

**Vision:** An Arizona with safe, inclusive, livable communities and affordable housing options for all.

**Mission:** Providing quality affordable housing, safe manufactured buildings, and community revitalization to benefit the residents of Arizona.

**Agency Description:** The Arizona Department of Housing is a cabinet level agency, created in 2002 by the State legislature to serve as the State’s primary agency to address housing issues in the State. Primarily funded through Federal resources and fees, the agency administers housing and community development resources, serves as the State Public Housing Authority, and regulates Arizona’s manufactured housing and building industry.

**Executive Summary:** The Department’s focus for FY2023 is to: 1) **Increase affordable housing and improve communities** by targeting and leveraging its resources to incentivize the development of affordable housing in partnership with other State agencies, private, and non-profit organizations; working closely with rural cities and counties to invest in community development and revitalization through federal resources; and operating at the speed of business to regulate the manufactured building industry in order to protect consumers; 2) **Coordinate efforts to reduce homelessness** by providing timely assistance to struggling homeowners to avoid foreclosure; increasing shelter and transitional housing units, and working collaboratively with other public and private partners to provide resources, re-house and support homeless persons; 3) **Practice fiscal responsibility** by reducing administrative costs, outsourcing where practicable, providing efficient and effective services; wisely leveraging and investing available resources; and continuing to find innovative ways to finance the Department’s mission without general fund support.

## Summary of Multi-Year Strategic Priorities

#	Five Year Strategy	Start Year	Progress / Successes
1	Increase affordable housing opportunities	2023	<ul style="list-style-type: none"> <li>Streamlined the Qualified Allocation Plan, incorporated new State Low Income Housing Tax Credit (LIHTC) Program</li> <li>2,037 units funded with 9% and 4% Federal LIHTC</li> <li>194% increase LIHTC units funded over prior year</li> <li>Awarded 4 State LIHTC Projects for 504 units</li> </ul>
2	Reduce Homelessness	2021	<ul style="list-style-type: none"> <li>Created 421 new shelter units with Community Development Block Grant (CDBG) COVID Funding</li> <li>Created 88 transitional housing units with State Fiscal Recovery Funds, Hotels to Housing initiative</li> <li>Funded \$1.1 million homeless housing &amp; employment program with St. Joseph the Worker</li> <li>Enhanced collaboration and partnerships with shelter and housing providers via bi-weekly roundtables to discuss issues and gaps in homelessness services.</li> <li>Housed 205 households experiencing homelessness through the Rapid Rehousing Program (RRH).</li> <li>Prevented foreclosure for 1,774 Households via the Homeowner Assistance Fund (HAF) Program</li> </ul>
3	Improve low income communities	2018	<ul style="list-style-type: none"> <li>Enhanced outreach and engagement with low-income communities and delivered \$9.9 million in CDBG funding to 29 projects Statewide</li> <li>Funded 7 rural LIHTC projects with 398 units</li> <li>Completed 786 Weatherization &amp; Rehabilitation projects</li> <li>Achieved 100% lease-up of Tenant Based Housing Choice Vouchers in Yavapai County</li> </ul>
4	Enhance agency practices to align with business needs	2020	<ul style="list-style-type: none"> <li>Implemented new e-licensing system for Manufactured Housing to streamline permitting, inspection, and licensing processes and improve reporting and tracking.</li> <li>Agency implemented permanent teleworking, reduced office footprint by half, and remodeled to “hotel” space.</li> </ul>

