



State of Arizona
Community Development Block Grant

Performance Evaluation Reports
2005 through 2012

Submitted to the
U. S. Department of Housing and Urban Development

BY:

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August 27, 2013

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PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-05-DC-04-0001
REPORT FOR FY 2005
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$13,432,908	100%
1. ALLOCATION	\$13,432,908	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$12,929,921	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 368,658	
D. TOTAL DRAWN DOWN	\$13,360,109	
1. BY RECIPIENTS	\$12,857,122	96%
2. BY STATE ADMINISTRATION	\$ 368,658	3%
E. TECHNICAL ASSISTANCE 1%	\$134,329	
1. AMOUNT DRAWN DOWN	\$134,329	100%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2005
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$10,664,302	82%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 1,303,955	10%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ 180,000	1%
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 961,664	7%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 11,968,257	
D. TOTAL OBLIGATED TO RECIPIENTS	<u>\$ 12,929,921</u>	

PART II. NARRATIVE REQUIREMENTS

FY 2005 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2005 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2005 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2004 and FY 2005 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation.

The SSP-Competitive Component created in 2001 which, in the past, was limited to specific types of activities (e.g., no new construction or public services), has now been made available to any eligible CDBG activity. The other requirements such as; completion of the Environmental Review Record process to include the Release of Funds and completed engineering or submission of a list of pre qualified homeowners have remained the same. A NOFA for such was included in the Application Handbook, Chapter 6, issued in January 2006, with an application deadline of June 1, 2006 at 5:00 p.m. CDBG received 21 applications and will be able to fund approximately 5 applications with the funding available.

FY 2005 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

Some decisions about the use of CDBG funds for FY 2005 have already been made as a result of the state's past experiences, e.g., that to increase the state's expenditure rate, a special set aside needed to be created limited to implement projects with environmental requirements met, design completed and for owner occupied housing eligible families identified. Housing also realized that much more intensive TA needed to be provided both before applications were submitted as well as in the early phases of project implementation if long delays in project implementation – and thus funds expenditures – were to be avoided. Up front TA, prior to the applications being submitted to Housing has eliminated a great deal of application revisions experienced in past years. Housing has also moved up application due dates to

improve expenditure rates by having applications approved for contract prior to funds being allocated by HUD. Applications for FY 06 will include HUD mandated performance measurements to increase performance reporting.

FY 2005 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2005 program is anticipated to provide benefit to low and moderate income persons.

FY 2005 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 05 were received.

FY 2005, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2005

As of June 30, 2013 \$134,329 of FY 2005 1%TA funds (100%) had been drawn down. Housing continued to have annual \$10,000 contracts with each of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. In addition, the COGs may use such funds to assist with RwIC meetings (see below for a more detailed explanation of the RwIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2005 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2005. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2005.

As in prior years, each applicant for FY 2005 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will continue to review FY 2005 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, a monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2005.

Please see the CAPER for a detailed description of state AFFH actions. Further, CDBG Program staff will continue to monitor local grantees' AFFH actions as indicated above. Non-compliance if identified will be documented via forms and letters, and grantees tracked until issues are resolved.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2005.

The *CDBG Procurement and Contracting Handbook*, which is provided to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

Further, during the last two or three years, HUD has begun to require CDBG staff to submit an annual MBE/WBE/DBE report, which it does by providing HUD with copies of all of the Business Opportunities Forms completed by each grantee for each contract.

4.A.2. Section 3 Compliance, FY 2005

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3

compliance by the community and the contractor. CDBG staff has and will desk monitor bid documents to make sure that they contain the required Section 3 items, and have and will review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff had and will review additional Section 3 materials that grantees are to maintain in their files.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2005.

Housing maintains such data in the required format available for review upon request.



**Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012**

Project and Activity Recap - Budget Year 2005

Includes Activities with Matix Codes: ALL

CHART 3

1 Matrix Type consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Estimated Amount
1	03J	03J-WATER/SEWER IMPROVEMENTS	1514	2168	\$32,039.40
1		Total Activities:	1514	2168	\$ 32,039.40



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2005

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	0
31-50% of HAMFI (Low Income)	0
51-80% of HAMFI (Moderate Income)	1245
81% AND ABOVE	923
TOTALS	2168

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2005

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	0	0
Black/African American	0	0
Asian	0	0
American Indian/Alaskan Native	0	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	0	0
Asian & White	0	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	0	0
TOTALS:	0	0



**Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013**

Matrix Code CDBG # LOW MOD Number Served

**Year 2005
LISTED BY COUNTY**

Bisbee 111-06 Bakerville/Cochise Row Public Works Safety Imp	Bisbee 111-06-01 Admin	21A	\$ 41,824.00		
	Bisbee 111-06-02 BakervilleCochise RowSt	03K	\$ 276,159.00	0	378
Huachuca City 101-06 Water Infrastructure Improvements	Huachuca City 101-06 Admin	21A	\$ 43,500.00		
	Huachuca City 101-06-02 Water Impr	03J	\$ 344,555.00	859	1610
TOTALS	Cochise County		\$ 706,038.00	859	1988
Somerton 156-06 Housing Rehabilitation	Somerton 156-06-02 Hsg Rehabilitation	14A	\$ 33,000.00	12	12
	TOTALS	Yuma County	\$ 33,000.00	12	12

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-06-DC-04-0001
REPORT FOR FY 2006
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$12,143,585	100%
1. ALLOCATION	\$12,143,585	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$11,679,278	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 342,871	
D. TOTAL DRAWN DOWN	\$12,052,319	
1. BY RECIPIENTS	\$ 11,598,228	96%
2. BY STATE ADMINISTRATION	\$ 342,871	3%
E. TECHNICAL ASSISTANCE 1%	\$121,436	
1. AMOUNT DRAWN DOWN	\$ 111,220	92%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2006
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 9,975,013	85%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 342,745	3%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,361,520	12%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 10,317,758	
D. TOTAL OBLIGATED TO RECIPIENTS	<u>\$ 11,679,278</u>	

PART II. NARRATIVE REQUIREMENTS

FY 2006 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2006 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2006 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2005 and FY 2006 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation.

The SSP-Competitive Component created in 2001 which, in the past, was limited to specific types of activities (e.g., no new construction or public services), has now been made available to any eligible CDBG activity beginning in 2005. The other requirements such as; completion of the Environmental Review Record process to include the Release of Funds and completed engineering or submission of a list of pre qualified homeowners have remained the same. A NOFA for such was included in the Application Handbook, Chapter 6, issued in April 30, 2007, with an application deadline of June 1, 2007 at 5:00 p.m. CDBG received 22 applications and were able to award 7 applications with the funding available.

FY 2006 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

Some decisions about the use of CDBG funds for FY 2006 have already been made as a result of the state's past experiences, e.g., that to increase the state's expenditure rate, a special set aside needed to be created limited to implement projects with environmental requirements met, design completed and for owner occupied housing eligible families identified. Housing also realized that much more intensive TA needed to be provided both before applications were submitted as well as in the early phases of project implementation if long delays in project implementation – and thus funds expenditures – were to be avoided. Up front TA, prior to the applications being submitted to Housing has eliminated a great deal of application revisions experienced in past years. Housing has also moved up application due dates to

improve expenditure rates by having applications approved for contract prior to funds being allocated by HUD. In addition, a pre-award assessment of application process has been implemented to ensure project capacity and implementation readiness. Applications for FY 07 will include HUD mandated performance measurements to increase performance reporting.

FY 2006 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2006 program is anticipated to provide benefit to low and moderate income persons.

FY 2006 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 06 were received.

FY 2006, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2006

As of June 30, 2013, \$111,220 of FY 2006 1%TA funds (92%) had been drawn down. Housing continued to have annual \$10,000 contracts with each of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. In addition, the COGs may use such funds to assist with RwIC meetings (see below for a more detailed explanation of the RwIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2006 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2006. See Chart 5 Racial Ethnic Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial

Actions, If Any, FY 2006.

