



Arizona
Department
of Housing

Consolidated Annual Performance & Evaluation Report (CAPER)

Federal FY 2015

July 1, 2015 - June 30, 2016



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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a).

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Approximately \$2.8 million in federal HOME and CDBG funding was committed to preservation and improvement in the form of owner-occupied housing rehabilitation. Approximately \$3.6 million in CDBG funds was committed to public infrastructure projects, as they are the primary focus of rural counties and communities participating in the State and small cities CDBG program through ADOH. Infrastructure improvements including streets, sidewalks, water, wastewater, curbs, gutters, and drainage improvements were funded addressing the Department's priority to promote sustainable and accessible communities. Additionally, approximately \$1.6 million in CDBG funds was committed to community facilities.

Capacity deficiencies in some of the smallest rural local governments remain a barrier for economic development projects. ADOH received no economic development project applications for FFY2015 CDBG funds.

The Rental Division of ADOH led the efforts on the development of new rental units with a variety of resources. These include HOME, Low-Income Housing Tax Credits (LIHTC), NSP, and HTF. This will result in 1,778 multi-family rental units. Of those, 1,239 units were new construction and 539 units were preserved through rehabilitation.

The Special Needs Division of ADOH worked to increase the agency capacity of homeless service providers that assist families and individuals in need and worked to prevent homelessness.

HOPWA monies provided \$236,060 in funds for tenant-based rental assistance, leasing assistance, and supportive services for two (2) different agencies in three (3) contracts. ADOH contracted with three (3) organizations to administer the HOPWA programs which serve five (5) of the thirteen (13) non-entitlement counties.

McKinney-Vento monies provided \$ 4,853,598 to 798 households through thirty (30) contracts. Most of this money went for rental assistance while less than ten percent (10%) was directed toward supportive services. Five percent (5%) of the budget is for the Homeless Management Information System and \$22,000 is specifically for planning.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g).

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Table 1 - Accomplishments - Program Year & Strategic Plan to Date

