



Arizona  
Department  
of Housing

# State of Arizona PY2022-2023 Action Plan

**FOCUS GROUP MEETING**  
Thursday August 19, 2021

# MEETING PURPOSE AND FORMAT



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## Purpose

- Discuss
  - Priorities in the context of changing conditions
  - Efficacy of Methods of Distribution

## Format

- Review
  - Methods of Distribution for Covered Programs and Priority Activities
- Discussion

# Consolidated Plan Resources



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- Arizona Department of Housing
  - Community Development Block Grant Small Cities Program (CDBG)
    - \$9,943,614
  - HOME Investment Partnership Program (HOME)
    - \$5,884,026
  - National Housing Trust Fund (NHTF)
    - \$11,477,467
  - Housing Opportunities for Persons with AIDS (HOPWA)
    - \$442,224
- Arizona Department of Economic Security
  - Emergency Solutions Grant (ESG)
    - \$1,552,059
- Annual Action Plans
  - Describe how annual allocations of HUD CPD resources will be distributed
  - *Planned activities must be tied to 5-year goals and objectives*



# Leverage Resources

- ▶ Housing
  - ▶ State Housing Trust Fund
  - ▶ Section 811 Project Rental Assistance for people with developmental disabilities
  - ▶ Low-income Housing Tax Credits
  - ▶ State Housing Tax Credits (new)
  - ▶ 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.
  - ▶ Arizona Lottery
  - ▶ General fund appropriations
- ▶ Leverage resources are not included in Consolidated Plan goals and objectives

# Community Development Block Grant (CDBG)



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- ▶ Method of Distribution
  - ▶ Administration
    - ▶ 2% + \$100,000/year and 1% for technical assistance
  - ▶ 10% Colonias Set Aside
    - ▶ Competitive applications
      - ▶ Every 2 years - combined funding
  - ▶ Remaining Funds
    - ▶ 85% Regional Account
      - ▶ Noncompetitive based on regional method of distribution
    - ▶ 15% State Special Projects
      - ▶ Competitive applications
        - ▶ Infrastructure and housing activities
- ▶ Excluded Eligible Activities
  - ▶ Economic development
  - ▶ Section 108 loans

# HOME Investment Partnership Program (HOME)



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## ▶ Method of Distribution

- ▶ 10% Administration
- ▶ Not less than \$2.5M annually for owner-occupied housing rehabilitation
- ▶ Remaining funds for Rental Housing Development
  - ▶ Includes 15% CHDO set-aside
  - ▶ Notice of Funds Available
    - ▶ Stand-alone or LIHTC gap financing

## ▶ Excluded Eligible Activities

- ▶ Homeownership Assistance
  - ▶ New construction, acquisition/rehabilitation/resale
  - ▶ First-time homebuyer assistance
- ▶ Tenant-based Rental Assistance



# National Housing Trust Fund (NHTF)

- ▶ Method of Distribution
  - ▶ 10% Administration
  - ▶ 90% Rental Housing Construction, Acquisition and/or Rehabilitation
    - ▶ Extremely low-income households
    - ▶ Notice of Funds Available
      - ▶ Stand alone or LIHTC gap financing
- ▶ Excluded Eligible Activities
  - ▶ Up to 10% for Homeownership construction, acquisition/rehabilitation/resale

# Housing Opportunities for People with HIV/AIDS (HOPWA)



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- ▶ Method of Distribution
  - ▶ 3% ADOH Administration
  - ▶ 7% Project Sponsor Administration
- ▶ Project sponsors reviewed annually



# Emergency Solutions Grant (ESG)



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## ▶ Method of Distribution

- ▶ 7.5% Administration
- ▶ Remaining funds for shelter and services
- ▶ Competitive Request for Proposals
  - ▶ Must participate in a Continuum of Care
  - ▶ Street Outreach
  - ▶ Rapid Rehousing
  - ▶ Homelessness Prevention
  - ▶ Shelter Operating
  - ▶ Shelter Improvements or Development to add beds

## DISCUSSION

- Priorities in the context of changing conditions
- Efficacy of Methods of Distribution



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## PY2022 Planning Process

- Review and consider today's input
- Draft Annual Action Plan
- Public Hearing & Public Comment Period
  - March-April 2022
- Submit to HUD
  - By May 15, 2022
    - Depends on HUD allocations announcement date