As in prior years, each applicant for FY 2006 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will continue to review FY 2006 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2006.

Please see the CAPER for a detailed description of state AFFH actions. Further, CDBG Program staff will continue to monitor local grantees' AFFH actions as indicated above. Non-compliance if identified will be documented via forms and letters, and grantees tracked until issues are resolved.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2006.

The *CDBG Procurement and Contracting Handbook*, which is available on the ADOH website to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

Further, during the last three years, HUD has begun to require CDBG staff to submit an annual MBE/WBE/DBE report, which it does by providing HUD with copies of all of the Business Opportunities Forms completed by each grantee for each contract.

4.A.2. Section 3 Compliance, FY 2006

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3 compliance by the community and the contractor. CDBG staff has and will continue to desk monitor bid documents to make sure that they contain the required Section 3 items, and have and will continue to review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff has and will continue to review additional Section 3 materials that grantees are to maintain in their files.

NOTE: Section 3 applies to 25% of the 57 originally funded FY2006 contracts due to the dollar threshold and type of activities being undertaken.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2006.

Housing maintains such data in the required format available for review upon request.



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Project and Activity Recap - Budget Year 2006

Includes Activities with Matix Codes: ALL

CHART 3

1 Matrix Type consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Estimated Amount
1	03J	03J-WATER/SEWER IMPROVEMENTS	1514	2168	\$121,224.00
1		Total Activities:	1514	2168	\$ 121,224.00



Income Information for ALL Projects/Activities in Reporting Period Year 2006

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	0
31-50% of HAMFI (Low Income)	0
51-80% of HAMFI (Moderate Income)	1245
81% AND ABOVE	923
TOTALS	2168

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2006

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	0	0
Black/African American	0	0
Asian	0	0
American Indian/Alaskan Native	0	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	0	0
Asian & White	0	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	0	0
TOTALS:	0	0



**Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013**

Matrix Code

CDBG

LOW MOD

Number Served

Year 2006

LISTED BY COUNTY

CDBG Miami 133-07 Sewer Line Replacement	CDBG Miami 133-07-02 Sewer Line Rplcmnt	03J	\$ 60,000.00	0	1705
TOTALS	Gila County		\$ 60,000.00	0	1705
CDBG Maricopa 131-07 Streets drainage & sidewalk Imp	CDBG Maricopa Street impAdmin 131-07-01	21A	\$ 15,734.46	0	0
	CDBG Maricopa 131-07-02 St Drain& Walk	03K	\$ 126,744.54	871	1080
CDBG SSP Coolidge 158-07 OOHR	CDBG SSP Coolidge 158-07-01 Admin	21A	\$ 45,000.00		
	CDBG SSP Coolidge 158-07-02 OOHR	14A	\$ 255,000.00	5	5
TOTALS	Pinal County		\$ 442,479.00	876	1085
CDBG Yuma County 150-07 OOHR	CDBG Yuma County 150-07-01 Admin	21A	\$ 100,799.00		
	CDBG Yuma County 150-07-02 OOHR	14A	\$ 248,784.35	9	9
TOTALS	Yuma County		\$ 349,583.35	9	9

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-07-DC-04-0001
REPORT FOR FY 2007
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$11,958,557	100%
1. ALLOCATION	\$11,958,557	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$11,499,800	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 339,171	
D. TOTAL DRAWN DOWN	\$11,947,053	
1. BY RECIPIENTS	\$11,448,297	96%
2. BY STATE ADMINISTRATION	\$ 339,171	3%
E. TECHNICAL ASSISTANCE 1%	\$119,586	
1. AMOUNT DRAWN DOWN	\$119,586	100%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2007
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 9,928,824	86%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 416,594	4%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,154,382	10%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$10,345,418	
D. TOTAL OBLIGATED TO RECIPIENTS	<u>\$ 11,499,800</u>	

PART II. NARRATIVE REQUIREMENTS

FY 2007 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2007 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2007 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2006 and FY 2007 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation.