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Assist New Homebuyers	Affordable Housing	AzHFA Bond Financing: \$	Direct financial assistance to homebuyers	Households Assisted	3,750	4,314	115.04%	750	3,264	435.20%
Building Local Capacity	Non-housing Community Development	CDBG: \$	Public facility or infrastructure activities other than low/moderate income housing benefit	Persons Assisted	455	5,829	1,281.10%	91	5,829	6,405.49%
Clearance and Demolition of Substandard Units	Affordable housing Non-housing community development	CDBG: \$	Buildings demolished	Buildings	10	7	70.00%	2	7	350.00%
Clearance and Demolition of Substandard Units	Affordable housing Non-housing community development	CDBG: \$	Housing code enforcement/foreclosed property care	Household Housing Unit	10	7	70.00%	2	7	350.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Construction and Rehabilitation of Rental Units	Affordable housing Public housing Homeless Non-homeless Special Needs	CDBG: \$ / HOME: \$ / NSP 1 Program Income: \$	Rental units constructed	Household Housing Unit	600	1,239	206.50%	120	1,239	1,032.50%
Construction and Rehabilitation of Rental Units	Affordable housing Public housing Homeless Non-homeless Special Needs	CDBG: \$ / HOME: \$ / NSP 1 Program Income: \$	Rental units rehabilitated	Household Housing Unit	60	539	898.33%	12	539	4,491.67%
Further Fair Housing and Address Impediments	Affordable Housing	CDBG: \$	Other	Other	1,000	3,732	373.20%	200	3,732	1,866.00%
Housing and Services for Persons with HIV/AIDS	Affordable housing Non-homeless Special Needs	HOPWA: \$	Public service activities other than low/moderate income housing benefit	Persons Assisted	50	12	24.00%	10	12	120.00%
Housing and Services for Persons with HIV/AIDS	Affordable housing Non-homeless Special Needs	HOPWA: \$	HIV/AIDS housing operations	Household Housing Unit	50	63	126.00%	10	63	630.00%
Housing for Persons with Special Needs	Affordable housing	CDBG: \$ / HOPWA: \$ / HOME: \$ / ESG: \$	Public service activities for low/moderate income housing benefit	Households Assisted	250	1,040	416.00%	50	1,040	2,080.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Housing for Persons with Special Needs	Affordable housing	CDBG: \$ / HOPWA: \$ / HOME: \$ / ESG: \$	Tenant-based rental assistance/rapid re-housing	Households Assisted	250	2,071	828.40%	50	2,071	4,142.00%
Housing for Persons with Special Needs	Affordable housing	CDBG: \$ / HOPWA: \$ / HOME: \$ / ESG: \$	Homelessness prevention	Persons Assisted	250	87	34.80%	50	87	174.00%
Improve Quality of Housing Stock	Affordable housing Public housing	CDBG: \$ / HOME: \$ / CDBG Colonias Set-aside: \$	Rental units rehabilitated	Household Housing Unit	30	0	0.00%	6	539	8,983.33%
Improve Quality of Housing Stock	Affordable housing Public housing	CDBG: \$ / HOME: \$ / CDBG Colonias Set-aside: \$	Homeowner housing rehabilitated	Household Housing Unit	590	191	32.37%	118	191	161.86%
Improve the Economic Environment	Non-housing community development	CDBG: \$	Facade treatment/business building rehabilitation	Business	10	1	10.00%	2	1	50.00%
Improve the Economic Environment	Non-housing community development	CDBG: \$	Jobs created/retained	Jobs	100	0	0.00%	20	0	0.00%
Improve the Economic Environment	Non-housing community development	CDBG: \$	Businesses assisted	Businesses Assisted	10	1	10.00%	2	1	50.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Provide ADA Improvements for Housing	Affordable housing Non-housing community development	CDBG: \$ / HOME: \$	Public facility or infrastructure activities other than low/moderate income housing benefit	Persons Assisted	1,000	1,990	199.00%	200	1,990	995.00%
Provide ADA Improvements for Housing	Affordable housing Non-housing community development	CDBG: \$ / HOME: \$	Rental units rehabilitated	Household Housing Unit	50	0	0.00%	10	0	0.00%
Provide ADA Improvements for Housing	Affordable housing Non-housing community development	CDBG: \$ / HOME: \$	Homeowner housing rehabilitated	Household Housing Unit	50	20	40.00%	10	20	200.00%
Provide Public Infrastructure and Facilities	Non-housing community development	CDBG: \$ / CDBG Colonias Set-aside: \$	Public facility or infrastructure activities other than low/moderate income housing benefit	Persons Assisted	90,000	42,313	47.01%	18,000	42,313	235.07%
Public Services for LMI	Non-housing community development	CDBG: \$	Public service activities other than low/moderate income housing benefit	Persons Assisted	24,000	67	0.28%	4,800	67	1.40%
Rental Assistance and Services for the Homeless	Homeless	ESG: \$	Public service activities for low/moderate income housing benefit	Households Assisted	1,000	1,040	104.00%	200	1,040	520.00%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Rental Assistance and Services for the Homeless	Homeless	ESG: \$	Tenant-based rental assistance/rapid re-housing	Households Assisted	1,000	2,071	207.10%	200	2,071	1,035.50%

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

ADOH invested funds to address its highest priorities and specific objectives. CDBG funds were invested to the greatest extent in the following highest priority activities: 1) public infrastructure and facilities; 2) improving the quality of housing stock; 3) public services for LMI. HOME funds were invested in the high priority activities of construction and rehabilitation or rental units and improving the quality of housing stock. ESG funds were invested in high priority rental assistance and services for the homeless. HOPWA funds were invested in high priority housing and services for persons with HIV/AIDS.

CR-10 - Racial and Ethnic Composition of Families Assisted

Describe the families assisted (including the racial and ethnic status of families assisted).
91.520(a).

Table 2 - Table of assistance to racial and ethnic populations by source of funds

	CDBG	HOME	HOPWA	ESG
White	2,169	165	62	4,534
Black or African American	22	21	1	2,868
Asian	28	1	0	33
American Indian or American Native	282	6	0	488
Native Hawaiian or Other Pacific Islander	2	0	0	51
Total	2,503	193	63	7,974
<i>Hispanic</i>	<i>600</i>	<i>71</i>	<i>22</i>	<i>6,251</i>
<i>Not Hispanic</i>	<i>1,903</i>	<i>122</i>	<i>41</i>	<i>1,733</i>

Narrative

Arizona assisted low and moderate-income persons with a range of racial and ethnic backgrounds. A higher percentage of Native Americans and African Americans received ESG assistance in relation to other groups; through persons of Hispanic ethnicity received the most. Persons of White ethnicity remain the highest group served in Arizona.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available.

