



Arizona
Department
of Housing

2023-2024 Weatherization Assistance Program State Plan

and

2023-2024 HUD Annual Action Plan

PUBLIC HEARING

Wednesday April 5, 2023

HEARING FORMAT



Arizona
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Review and take comments on Weatherization Assistance Program Annual Plan

- ▶ Presenters: Kathy Blodgett, ADOH Community Development and Revitalization Programs Administrator and Travis Ekenberg, Weatherization Assistance Program Manager

Review and take comments on FY2023 Annual Action Plan, RHP Plan Substantial Amendment and HOME-ARP Allocation Plan Substantial Amendment

- ▶ Presenter: Martina Kuehl, Kuehl Enterprises LLC



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Weatherization Assistance Program Annual State Plan



Weatherization Assistance Program (WAP)

- Increases energy efficiency while ensuring health and safety of household.





WAP Funding Sources in Arizona

- U.S. Department of Energy - \$2.3 Million Annual Allocation – \$160K possible carryover from PY22.
 - Includes estimate of \$438K for Training & Technical Assistance – split with Sub-grantees
 - Anticipate approximately 178 households assisted.
- U.S. Department of Health and Human Services (LIHEAP) - Estimate \$4.28 Million (Actual Allocation has yet to be released from DHHS)
 - Anticipate approximately 250 households assisted.
- Southwest Gas Corporation (SWG) - \$427K
 - Anticipate approximately 120 households assisted.
- Arizona Public Service (APS) – \$3.1M
 - Anticipate approximately 281 households assisted



WAP Annual State Plan

- Required by Department of Energy (DOE) for distribution of DOE grant funding only.
 - 4 main sections
 - Budget
 - Annual File – determines Sub-grantee allocation amounts and numbers of households assisted.
 - Master File – determines client eligibility, Program Management, Monitoring and Training and Technical Assistance.
 - Health and Safety Plan
- Annual Plan for LIHEAP is prepared by AzDES
 - In consultation with ADOH
 - Federal funds distributed to AzDES who funds ADOH through an Inter-governmental Agreement
- SWG funding directed by Az Corporation Commission.
 - Allocation has been set at \$427,000 for several years
- APS Funding directed by AZ Corporation Commission.
 - New to ADOH as of January 1, 2023



WAP Annual State Plan (DOE)

- Currently 10 Sub-grantee Weatherization Providers awarded by method of distribution that considers service area, populations and poverty statistics.

Community Action Human Resources Agency (CAHRA)	Northern Arizona Council of Governments (NACOG)
Foundation for Senior Living Home Improvement (FSL Tucson)	Phoenix, City of
Gila County	Pima County
Maricopa County	Southeastern Arizona Community Action Program (SEACAP)
Mesa Community Action Network (MesaCAN)	Western Arizona Council of Governments (WACOG)

- Maximum DOE allowable average investment per unit \$8,250
- Priority households are:
 - Elderly (at or above sixty (60) years of age)
 - Persons with disabilities
 - Households with Children at or below the age of 5 years.
 - Households with high energy burden (Low income households who spend 6% or more of their income on energy bills.



WAP Annual State Plan (DOE)

- First (1st) Draft plan written in February 23, 2023 for internal WAP Staff review
- Subsequently distributed draft #2 on March 3, 2023 to WAP Technical Committee and WAP Sub-grantees requesting comments and input.
- Draft #3 was distributed to the WAP Policy Advisory Council on March 14, 2023 requesting comments and input.
- Held Policy Advisory Council Meeting March 15, 2023 to discuss plan and receive any recommendations
- Final Draft for public comment was posted to ADOH website on March 21, 2023.
 - Public Comment will be accepted through April 30, 2023.
- Final WAP Annual State Plan is due to DOE by May 1, 2023.



