness will be provided information about available services in the areas closest to the Colonia.

Specific actions the state plans to take to enhance coordination between public and private house and social service agencies

The Arizona Department of Housing hosts the Arizona Housing Forum. The Forum is a two (2) day professional housing conference that studies recent trends and ideas in affordable housing, while addressing more common issues in discussion oriented sessions. The Forum is well attended (390 attendance in 2014) and registrants represent a diverse cross section through government, non-profit and for profit entities.

Discussion:

The State began offering Colonia Set Aside funding through this competitive process combining two (2) years of set aside funds in 2010. Since that time, three (3) large scale projects have been awarded that will each positively affect thousands of Colonias residents. The State has determined this to be a successful implementation of its method for distribution for Colonias Set Aside funds and will continue this process in the future.

AP-85 Other Actions – 91.320(j)

Introduction:

There are several obstacles Arizona will face in implementing the five (5) year strategies. The limited amount of funds available to meet the many needs of Arizona residents is possibly the most significant barrier. Recent federal and State cutbacks in social services programs will limit the amount of assistance that can be provided over the next five (5) years. There remains a number of significant obstacles to meeting underserved needs in Arizona: 1) rapid population growth; 2) inadequate funding to acquire and rehabilitate all existing housing units in need of repair; 3) lack of knowledge of social services and service providers in Arizona for low-income residents; 4) lack of funding to address the huge amount of unmet need that exists for affordable housing, infrastructure and facility improvements and social services; 5) absence of service providers: the geographically expansive service areas in rural Arizona make it nearly impossible for providers to maintain a consistent, physical presence in most communities; this is further complicated by the limited ability of many low-income residents to travel for services; 6) lack of capacity in existing agencies: many service providers experience higher than average attrition rates among their employees; recruitment and retention of staff continues to be a challenge; and 7) lack of consensus: stakeholders within a particular jurisdiction often do not agree on priority needs and this can lead to little action.

Actions planned to address obstacles to meeting underserved needs

The State will continue to provide technical assistance to increase capacity of agencies or local governments implementing programs funded by ADOH. Additionally, the State will continue to be the lead agency for the Balance of State COC to encourage and develop the capacity of service providers in the rural parts of the State. Finally, the State will encourage its funded agencies and units of local government to seek other private or public funding opportunities to leverage sufficient funds to complete projects or provide services to a greater number of eligible beneficiaries.

Actions planned to foster and maintain affordable housing

ADOH will continue to foster and maintain affordable housing in Arizona through multiple programs designed to provide low- and moderate income households with affordable and sustainable rental and ownership opportunities.

Actions planned to reduce lead-based paint hazards

ADOH requires grantees to comply with the HUD lead-based paint regulations implementing Title X of the Housing and Community Development Act of 1992. These regulations cover the CDBG, HOME, ESG and HOPWA programs, and identify the appropriate type of activity to control lead paint hazards in projects using federal funds.

ADOH has adopted long-term goals to promote affordable housing and community development. These goals, as applied to lead-based paint hazards, become ADOH's lead-based paint strategy. Arizona's strategy objectives are: 1) collaborate with local cities and counties to reduce housing-related lead-based paint hazards, especially for low-income families and children; 2) encourage risk assessment for lead-based paint being part of every home inspection; 3) refer families with children to Arizona

Department of Health Services, Office of Environmental Health for blood testing if lead-based paint is found in units proposed for rehabilitation. The Arizona Department of Health Services maintains the lead exposure registry for Arizona. The program develops lead poisoning prevention programs, investigates cases with elevated blood lead levels, and conducts educational outreach activities.

In recent years, ADOH has undertaken a wide range of activities to address the problem of lead-based paint in the housing stock. The Arizona Lead Poisoning Screening Coalition and the Arizona Department of Health Services recommends screening children six (6) years of age and younger according to the Childhood Lead Poisoning Targeted Screening Plan. These steps will hopefully prove important in assuring the long-term health and stability of lower-income children who are living in substandard housing.

In FY2015, ADOH plans to fund lead-based paint hazard reduction primarily through housing rehabilitation programs for owners and renters.

The State of Arizona will encourage training, education and other resources related to lead based paint hazards, and will require that grantees and sub grantees utilize staff and contractors that have the appropriate training and certification. The Arizona Department of Housing is a member of the Arizona Partnership for Healthy Communities, a body organized which meets quarterly to review current issues related to LBP and other health issues related to housing.

Actions planned to reduce the number of poverty-level families

ADOH has an anti-poverty strategy that is based on revitalizing the State of Arizona's existing housing stock to provide safe and decent places to live and supporting community organizations and local agencies that provide various services that promote income and housing stability.

