



Arizona
Department
of Housing

2024-2025 Weatherization Assistance
Program State Plan
2024-2025 HUD Annual Action Plan

PUBLIC HEARING

Wednesday April 10, 2024

HEARING FORMAT

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 PY2024 Annual Action Plan

- ▶ 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 – \$300K possible carryover from PY22 and PY23. *****FY 24 DOE Appropriations have not been released yet (as of 3.19.24). The allocations and production goals currently detailed in the FY 24 Plan will be updated as soon as any information is released. Carryover will also be included from PY22 & PY23 at that time.*****
- 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
- Salt River Project (SRP - \$875K)
 - Anticipate approximately 76 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. This is a calendar year (CY) contract (Jan-Dec) and APS has provided the same allocation as CY 23.
- SRP Funding
 - New to ADOH as of July 1, 2023. This funding follows the State Fiscal Year (FY) and is anticipated to have level funding for FY 24.



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
Foundation for Senior Living Maricopa County (FSL MC)	Southeastern Arizona Community Action Program (SEACAP)
Mesa Community Action Network (MesaCAN)	Western Arizona Council of Governments (WACOG)

- Maximum DOE Annual Allocation Funding allowable average cost per unit (ACPU) is set at \$8,497 for FY 24
- 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 on February 6, 2024 for internal WAP Staff review
- Subsequently distributed draft #2 on February 15, 2024 to the entire WAP Network including the WAP Technical Committee, WAP Policy Advisory Council, and all WAP Sub-grantees, requesting comments and input.
- Draft #3 was distributed specifically to the WAP Policy Advisory Council on February 26, 2024 requesting comments and input.
- Held Policy Advisory Council Meeting February 28, 2024 to discuss plan and receive any recommendations
- Final Draft for public comment was posted to ADOH website on March 20, 2024.
 - Public Comment will be accepted through April 19, 2024.
- Final WAP Annual State Plan is due to DOE by May 3, 2024.



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



FY2024 HUD Annual Action Plan

FY2024 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



FY2024 Annual Action Plan -Formula Resources

- HUD CPD Programs (PY2023 Allocations)
 - 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**
 - Administered by Arizona Department of Economic Security
 - Emergency Solutions Grant - **\$1,766,224**
- National Housing Trust Fund (Freddie Mac and Fannie Mae assessments) - **\$5,766,566**



FY2024 Annual Action Plan Allocations

- Awaiting FY2024 HUD CPD and National Housing Trust Fund Allocations
 - Expected funding lower for HOME and National Housing Trust Fund
 - Annual Action Plan will be amended to reflect actual allocations before submitting to HUD
 - Actual funding announced through Information Bulletin
 - CDBG, ESG, HOPWA, National HTF
 - Proportionate increase/decrease in administration & activities
 - HOME
 - 10% program administration, \$2.5 million for owner occupied rehabilitation, remainder for rental housing



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.
 - ▶ State legislature appropriations
- ▶ 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
 - NOFA expected this year
- 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
 - 8,000 people (non-housing)
- Public Services
 - 1% - \$99,056
 - 150 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 gap financing and 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
 - 33 units
- Rental Housing
 - Acquisition/Rehabilitation
 - 5 units
 - New Construction
 - 25 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
 - 30 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
 - 75 people
- Short-term Rent, Mortgage & Utility Assistance
 - 60 households
- Tenant Based Rental Assistance
 - 31 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
 - 700 people
- Rapid Rehousing
 - 500 households
- Homelessness Prevention
 - 300 households
- Shelter Operating
 - 8,000 people
- Shelter Improvements & Development
 - 10 shelter beds added

COMMENTS OR
QUESTIONS



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FY2024 Annual Action Plan

Annual Action Plan Contacts



Kathy Blodgett

CD&R Programs Administrator
602-771-1021

Kathy.Blodgett@azhousing.gov

Melanie Brewer

Rental Programs Administrator
602-771-1031

Melanie.Brewer@azhousing.gov

David Bridge

Special Needs Programs Administrator
602-771-1085

David.Bridge@azhousing.gov

Jowan Thornton

Bureau Chief, Housing, Homelessness &
Interpersonal Violence
480-793-9035

jowanthornton@azdes.gov