Table 3 - Resources Made Available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG		40,509,440	9,468,183
HOME		17,839,012	5,370,978
HOPWA		944,240	195,687
ESG		6,183,976	1,450,701
Other	AzHFA Bond Financing	144,000,000	0
Other	NSP 1 Program Income	200,000	0

Narrative

The amounts actually expended from July 1, 2015 through June 30, 2016 are as follows: CDBG - \$9,468,182.50; HOME - \$5,370,977.66; ESG - \$ 1,450,701; and HOPWA- \$195,687.20. These amounts represent funds actually expended.

Identify the geographic distribution and location of investments.

Table 4 - Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
State of Arizona	100	100	State Service Area

Narrative**Leveraging**

Explain how federal funds leveraged additional resources (private, State, and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Arizona leveraged \$627,370,151 in private, State, and local resources over the reporting period. CDBG funds leveraged \$202,471 in additional funding. HOME funds invested in rental development through the LIHTC Program leveraged \$622,167,680 in private loans. HOME match was met using State of Arizona Housing Trust Fund (HTF) in the amount of \$ 1,825,174. HTF provided administrative funding for HOME funded single-family housing rehabilitation and Continuum of Care (COC) funded rental assistance programs. Arizona agencies receiving COC funds provided the matching funds through in-kind contributions and services associated permanent supportive housing.

Table 5 - Fiscal Year Summary - HOME Match Report

Fiscal Year Summary - HOME Match	
1. Excess match from prior federal fiscal year	18,023,230
2. Match contributed during current federal fiscal year	1,825,174
3. Total match available for current federal fiscal year (Line 1 plus Line 2)	19,848,404
4. Match liability for current federal fiscal year	1,193,562
5. Excess match carried over to next federal fiscal year (Line 3 minus Line 4)	18,654,842

Table 6 - Match Contribution for the Federal Fiscal Year

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated Labor	Bond Financing	Total Match
400-14-1	02/02/2016	717,550	0	0	0	0	0	717,550
403-14-1	10/29/2015	83,540	0	0	0	0	0	83,540
405-13-1	07/09/2015	64,704	0	0	0	0	0	64,704
410-14-1	06/16/2016	67,767	0	0	0	0	0	67,767
410-14-2	11/02/2016	44,011	0	0	0	0	0	44,011
410-14-3	10/15/2015	266,573	0	0	0	0	0	266,573
410-14-4	09/02/2015	299,222	0	0	0	0	0	299,222
411-14-1	01/07/2016	49,353	0	0	0	0	0	49,353
411-14-2	12/09/2015	300,222	0	0	0	0	0	300,222
411-14-3	11/12/2015	297,269	0	0	0	0	0	297,269

HOME MBE/WBE report

Table 7 - Program Income

Program Income - Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
116,224	338,277	146,121	0	308,381

Minority Business Enterprises and Women Business Enterprises - Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

Table 8 - Minority Business and Women Business Enterprises

	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	21,981,699	0	0	214,600	3,130,696	18,636,403
Number	99	0	0	3	13	83
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises		Male		
Contracts						
Dollar Amount	21,981,699	372,235		21,609,464		
Number	99	10		89		
Sub-Contracts						
Dollar Amount	0	0		0		
Number	0	0		0		

Minority Owners of Rental Property - Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

Table 9 - Minority Owners of Rental Property

	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0

Relocation and Real Property Acquisition - Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Table 10 - Relocation and Real Property Acquisition

Parcels Acquired		0	0			
Businesses Displaced		0	0			
Nonprofit Organizations Displaced		0	0			
Households Temporarily Relocated, not Displaced		0	0			
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

Table 11 - Number of Households

	One (1) Year Goal	Actual
Number of Homeless households to be provided affordable housing units	750	13,865
Number of Non-Homeless households to be provided affordable housing units	0	31
Number of Special-Needs households to be provided affordable housing units	0	781
Total	750	14,677

Table 12 - Number of Households Supported

	One (1) Year Goal	Actual
Number of households supported through Rental Assistance	50	13,865
Number of households supported through The Production of New Units	42	700
Number of households supported through Rehab of Existing Units	487	539
Number of households supported through Acquisition of Existing Units	9	56
Total	588	15,160

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

ADOH, working in conjunction with the Arizona Department of Economic Security, provided housing for a total of 15,160 homeless persons throughout the State, far exceeding the goal of 588. The production of affordable housing through ADOH programs yielded 1,834 units, over three (3) times the expected amount.