The SSP-Competitive Component created in 2001 which, was as of 2005 available to any eligible CDBG activity has now been limited to all eligible CDBG activities except emergency vehicle or equipment purchases beginning with program year 2007. The other requirements such as; completion of the Environmental Review Record process to include the Release of Funds and completed engineering or submission of a list of pre qualified homeowners have remained the same. A NOFA for such was included in the Application Handbook, Chapter 6, issued in April, 2007, with an application deadline of June 1, 2007 at 4:00 p.m. ADOH received 11 applications and was able to award 6 applications with the funding available.

FY 2007 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

Some decisions about the use of CDBG funds for FY 2007 have already been made as a result of the state's past experiences, e.g., that to increase the state's expenditure rate, a special set aside needed to be created limited to implement projects with environmental requirements met, design completed and for owner occupied housing eligible families identified. Housing also realized that much more intensive TA needed to be provided both before applications were submitted as well as in the early phases of project implementation if long delays in project implementation – and thus funds expenditures – were to be avoided. Up front TA, prior to the applications being submitted to Housing has eliminated a great deal of application revisions experienced in past years. Housing has also moved up application due dates to

improve expenditure rates by having applications approved for contract prior to funds being allocated by HUD. In addition, a pre-award assessment of application process has been implemented to ensure project capacity and implementation readiness. Applications for FY 07 will include HUD mandated performance measurements to increase performance reporting.

FY 2007 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2007 program is anticipated to provide benefit to low and moderate income persons.

FY 2007 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 07 were received.

FY 2007, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2007

As of June 30, 2013, \$119,586 of FY 2007 1%TA funds (100%) had been drawn down. Housing continued to have annual \$10,000 contracts with each of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. In addition, the COGs may use such funds to assist with RwIC meetings (see below for a more detailed explanation of the RwIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2007 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2007. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2007.

As in prior years, each applicant for FY 2007 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will review FY 2007 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, a monitoring visit follow-up letter has and will be mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2007.

Please see the CAPER for a detailed description of state AFFH actions. Further, CDBG Program staff will continue to monitor local grantees' AFFH actions as indicated above. Non-compliance if identified will be documented via forms and letters, and grantees tracked until issues are resolved.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2007.

The *CDBG Procurement and Contracting Handbook*, which is available on the ADOH website to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

Further, during the last three years, HUD has begun to require CDBG staff to submit an annual MBE/WBE/DBE report, which it does by providing HUD with copies of all of the Business Opportunities Forms completed by each grantee for each contract.

4.A.2. Section 3 Compliance, FY 2007

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3

compliance by the community and the contractor. CDBG staff has and will continue to desk monitor bid documents to make sure that they contain the required Section 3 items, and has and will continue to review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff had and will review additional Section 3 materials that grantees are to maintain in their files.

NOTE: Section 3 applies to 18% of the 60 originally funded FY2007 contracts due to the dollar threshold and the type of activities being undertaken.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2007.

Housing maintains such data in the required format available for review upon request.



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Project and Activity Recap - Year 2007
Includes Activities with Matix Codes: ALL

CHART 3

2 Matrix Types consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Estimated Amount
1	03J	03J-WATER/SEWER IMPROVEMENTS	1514	2168	\$93,636.09
1	14A	14A-REHAB; SINGLE-UNIT RESIDENTIAL	150	150	\$166,276.13
2		Total Activities:	1664	2318	\$259,912.22



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2007

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	14
31-50% of HAMFI (Low Income)	46
51-80% of HAMFI (Moderate Income)	1335
81% AND ABOVE	923
<hr/>	
TOTALS	2318
<hr/> <hr/>	

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2007

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	146	34
Black/African American	0	0
Asian	0	0
American Indian/Alaskan Native	0	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	1	0
Asian & White	1	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	2	0
TOTALS:	150	34



**Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013**

Matrix Code CDBG # LOW MOD Number Served

**Year 2007
LISTED BY COUNTY**

CDBG Bisbee 131-08 Bakerville St Imp	CDBG Bisbee 131-08-01 Admin	21A	\$ 36,000.00	0	0
	CDBG Bisbee 131-08-02 Bakerville St Imp	03K	\$ 299,025.00	236	301
CDBG Cochise CO 133-08 Fry Townsite Drainage	CDBG Cochise CO 133-08-01 Admin	21A	\$ 36,105.00	0	0
	CDBG Cochise CO 133-08-02 Fry twn drain	03I	\$ 232,000.00	966	1348
CDBG Cochise CO 134-08 Colonias Lead Abatement	CDBG Cochise CO 134-08-01 Admin	21A	\$ 6,280.00	0	
	CDBG Cochise CO 134-08-02 Colonias Lead	14I	\$ 37,500.00	5	5
TOTALS	Cochise County		\$ 646,910.00	1207	1654

CDBG Coolidge 114-08 OOHR	CDBG Coolidge 114-08-01 Admin	21A	\$ 24,600.00		
	CDBG Coolidge 114-08-02 OOHR	14A	\$ 112,254.00	3	3
CDBG Pinal 125-08 Water Sys Improv	CDBG Pinal 125-08-01 Admin	21A	\$ 2,304.00		
	CDBG Pinal 125-08-02 Water Sys Improv	03J	\$ 134,550.00	1557	1557
CDBG SSP Coolidge 106-08 OOHR	CDBG SSP Coolidge 106-08-01 Admin	21A	\$ 45,000.00		
	CDBG SSP Coolidge 106-08-02 OOHR	14A	\$ 255,000.00	7	7
TOTALS	Pinal County		\$ 573,708.00	1567	1567

CDBG Patagonia 138-08 Harshaw Ave Imprv (Phase II)	CDBG Patagonia 138-08-01 Admin	21A	\$ 42,412.00		
	CDBG Patagonia 138-08-02 HarshawPhase2	03K	\$ 320,030.69	0	106
CDBG Patagonia 139-08 Garden Apt Imp	CDBG Patagonia 139-08-01 Admin	21A	\$ 6,842.75		
	CDBG Patagonia 139-08-02 Garden Apts	14B	\$ 113,831.23	6	6
TOTALS	Santa Cruz County		\$ 483,116.67	6	112

CDBG San Luis 111-08 Curb Gutters St	CDBG San Luis 111-08-01 Admin	21A	\$ 3,750.00	0	0
	CDBG San Luis 111-08-02 Str. Curb Gutter	03K	\$ 569,592.00	12331	15037
TOTALS	Yuma County		\$ 573,342.00	12331	15037

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-08-DC-04-0001
REPORT FOR FY 2008
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$11,793,037	100%
1. ALLOCATION	\$11,793,037	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$11,339,246	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 335,861	
D. TOTAL DRAWN DOWN	\$ 11,361,242	
1. BY RECIPIENTS	\$11,186,012	98%
2. BY STATE ADMINISTRATION	57,300	.50%
E. TECHNICAL ASSISTANCE 1%	\$117,930	
1. AMOUNT DRAWN DOWN	\$117,930	100%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2008
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 8,852,613	78%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 1,091,997	10%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,394,636	12%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 9,944,610	
D. TOTAL OBLIGATED TO RECIPIENTS	\$ <u>11,339,246</u>	

PART II. NARRATIVE REQUIREMENTS

FY 2008 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2008 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2008 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2007 and FY 2008 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation.

The SSP-Competitive Component created in 2001 was limited beginning in FY2007 to all eligible CDBG activities except emergency vehicle or equipment purchases. The other requirements such as; completion of the Environmental Review Record process to include the Release of Funds and completed engineering or submission of a list of pre qualified homeowners have remained the same. It is anticipated that the NOFA for the SSP-Competitive Component was issued July 15, 2008 with applications due by January 15, 2009. ADOH received 19 applications and were able to award 7 projects thru the SSP application round with the funds available.