WAP Annual State Plan (DOE)

- ▶ Comments for the WAP State Plan can be directed to:

Travis Ekenberg, ADOH Weatherization Assistance Program Manager

travis.Ekenberg@azhousing.gov

OR

Kathy Blodgett, PCED, ADOH CD&R Programs Administrator

Kathy.Blodgett@azhousing.gov

COMMENTS OR
QUESTIONS



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Weatherization Assistance Program Annual Plan



FY2023 HUD Annual Action Plan

FY2023 Annual Action Plan



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- Addresses goals and objectives identified in the FY2020-FY2024 Consolidated Plan
- Describes methods of distribution for and establishes annual goals and objectives for HUD Community Planning and Development resources

FY2023 Annual Action Plan -Formula Resources



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- HUD CPD Programs
 - Administered by Arizona Department of Housing
 - Community Development Block Grant (CDBG) - **\$9,905,563**
 - HOME Investment Partnerships Program (HOME) - **\$6,798,544**
 - Housing Opportunities for Persons with AIDS (HOPWA) - **\$608,782**
 - National Housing Trust Fund
 - Administered by Arizona Department of Economic Security
 - Emergency Solutions Grant - **\$1,766,224**



FY2023 Annual Action Plan - NHTF

- Awaiting FY2023 National Housing Trust Fund Allocation
 - Expected funding approximately **\$5,766,566**
 - Roughly 50% decrease from FY2022
 - Annual Action Plan will be amended to reflect actual allocation
 - Administration 10% and Rental Housing 90%
 - If allocation is higher = proportionate increase
 - If allocation lower = proportionate decrease



Leverage and Matching Fund Resources

- ▶ Housing
 - ▶ State Housing Trust Fund
 - ▶ Section 811 Project Rental Assistance for people with developmental disabilities
 - ▶ Low-income Housing Tax Credits – federal and state
 - ▶ Arizona Industrial Development Authority HOME PLUS mortgage program
 - ▶ Local and Private – financing, equity, local donations, in-kind contributions, etc.
- ▶ Homelessness
 - ▶ Continuum of Care funding
 - ▶ Veterans Affairs Supportive Housing vouchers for rent subsidies to Veterans experiencing homelessness
 - ▶ State Housing Trust Fund
 - ▶ Arizona Lottery
 - ▶ General fund appropriations
- ▶ Leverage resources are not included in Annual Action Plan goals and objectives



CDBG Method of Distribution, Funding & Goals

Method of Distribution

- Administration
 - 2% + \$100,000/year and 1% for technical assistance
- 10% Colonias Set Aside
 - Competitive applications
 - Every 2 years - combined funding
 - Next NOFA in 2024
- Remaining Funds
 - 85% Noncompetitive Regional Account
 - Based on regional method of distribution
 - Two applications if one is for a public service or planning
 - 15% Competitive State Special Projects
 - Infrastructure & housing
 - \$500,000 maximum

Funding and Goals

- Community Facilities & Improvements
 - 65% - \$6.44M
 - 20,000 people (non-housing)
 - 20 households (housing)
 - Demolish 1 building
- Public Services
 - 1% - \$99,056
 - 1,250 people
- Decent Affordable Housing
 - 20% - \$1.99M
 - Rehabilitate 12 owner-occupied units

HOME Method of Distribution and Funding Goals



Method of Distribution

- 10% Administration
- 15% CHDO set-aside
 - Rental Housing Development
- Not less than \$2.5M for Owner-occupied Housing Rehabilitation
 - Priority to non-metro areas
- Remaining funds for Rental Housing Development – approximately \$2.6 million
 - Focus on new construction
 - Acquisition and/or rehabilitation eligible
- Notice of Funds Availability
 - Stand-alone or LIHTC gap financing
 - May be combined with NHTF, State Housing Trust Fund

Funding Goals

- Owner-occupied Housing Rehabilitation
 - 35 units
- Rental Housing
 - Acquisition/Rehabilitation
 - 5 units
 - New Construction
 - 75 units



NHTF Method of Distribution and Funding Goals

Method of Distribution

- 10% Administration
- 90% for New Construction of Rental Housing
 - Extremely low-income households
- Notice of Funds Availability
 - Stand-alone or LIHTC gap financing
 - May be combined with HOME, State Housing Trust Fund

Funding Goals

- Rental Housing Construction
 - 25 units



HOPWA Method of Distribution and Funding Goals

Method of Distribution

- 3% ADOH Administration
- Up to 7% Project Sponsor Administration
 - Project Sponsors reviewed annually
- Remaining funds for housing and services for people with HIV/AIDS and their families

Funding Goals

- Essential Services, Permanent Housing Placement & Housing Information Services
 - 50 people
- Short-term Rent, Mortgage & Utility Assistance
 - 50 households
- Tenant Based Rental Assistance
 - 25 households