ADOH's approach for reducing the number of poverty level families includes: 1) addressing the needs caused by poverty; 2) increasing the supply and availability of decent, safe and affordable housing necessary for low income families; and 3) increasing the effectiveness of existing programs through better collaboration and increased efficiency of implementation. While ADOH is focused on the provision of affordable housing and needed community development programs and projects, especially in rural areas of Arizona, ADOH works with and encourages job retention, training and creation through the use of programs by other State agencies, local jurisdictions and non-profit organizations.

Further, recognizing the collaborative relationship between affordable housing and human, social and supportive services, ADOH has established, and continues to strengthen, partnerships with the DES, the Community Services Administration, the Family Assistance Administration, the Aging and Adult Administration, the Arizona Early Intervention Program, the Arizona Department of Health Services, the Arizona Health Care Cost Containment System, the Arizona Department of Veterans Services, the Arizona Commerce Authority and the Governor's Office for Children, Youth and Families.

Actions planned to develop institutional structure

ADOH is a department of Arizona State government. ADOH is headed by a Governor-appointed director who oversees all activities of the agency, including the provisions of this plan. The activities prescribed in the plan are implemented primarily by partners, including local governmental entities (towns, cities, counties), public housing authorities, non-profit and for-profit entities and tribal entities. Awards of State and federal grants and loans are based on the ability of an entity to demonstrate the capacity to undertake eligible activities through a written application process. ADOH works in conjunction with the four (4) COGs to develop a plan for the targeting and distribution of CDBG funds.

ADOH provides funding to non-profit agencies located in Arizona that serve low-income households. These non-profits provide assistance for affordable low-income housing to special needs and homeless populations. The private sector is an important collaborator in the services and programs associated with the federal grants for housing and community development. The private sector brings additional resources and expertise that can be used to supplement existing services or fill gaps in the system. Lenders, affordable housing developers, business and economic development organizations and private service providers offer a variety of assistance to residents such as health care, small business assistance, home loan programs and supportive housing, among others.

The State of Arizona has twenty-two (22) federally recognized tribes located within the conformed boundaries of the State. The tribes within Arizona are vastly different from one another and are recognized as self-governing entities that regulate laws under their respective tribal jurisdictions. Tribes in Arizona vary in size from the largest federally recognized tribe, Navajo Nation, which is located in four (4) states that include Arizona, Utah, New Mexico and Colorado, and totals sixteen (16) million acres and 280,000 in population. The smallest tribe in Arizona is the Tonto Apache, located in Payson, with a current land base of seventy-five (75) acres and a population of 122. Within Arizona, sixteen (16) tribes currently receive a formula-driven grant known as the Indian Housing Block Grant for development and maintenance of existing housing. The formula-driven grant was enacted in 1996 and is based on various factors that include population, poverty, current assisted stock and overcrowding conditions. These funds are received on an annual basis by the tribe or tribal-designated housing entity and can be used for a number of activities.

ADOH operates the Arizona Public Housing Authority (PHA). Information derived from operating the PHA provides an accurate and recent view of public housing needs and trends for which planning efforts can be designed to address. The responsibilities entail administering a Housing Choice Voucher Program (HCVP) for Yavapai County. HCVP provides rental subsidy payments for approximately 159 very low-income households. Of the 159 vouchers, seventy (70) are restricted to assist homeless veterans through the VASH program. ADOH works closely with the Veterans Administration Medical Center to identify those in need. The PHA also administers approximately eighty-six (86) portable vouchers for Section 8 participants porting in from housing authorities throughout the country. The Arizona PHA also has a competitively-awarded contract to operate the Section 8 project-based program throughout the State, which entails administering approximately 114 HUD-subsidized rental properties, comprised of over 8,000 rental units. Through this program, participating properties are subsidized, allowing very low-income tenants to pay approximately thirty percent (30%) of their incomes toward rent.

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

ADOH is committed to continuing its participation and coordination with federal, State, regional and local agencies, as well as with the private and non-profit sector, to serve the needs of low-income individuals and families in the community. The Arizona Department of Housing hosts the Arizona Housing Forum. The Forum is a two (2) day professional housing conference that studies recent ideas and trends in affordable housing, while addressing more common issues in discussion oriented sessions. The Forum is well attended (390 in attendance in 2014) and registrants represent a diverse cross section through government, non-profit and for-profit entities.

Discussion:

Through the implementation of its programs, the State combats issues with underserved populations, reduces lead paint hazards, develops the capacity of service providers and sub-grantees, addresses issues of poverty and forms strong partnerships with private housing and social service agencies. ADOH is able to assess all of these needs through its planning efforts with the Balance of State Continuum of Care (BOSCO), the Rural County of Governments (COGs), Consolidated Plan Hearings, the Arizona Commission on Homelessness and Housing, the ADOH Housing Forum and through daily interaction with providers and industry professionals. ADOH requires strict adherence to performance standards which ensures these multiple objectives are accomplished.