Discuss how these outcomes will impact future annual action plans.

Future action plans will take into consideration the capacity of homeless housing providers as well as the extent to which the development community continues to participate in the production of permanent supportive housing for persons who are homeless.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Table 13 - Number of Persons Served

Number of Persons Served	CDBG Actual	HOME Actual
Extremely Low-income	66	50
Low-income	6,771	49
Moderate-income	28,340	43
Total	35,177	142

Narrative Information

CDBG activities served sixty-six (66) extremely low-income persons, 6,771 low-income persons and 28,340 moderate-income persons for a total of 35,177 low-income beneficiaries. HOME activities served fifty (50) extremely low-income persons, forty-nine (49) low-income persons and forty-three (43) moderate income persons for a total of 142 low-income beneficiaries. Through both programs a total of 35,319 low-income persons were served.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

The AZ Balance of State Continuum of Care (AZBOSCO) provides a myriad of services to those experiencing homelessness with the goal of assisting them to move into permanent housing and achieve housing stability. To this end, the BOSCO worked closely with federal, State, and local agencies to develop its Coordinated Entry (CE) system. It is a no wrong door approach taken by the community based network/coalitions to end homelessness who are working to bring all agencies on board to fully implement CE along with case conferencing so that the most vulnerable citizens are receiving assistance to end their homeless status.

Outreach to those who are homeless is funded by Projects for Assistance in Transition from Homelessness (PATH), which exists in four (4) BOS counties, and ESG, which also funds emergency shelter and rapid re-housing programs.

All three (3) Continuums in Arizona (Pima, Maricopa, and Balance of State) conduct a Point In Time count each year to determine how many persons are homeless and to reach out to persons who are homeless. For the first time, the Balance of State Continuum conducted VI-SPDATs assessments during the count as well as the survey needed to collect HUD required data. About ten percent (10%) of the people agreed to participate in the VI-SPDAT survey.

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

Funding was provided to nine (9) emergency shelters. This funding provided 1,774 beds for homeless individuals. During the reporting period, a total of 10,027 persons were housed in the shelters. This consisted of 7,328 adults and 1,902 children. ESG Rapid Re-housing assistance was provided to 1,640 persons. This consisted of 828 adults and 707 children. A total of \$2,438,593 was expended for rapid re-housing. This consisted of \$276,438 for rental assistance, \$159,670 for housing relocation service and stabilization (financial), and \$164,303 for housing relocation service and stabilization (services).

Funding was provided to four (4) transitional housing programs funded through the Continuum of Care. However, in the 2016 NOFA, two (2) of these projects reallocated their funds to RRH and PSH. The four (4) projects provided eighty-one (81) units of transitional housing with fifty-six (56) of those being for veterans. While the veteran program has been highly successful in assisting veterans to find employment and secure permanent housing, best practices have shown that transitional housing is not as effective as other models of housing, especially permanent housing, either permanent supportive or rapid re-housing, especially for families. Therefore, less

and less transitional housing is being funded. Some domestic violence programs, due to capacity and need, operate their programs between meeting immediate shelter needs and providing longer-term transitional housing while survivors heal and plan for their future.

Since not all counties in the BOSCOC have a project based shelter, it is common practice for the smaller Arizona communities to have a motel voucher system. Some of these programs are funded through the ESG program while others are privately funded or assistance is received through faith-based organizations. Four (4) of the thirteen (13) counties have PATH teams and the other counties rely on referrals from faith based agencies, other not for profits, and collaboration with law enforcement for outreach and engagement. Coconino County has the largest project based shelter in the thirteen (13) Balance of State counties. It is in Flagstaff and receives ESG funding for shelter operations as well as rapid re-housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In the effort to end chronic homelessness by 2016, prevention of homelessness has had less emphasis. A small portion of ESG goes for prevention and faith based organizations, like St Vincent de Paul and Salvation Army, along with local churches, provide the bulk of prevention services on an emergency basis assisting with rent and utilities keeping families from facing eviction.

ADOH funded a \$1,000,000 contract for rapid re-housing in Maricopa County, which will house 125 households. ADOH also released a NOFA in April for Balance of State for RRH and will be entering into four (4) contracts totaling \$1,000,000 covering seven (7) of the thirteen (13) BOS counties.

Housing First, Coordinated Entry, and case conferencing are all established principles and required by contract under all major funding entities; city, county, and State.