Strategy	FY23 Annual Objectives	Objective Metrics	Annual Initiatives
1.	<ul style="list-style-type: none"> <li>Increase affordable housing units in both urban and rural communities</li> </ul>	<ul style="list-style-type: none"> <li># of urban and rural affordable housing units developed</li> <li># of units funded with State LIHTC</li> <li>% increase in units funded over prior year</li> </ul>	<ul style="list-style-type: none"> <li>Hold three rounds of competition for State Low Income Housing Tax Credits (LIHTC).</li> <li>Utilize all funding sources, including the new State LIHTC Program and State Housing Trust Funds to increase financing for the production of at least 20% more new affordable rental units than previous year.</li> <li>Continue to increase partner engagement and seek creative opportunities to increase housing development.</li> </ul>
2.	<ul style="list-style-type: none"> <li>Increase housing units and supportive services for persons experiencing homelessness.</li> </ul>	<ul style="list-style-type: none"> <li>% increase in shelter beds</li> <li>% increase in youth shelter beds</li> <li># homeless persons housed with Rapid Rehousing (RRH) assistance.</li> </ul>	<ul style="list-style-type: none"> <li>Leverage Federal and State funds for the acquisition/rehabilitation of facilities to provide shelter and transitional housing beds for persons experiencing homelessness.</li> <li>Establish a grant program for cities, towns, and counties for homeless services programs designed to provide jobs and services to reduce homelessness.</li> </ul>
	<ul style="list-style-type: none"> <li>Improve collaboration and coordination of homeless services Statewide.</li> </ul>	<ul style="list-style-type: none"> <li>Publish Statewide Homeless Strategies Plan by December 31<sup>st</sup>.</li> <li># roundtables hosted</li> <li>% of homeless funding leveraged with other jurisdictions</li> </ul>	<ul style="list-style-type: none"> <li>Issue Draft Statewide Homeless Strategies Plan that incorporates local jurisdiction plans, hold feedback sessions, and finalize plan with Statewide Strategies and Goals.</li> <li>Continue to provide leadership and facilitate regular roundtable collaboration meetings with homeless service providers and local jurisdictions.</li> </ul>
	<ul style="list-style-type: none"> <li><b>Breakthrough</b> – Enhance Homeless Programs and Services in the Balance of State (BOS)</li> </ul>	<ul style="list-style-type: none"> <li>% Increase in Balance of State Local Coalitions to End Homelessness (LCEH)</li> <li>% increase in homeless persons served in the BOS</li> </ul>	<ul style="list-style-type: none"> <li>Provide leadership and collaboration with other State agencies (AHCCCS, DES) and partners (Arizona Housing Coalition, Service Providers) to assist the BOS Continuums of Care and create effective LCEHs.</li> <li>Provide funding to build capacity and enhance training for LCEH staff.</li> <li>Apply for a US Department of Housing and Urban Development Grant specifically for Rural Communities.</li> </ul>
	<ul style="list-style-type: none"> <li>Effectively utilize Federal Homeowner Assistance Funding to prevent homelessness.</li> </ul>	<ul style="list-style-type: none"> <li># of households assisted</li> <li>% of eligible households submitting applications</li> <li># of foreclosures prevented</li> </ul>	<ul style="list-style-type: none"> <li>Continue targeted outreach to encourage applications from rural and low income communities.</li> <li>Maintain application turnaround time of less than 7 days.</li> <li>Modify the program as necessary to accommodate new situations and opportunities to assist homeowners.</li> </ul>
3.	<ul style="list-style-type: none"> <li>Ensure investment of federal funding into AZ low-to moderate income rural communities.</li> </ul>	<ul style="list-style-type: none"> <li>% of rural housing projects funded with LIHTC &amp; HTF</li> <li>% of Housing Choice Vouchers leased up</li> </ul>	<ul style="list-style-type: none"> <li>Ensure at least 25% of LIHTC and Housing Trust Funds are awarded to qualified rural projects.</li> <li>Increase oversight and ensure at least 75% of CDBG projects in rural low-income communities are on track to meet project performance and completion goals (up from 70% in prior year).</li> <li>Fund housing navigator to assist voucher holders in finding and leasing rental units in rural communities.</li> </ul>
	<ul style="list-style-type: none"> <li>Increase production and percentage of sub-standard housing receiving rehabilitation or weatherization improvements</li> </ul>	<ul style="list-style-type: none"> <li># units rehabilitated and/or weatherized</li> <li>% of sub-standard housing improved</li> </ul>	<ul style="list-style-type: none"> <li>Continue funding rehabilitation and weatherization to preserve and improve aging housing stock Statewide.</li> <li>Implement Nexxus Database for Weatherization Program to increase production and improve quality of remote oversight of sub-grantees and their contractors.</li> </ul>
4.	<ul style="list-style-type: none"> <li>Reduce turnaround times for modular building and manufactured housing plan review and permits</li> </ul>	<ul style="list-style-type: none"> <li>Average turnaround on permits</li> <li>Average days for plan review.</li> <li>Average time between permit and final inspection approval.</li> </ul>	<ul style="list-style-type: none"> <li>Complete Salesforce implementation for all modules.</li> <li>Provide online and realtime project status for customers.</li> <li>Provide system access to authorized jurisdictions under inspection agreements for realtime tracking.</li> </ul>
	<ul style="list-style-type: none"> <li>Improve efficiency and reduce administrative costs</li> </ul>	<ul style="list-style-type: none"> <li>% reduction in office costs</li> <li>Average turnaround on Deeds of Release</li> </ul>	<ul style="list-style-type: none"> <li>Continue permanent teleworking and utilizing remodeled “hotel” office spaces &amp; meeting rooms as needed.</li> <li>Outsource loan servicing for the Hardest Hit Fund and Rental Programs.</li> </ul>