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

The following is a description of the specific requirements for programs covered by this one (1) year consolidated Action Plan including CDBG, HOME and ESG.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two (2) or three (3) years may be used to determine that a minimum overall benefit of seventy percent (70%) of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)**

- 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

ADOH will invest HOME only in accordance with 24 CFR part 92.205 funds in single family housing rehabilitation in Arizona. A competitive advantage will exist in each NOFA for areas of the State that do not have access to other HOME funds CDBG funds. ADOH will invest HOME funds in rental development in all areas of the State.

- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

ADOH will not invest HOME funds in homebuyer activities for the FY2015 Action Plan year.

- 3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

Assistance to eligible beneficiaries is subject to recapture. The recapture period is based on the amount of State funds invested in the unit, as follows: State investment per unit of less than \$15,000 is five (5) years; between \$15,000 and \$40,000 is ten (10) years; and over \$40,000 is fifteen (15) years. New construction, regardless of amount, has a twenty (20) year affordability requirement. Recapture provisions are as follows: In the event the assisted property is transferred prior to the expiration of the applicable period of affordability, net proceeds shall be distributed as follows: 1) the Net Resale Proceeds for the Property shall be determined. 2) the amount of State funds plus the amount of interest due (if any) shall be determined. 3) the Borrower's Down Payment, Principal Payments and the Value of Improvements as evidenced by receipts provided by the borrower shall be summed, and this shall be called Borrower's Equity. The Net Resale Proceeds shall be distributed as follows: if the Net Resale Proceeds are sufficient to cover the ADOH investment, including any interest due and the Borrower's Equity, the ADOH investment and any interest due shall be recaptured and the Borrower shall be entitled to receive Borrower's Equity and any amount remaining from Net Resale Proceeds after payment of the ADOH investment and any interest due and Borrower's Equity. If the Net Resale Proceeds are not sufficient to repay the ADOH investment including any interest due and the Borrower's Equity, the Borrower shall be entitled to receive the Borrower's Equity, and any amount remaining from Net Resale Proceeds, after payment of the Borrower's Equity, shall be recaptured. In the event of foreclosure, transfer in lieu of foreclosure or assignment of an FHA mortgage to HUD, recapture provisions shall terminate.

- 4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

ADOH does not use investment of HOME funds to refinance multi-family housing debt.

**Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)****1. Include written standards for providing ESG assistance (may include as attachment)**

The DES Homeless Coordination Office requires all sub-contractors to adhere to program policies and procedures in accordance with the federal HEARTH Act. In addition, sub-contractors must adhere to the State of Arizona, DES written standards and terms and conditions. Eligible activities include: 1) Temporary Emergency Shelter; 2) Rapid Re-Housing; 3) Homeless Prevention; and 4) Street Outreach.

The target populations: At least sixty percent (60%) of all Rapid Re-Housing and/or Homeless Prevention participants shall represent at least one (1) of the priority population criteria: 1) chronically homeless; 2) disabled; 3) experiencing substance abuse issues; 4) being "released from an institution"; 5) being released from a substance abuse facility; 6) aging or aged-out of child foster care; 7) domestic violence survivor; 8) youth eighteen (18) to twenty-four (24) years of age; 9) veterans; or 10) sixty-two (62) years of age or older.

The sub-contractor shall provide all services in a culturally relevant manner for the population to be served; participate in the Coordinated Assessment System; maintain a case file for each participant with all required items as recommended by DES; maintain appropriate documentation of participant eligibility; ensure no income barriers are associated with initial eligibility for services and programs; provide Case Management services at least monthly and document progress toward independence; complete required Self Sufficiency Matrix in HMIS at program entry and exit; assist all participants to obtain mainstream services and benefits such as housing, health care, social services, employment and education; attend at least seventy-five percent (75%) of Continuum of Care meetings annually.

Sub-contractors are required to adhere to standard performance measures and outcomes which consist of: 1) seventy-five percent (75%) of participants improve in overall required assessment tool score from participant entry to participant exit; 2) sixty percent (60%) of participants who exit the Rapid Re-Housing program, exit to permanent housing during the program year; 3) seventy-five percent (75%) of Rapid Re-Housing participants who exit the Rapid Re-Housing program score at least a four (4) on the Self Sufficiency Matrix, 4) sixty percent (60%) of Rapid Re-Housing participants meet at least one (1) of the priority populations criteria and 5) forty percent (40%) of Temporary Emergency Shelter clients exit to positive permanent housing situations during the program year.