Through participation in 25 Cities, Zero:2016 and Vets@HOME TA, veteran homelessness throughout the State has been significantly reduced. All Continuums have by-name lists from which they continue to prioritize and house all veterans until it can be declared ended. Additional HUD VASH vouchers have been received and the SSVF grants continue to provide much needed assistance and supports.

The efforts continue in working to prevent and end homelessness for families, youth, and children by 2021. In Maricopa County, there is a Stand Strong for Families coalition that

established a system of Coordinated Entry for families and continues their collaboration to lift all families out of homelessness.

The Homeless Management Information System (HMIS) is the key to measuring outcomes. All three (3) Continuums share data within their geographic regions as needed at some level.

ADOH applied for and received a SAMHSA SOAR TA grant in the spring of 2016. The goal being to increase the number of SOAR trained individuals so that there is at least one (1) person in each county and one (1) person within each COC funded agency. Since the TA began, the number of those trained has increased by fifty percent (50%), going from fifteen (15) to twenty-three (23); but all counties are not yet covered.

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 DES Homeless Coordination Office required all sub-contractors to adhere to program goals and objectives including target populations to be served. Contracts required that at least sixty percent (60%) of all rapid re-Housing and/or homeless prevention participants 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.

Veteran program has been highly successful in assisting veterans to find employment and secure permanent housing. Best practices have shown that transitional housing is not as effective as other models of housing, especially permanent housing, either permanent supportive or rapid re-housing, especially for families. Therefore, less and less transitional housing is being funded. Some domestic violence programs, due to capacity and need, operate their programs between meeting immediate shelter needs and providing longer-term transitional housing while survivors heal and plan for their future.

Sub-contractors were also required to adhere to standard performance measures and outcomes which consisted 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.

The HUD VASH and VA Supportive Services for Veteran Families (SSVF) programs have been successful in reducing veteran homelessness. Between FY15 and FY16, dedicated homeless beds increased by forty-one percent (41%) in the BOS going from 596 to 843. In addition, the PIT showed a reduction of fifty-one percent (51%) between 2015 and 2016 counts.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of 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 taken to encourage public housing residents to become more involved in management and participate in homeownership.

ADOH and its PHA Division do not own or manage any public housing. 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.

Actions taken to provide assistance to troubled PHAs.

The State of Arizona is available to assist any Public Housing Agency in Arizona with technical assistance and planning to improve operations as needed in the event that a property experiences distress.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken 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. 91.220 (j); 91.320 (i)

The Arizona Department of Housing collaborates with local, regional and State government on a regular basis to remove barriers to affordable housing. Local governments are made aware of development barriers to multi-family housing during the Low-income Housing Tax Credit, Qualified Allocation Plan public participation process. The four (4) Councils of Governments in Arizona, along with their member local government membership, are included in policy development for the Community Development Block Grant program especially as it relates to barriers to the construction of infrastructure in their jurisdictions. The ADOH administered Balance of State Continuum of Care involves local governments in the planning of local Point In Time counts in Arizona as well as the location of emergency shelters and other housing facilities for persons who are homeless. In the administration of the Weatherization Program, ADOH works with local utilities to ensure that State and federal regulations do not restrict the ability to conduct weatherization improvements for low-income homeowners. ADOH is a member of the National Association for State Community Assistance Programs, which is charged with advocating and enhancing the leadership role of States in preventing and reducing poverty. ADOH is a member of the National Council of State Housing Agencies, which advocates for affordable housing on behalf of its membership before Congress, the Administration and several federal agencies.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

ADOH addresses obstacles to meeting underserved needs on many fronts. Through the implementation of the CDBG program, ADOH provides technical assistance to non-metropolitan local governments to assist with the planning, development, and phasing of critical infrastructure, housing, and public service activates for underserved areas and households. As the lead agency for the Balance of State Continuum of Care, ADOH provides technical assistance to homeless providers throughout the State in the conducting Point In Time counts, use of the VI-SPDAT assessment tool, use of socialserve.com, use of HMIS, and most importantly, the collaboration with local service providers, law enforcement, and the emergency services to ensure every resource is available to address homelessness. In the implementation of the Low-income Housing Tax Credit (LIHTC) Program, ADOH has prioritized supportive housing for persons the homeless and disabled, housing on tribal land, and non-profit owned housing. In addition, ADOH has prioritized funding for developments in proximity to public transportation, schools, grocery stores, health care, parks, libraries, and after school programs. ADOH received a

competitive award of HUD 811 funds to provide rental assistance for extremely low-income persons with a developmental disability and is implementing it through the LIHTC program.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Actions taken to reduce lead based paint.