ESG Method of Distribution and Funding Goals

Method of Distribution

- 7.5% Administration
- Remaining funds for shelter and services
- Intergovernmental Agreements or Competitive Request for Proposals
 - Combined with other homelessness funding
 - Grantees must participate in a Continuum of Care

Funding Goals

- Street Outreach & Services
 - 600 people
- Rapid Rehousing
 - 400 households
- Homelessness Prevention
 - 150 households
- Shelter Operating
 - 6,000 people
- Shelter Improvements & Development
 - 20 shelter beds added

COMMENTS OR
QUESTIONS



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FY2023 Annual Action Plan



Recovery Housing Program (RHP) Plan Substantial Amendment

For FY2022 and FY2023 Funding



RHP Overview

- Under the CDBG program umbrella
 - Occupants must be primarily low-income (less than 50% AMI)
 - Presumed benefit
 - People living in poverty, AHCCCS eligible/enrolled and other CDBG presumed benefit populations
 - Cross-cutting regulations
- Recovery Housing Definition
 - Voluntary
 - Safe
 - Substance-free
 - Temporary – up to 24 months
 - Wrap-around services on-site or with local providers
 - Not less than 4 beds
 - Non-congregate shelter facilities or individual rental units



Individual/Person in Recovery

1. Is abstaining from use of alcohol, illicit drugs, and non-prescribed medications, and making informed healthy choices that support physical and emotional well-being.
2. Has a stable and safe place to live (with RHP assistance).
3. Is engaging in meaningful daily activities, such as a job, school, volunteerism, family caretaking, or creative endeavors.
4. Is working towards independence, and securing the income and resources necessary to participate in society.
5. Is engaging in relationships and social networks that provide support.



RHP Plan Substantial Amendment

- Includes FY2022 (\$917,922) and FY2023 (\$1,174,274)
 - **\$2,092,196** Total
 - ADOH technical assistance – 3%
 - ADOH administration – 5%
- Notice of Funds Available
 - Grants for new construction, acquisition and/or rehabilitation of housing or facilities
 - Goal: serve 8 individuals in recovery with 8 individuals annually exiting to permanent housing
 - Priority to non-metro counties with age-adjusted drug overdose mortality rates higher than statewide average
 - La Paz, Gila, Yavapai, Mohave, Cochise, Graham

COMMENTS OR
QUESTIONS



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Recovery Housing Program Plan Substantial Amendment for FY2022 and FY2023 funds



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HOME-ARP Allocation Plan Substantial Amendment

Part of FY2021 Annual Action Plan



ADOH HOME-ARP Qualifying Populations Overview

- Homeless per CoC and ESG definition, regardless of income
 - Except fleeing or attempting to flee violence
- At risk of homelessness per CoC definition
- Fleeing or attempting to flee
 - Domestic violence, dating violence, sexual assault, stalking, sex/labor trafficking
- Previously homeless, now temporarily housed, and without additional assistance will become homeless again
- Household income < 30% AMI and paying 50% or more of income for housing



HOME-ARP Allocation Plan Substantial Amendment

- Adds a preference for individuals and families experiencing homelessness in all HOME-ARP activities
 - Non-congregate Shelter
 - Rental Housing
 - Supportive Services
- Establishes order in which individuals and families are admitted to or selected for occupancy by subrecipients, service providers and owner/developers
 - Does not change eligible beneficiaries
 - Does not exclude individuals and families from other qualifying populations from applying for shelter, housing or supportive services

COMMENTS OR
QUESTIONS



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HOME-ARP Allocation Plan Substantial Amendment to FY2021 Annual Action Plan

SUBMIT WRITTEN
COMMENTS TO:

publiccomment@azhousing.gov



- RHP Plan Substantial Amendment
 - Written comments through April 15, 2023
- FY2023 Annual Action Plan
- HOME-ARP Allocation Plan Substantial Amendment
 - Written comments through April 30, 2023

NEXT STEPS

- FY 2023 HUD Annual Action Plan and HOME-ARP Allocation Plan Substantial Amendment
 - Submitted to HUD by May 15, 2023
 - 45-day HUD review
- RHP Plan Substantial Amendment
 - Submitted to HUD by May 1, 2023
 - 45-day HUD review

Annual Action Plan Contacts



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