Sub-contractors are required to submit monthly, quarterly and annual program and financial reports: Monthly Reports 1) Copies of the completed Rapid Re-Housing Eligibility Determination form for each participant with initial billing; 2) Copies of all receipts and/or copies of checks with detailed costs issued for Housing Relocation and Rental Financial Assistance for each Rapid Re-Housing participant served; 3) Rapid Re-Housing Tracking Sheet with invoices; 4) Accurate and complete Contractor's Invoice and Statement of Expenditures. Quarterly Reports 1) On the fifteenth (15th) of the beginning of each quarter provide a completed Temporary Emergency Shelter, Rapid Re-Housing Data and Homeless Prevention Report of demographic and exit data. Annual Reports 1) Funding Expenditure Report for the prior year; and 2) Completed ESG report as required by DES.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

In Arizona, the three (3) Continua of Care (Balance of the State, Phoenix/Mesa/Maricopa County and Tucson/Pima County) provide collaborative leadership and support in the design and implementation of a Coordinated Assessment System for individuals and families to access homeless assistance and services within their Continuum. These services consist of prevention and diversion, emergency shelter, transitional housing, rapid re-housing and permanent supportive housing. Each Continuum has established a resilient system and process in accordance with the goals and objectives identified in the HEARTH Act. Although, the regions have unique and distinctive community needs and characteristics, each Continuum coordinated assessment system and design captures the core elements as recommended by HUD. These elements are comprised of centralized/multiple-entry access point(s); accurate and knowledgeable information about available services and programs; real-time awareness on program inventory, capacity and availability; implementation of an effective referral and waitlist management process; a robust screening and assessment process using a universal assessment tool; and a comprehensive enrollment, admission and decision criteria to identify appropriate intervention and practices.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG funding is allocated based on the percent of homeless served and counted, as represented in the annual demographics report and the annual Point in Time count, submitted to the Homeless Coordination Office each year by each Continuum of Care. The cumulative percent is then set as a target for the percent of total available funding to be awarded in each of the three (3) Continua of Care. Funds are then awarded through contracts with specific providers from each Continuum as long as there are enough providers who qualify for funding based on the RFP selection process.

Contracts are awarded based on the needs of the service area and available service providers. The DES will award contracts through a competitive request for proposal (RFP) process. Proposals are reviewed by a panel comprised of internal staff, Continua of Care and community partners. Proposals are assessed using the rating system published in each RFP. The rating system may include service methodology, experience and expertise, cost and other factors deemed relevant.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Homeless Coordination Office has currently worked with Arizona State University to bring on board a formerly homeless intern to conduct focus groups with and compile a study of homeless and formerly homeless individuals in State funded Emergency Shelters, Rapid Re-Housing and SSVF programs. The completed report should be finished in June of 2015. Additionally, two (2) of the three (3) Continua of Care and the Arizona Coalition to End Homelessness have a formerly homeless person on their boards.

5. Describe performance standards for evaluating ESG.

All service providers and agencies contracting with DES submit ESG program reports monthly and quarterly attached to fiscal claims for reimbursement that are designed to capture client data, fiscal expenditures billed and services provided. At least once each year, DES will conduct desk reviews of the programs and at least once every two (2) years, a comprehensive audit and site visit will be conducted of the program and facilities. Upon completion of the review and audits conducted, each ESG provider will receive a written report, prepared with findings and recommendations for corrective actions if necessary, with specific deliverable dates for completing corrective actions. Additionally, sub-contracts with the State Homeless Coordination Office to provide homeless services include the following performance outcomes:

- 1) seventy-five percent (75%) of participants improve in overall required Self Sufficiency Matrix score from participant entry to participant exit;
- 2) sixty percent (60%) of participants who exit the Rapid Re-Housing program, exit to permanent housing during the program year;
- 3) seventy-five percent (75%) of Rapid Re-Housing participants who exit the Rapid Re-Housing program score at least a four (4) on the Self Sufficiency Matrix;
- 4) sixty percent (60%) of Rapid Re-Housing participants meet at least one (1) of the priority populations criteria; and
- 5) forty percent (40%) of Temporary Emergency Shelter clients exit to positive permanent housing situations during the program year.

Discussion:

All programs administered by the State have written performance policies, criteria and standards available for applicants (non-profit, for-profit, units of local government, service providers) to review and/or download from the ADOH and AzDES websites. In addition, these policies are included in the State's five (5) year Consolidated Plan which is also available for review or download from the ADOH website. Staff is available to provide technical assistance on an as needed or as requested basis.

Appendices

1110 W Washington #310 Phoenix AZ 85007