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. Entities funded with these programs must ensure occupants are: 1) notified of the hazards of lead-based paint; 2) conduct a visual assessment, paint testing, or risk assessment, depending on the activity; and 3) conduct lead hazard reduction activities, including paint stabilization, interim controls, standard treatments, or abatement, depending on the requirements for the activity type as identified in 24 CFR Part 35.

Rental property owners are required to have a paint maintenance policy that ensures regular (at least once annually) visual assessment and repair/maintenance of painted surfaces using safe work practices. In addition, ADOH CD&R staff monitored all contracts to ensure they have a written plan that follows standard operating procedures for lead safe practices. Through their monitoring of assisted units and beneficiary file documentation, no issues of non-compliance with federal lead-based paint regulations were found in FY2015.

Additionally, ADOH: 1) collaborates with communities to reduce housing-related lead-based paint hazards; 2) encourages risk assessment for lead-based paint being part of every home inspection; and 3) refers 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. ADOH encourages training related to lead based paint hazards, and will requires that grantees utilize staff and contractors that have the appropriate training and certification. ADOH is a member of the Arizona Partnership for Healthy Communities, a body organized to promote health issues related to housing.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

ADOH's anti-poverty strategy is based on helping families to move to economic self-sufficiency through employment opportunity and the provision of affordable housing. ADOH committed funds for the production of 1,778 affordable rental units, rehabilitated 191 owner occupied housing units, assisted 10,401 homeless persons with permanent affordable housing, and assisted 246 persons with rapid re-housing.

ADOH provides assistance to local governments in structuring effective economic development and job creation activity through the use of CDBG funds.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

ADOH is a department of Arizona State government headed by a Governor-appointed director who, in conjunction with three (3) deputy directors, oversees all activities of the agency. ADOH contracts with local governments, public housing authorities, non-profit and for-profit entities, and tribal entities to undertake the activities prescribed in the Consolidated Plan. In order to develop and maintain a strong institutional structure, ADOH requires a minimum standard of capacity prior entering into funding contracts to ensure that federal funding may be utilized in the most effective manner as possible to meet the needs of low-income persons in the State.

ADOH develops institutional structure by supporting capacity building efforts for local government, non-profit organizations, and especially regional government like the four (4) Council of Governments in Arizona. ADOH provides each COG with a Technical Assistance Contract for assisting local governments in developing viable CDBG projects. ADOH hosts a Housing Rehabilitation Roundtable periodically to provide technical assistance to non-profits and local governments in the conduct of their housing rehabilitation and weatherization programs, which rely on private sector contractors. The private sector is an important collaborator bringing 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.

ADOH provides technical assistance to Arizona's twenty-two (22) self-governing tribes to enable them to access ADOH's Housing Rehabilitation and LIHTC programs multi-family housing production programs. ADOH operates the Arizona Public Housing Authority (PHA), administering a Housing Choice Voucher Program (HCVP) for Yavapai County, seventy (70) of which are restricted to 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 taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Recognizing the collaborative relationship between affordable housing and human, social, and supportive services, ADOH established, and continues to strengthen, partnerships with the Arizona Department of Economic Security (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. The following partnerships serve to strengthen this coordination.

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.

HUD 811 Demonstration Program. In partnership with DES, the ADOH is implementing a HUD 811 grant, which provides rental assistance to extremely low-income developmentally disabled (DD) persons. ADOH will affect the production of the 811 units through the LIHTC program and DES will select the participants through DD adults enrolled in the Arizona Long Term Care System program. DD program participants will receive support through a DES Support Coordinator utilizing an Individual Support Plan that will identify medically necessary services and supports that are needed by the DD individual.

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 (RHBAs). AZ Division of Behavioral Health contracts with RHBAs 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.

The Arizona Department of Housing hosted the Arizona Housing Forum August 25 and 26, 2016 at the Starr Pass Marriott Resort in Tucson. The Forum was a two (2) day professional housing conference with information sessions designed to impart new ideas and to engage Arizona's

housing professionals in productive dialogues on improving Arizona's affordable housing environment. Over 400 persons attended the conference representing a diverse cross section through government, non-profit, and for-profit entities.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

ADOH distributed fair housing literature to housing consumers to provide them with the information they need to exercise their fair housing rights, continued to update fair housing education and outreach programs to be responsive to changes in fair housing law, changing cultural contexts of communities, limited English proficiency populations, and other demographic changes. Conducted fair housing workshops targeting housing consumers in all non-entitlement jurisdiction counties. ADOH continued to fund fair housing trainings that include proper referral procedures at no cost to public and private agencies. ADOH provided all CDBG sub-recipients ongoing fair housing technical assistance. ADOH's 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.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used 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.

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 visits 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.

Citizen Participation Plan. 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The Solicitation for Comments for the 2015-2016 CAPER was publicized on August 26, 2016 in five (5) newspapers, four (4) of them in rural Arizona. These newspapers were the Arizona Republic in Phoenix, Arizona; Arizona Daily Star in Tucson, Arizona; Kingman Daily Miner; Yuma Sun; and the Arizona Daily Sun in Flagstaff, Arizona. The draft CAPER was also posted on the publications page of the ADOH website.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

ADOH utilized CDBG funds in accordance with the objectives outlined in the Consolidated Plan and Action Plan. No changes in program objectives occurred. ADOH does not intend to change its program objectives at this time.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations.

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

All HOME funded properties that were to have been inspected on-site this program year were inspected. ADOH has added the names of the properties in a table attached to this CAPER. The issues detected primarily concerned file “housekeeping” items where clarifications needed to be made. Other predominant items included minor maintenance issues.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

ADOH monitored eighty-five (85) properties. ADOH Compliance staff reviews each file for compliance with Affirmative Marketing requirements. ADOH properties were found to be proactive about reaching out to individuals of all races and ethnicities and with all types of disabilities who might not otherwise apply to live in the HOME assisted units. Typical mediums for advertising are newspapers, internet, socialserve.com, radio ads, flyers, and mailings.

Refer to IDIS reports to describe the amount and use of program income for projects including the number of projects and owner and tenant characteristics.

ADOH expended \$146,120.60 in program income during the reporting on two (2) affordable rental development projects; 1) Residences on Farmer; and 2) Crossing Point Villas. Residences on Farmer is a thirty-one (31) unit affordable rental housing development in Tempe, Arizona owned by PacifCap Holdings LLC with eight (8) affordable housing units for individuals and families with a mix of six (6) units for sixty percent (60%) AMI (five (5) one (1) bedroom; one (1) two (2) bedroom) and two (2) units for fifty percent (50%) AMI (one (1) one (1) bedroom;). Crossing Point Villas is a sixty (60) unit affordable Low-income Housing Tax Credit rental development owned by Crossing Point Villas, LP. The project serves households with children earning between forty percent (40%) and sixty percent (60%) AMI and has nine (9) four (4) bedroom, thirty-three (33) three (3) bedroom, and eighteen (18) two (2) bedroom units. Of these, nineteen (19) are for forty percent (40%) AMI, twenty-five (25) are for fifty percent (50%) AMI, and sixteen (16) are for sixty percent (60%) AMI.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

In the implementation of the Low-income Housing Tax Credit (LIHTC) program, ADOH has prioritized supportive housing for persons the homeless and disabled, housing on tribal land, and non-profit owned housing. In addition, ADOH has prioritized funding for developments in proximity to public transportation, schools, grocery stores, health care, parks, libraries, and after school programs. ADOH received a competitive award of HUD 811 funds to provide rental assistance for extremely low-income persons with a developmental disability and is implementing it through the LIHTC program. ADOH uses HOME funds to provide gap financing for LIHTC projects that are able to demonstrate a need for the financing.

The Low-income Housing Tax Credit (LIHTC) program has been coordinated with the HOME Investment Partnerships (HOME) program and the Weatherization Assistance Program.

CR-55 - HOPWA 91.520(e)**Identify the number of individuals assisted and the types of assistance provided.**

Table for report on the one (1) year goals for the number of households provided housing through the use of HOPWA activities for: short-term rent, mortgage, utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities developed, leased, or operated with HOPWA funds.

Table 14 - HOPWA Number of Households Served

Number of Households Served Through:	One (1) year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	45	38
Tenant-based rental assistance	30	25
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0	0
Total	75	63

Narrative

ADOH assisted thirty-eight (38) households with short term rent, mortgage, and utility assistance to prevent homelessness for persons with HIV/AIDS. Twenty-five (25) households were assisted with tenant-based rental assistance.