FY 2008 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

Some decisions about the use of CDBG funds for FY 2008 have already been made as a result of the state's past experiences, e.g., that to increase the state's expenditure rate, a special set aside needed to be created limited to implement projects with environmental requirements met, design completed and for owner occupied housing eligible families identified. Housing also realized that much more intensive TA needed to be provided both before applications were submitted as well as in the early phases of project implementation if long delays in project implementation – and thus funds expenditures – were to be avoided. Up front TA, prior to the applications being submitted to Housing has eliminated a great deal of application revisions experienced in past years. Housing has also moved up application due dates to improve expenditure rates by having applications approved for contract prior to funds being allocated by

HUD. In addition, a pre-award assessment of application process has been implemented to ensure project capacity and implementation readiness. Applications for FY 08 included HUD mandated performance measurements to increase performance reporting.

Finally, in order to address timely project completion and to obtain accurately developed project budgets, ADOH changed its procedure for administrative funding available to its recipients. As of 2008 A maximum of 18% of the aggregate total of all activities for which funding is requested can be charged to general administration and to eligible planning activities. If a community is implementing multiple activities, ADOH will enter into individual contracts for each activity; and each of the contracts will contain the general administrative funds appropriate for and specific to that activity. This alleviates having to hold completed activities open simply because the administrative dollars for another activity have been tied to the contract for the one completed

FY 2008 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2008 program is anticipated to provide benefit to low and moderate income persons.

FY 2008 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 08 were received.

FY 2008, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2008

As of June 30, 2013, \$117,930 of FY 2008 1%TA funds (100%) had been drawn down. Housing continued to have annual \$10,000 contracts with each of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. In addition, the COGs may use such funds to assist with RwIC meetings (see below for a more detailed explanation of the RwIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2008 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2008. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2008.

As in prior years, each applicant for FY 2008 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will continue to review FY 2008 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2008.

Please see the CAPER for a detailed description of state AFFH actions. Further, CDBG Program staff will continue to monitor local grantees' AFFH actions as indicated above. Non-compliance if identified will be documented via forms and letters, and grantees tracked until issues are resolved.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2008.

The *CDBG Procurement and Contracting Handbook*, which is available on the ADOH website to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the

owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

Although during the last three years, ADOH submitted to HUD annual MBE/WBE report for CDBG funded activities, ADOH has located a determination by Steve Johnson of HUD HQ that State programs are *not required to submit the MBE/WBE report form 2516* but rather must have the MBE/WBE information available for HUD during program review. Therefore, ADOH will maintain MBE/WBE information for its recipients and their sub-recipients in its offices for HUD to review at its discretion.

4.A.2. Section 3 Compliance, FY 2008

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3 compliance by the community and the contractor. CDBG staff has and will continue to desk monitor bid documents to make sure that they contain the required Section 3 items, and have and will continue to review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff has and will continue to review additional Section 3 materials that grantees are to maintain in their files.

NOTE: Section 3 applies to 15% of the 62 originally funded FY2008 contracts due to the dollar threshold and type of activities being undertaken.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2008.

Housing maintains such data in the required format available for review upon request.



**Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012**

Project and Activity Recap - Year 2008
Includes Activities with Matix Codes: ALL

CHART 3

5 Matrix Types consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Awarded Amount
1	03	03-PUBLIC FACILITIES AND IMPROVEMENTS (GEN.)	888	888	\$243,897.00
1	03J	03J-WATER/SEWER IMPROVEMENTS	498	498	\$37,362.53
1	03K	03K-STREET IMPROVEMENTS	3614	3614	\$2,400.88
1	14A	14A-REHAB; SINGLE-UNIT RESIDENTIAL	150	150	\$133,723.87
1	14E	14E-REHAB;PUBLICLY/PRIVATELY-OWNED COMMERCIAL/INDUST	6	2	\$242,683.90
5		Total Activities:	5156	5152	\$660,068.18



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2008

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	212
31-50% of HAMFI (Low Income)	470
51-80% of HAMFI (Moderate Income)	3590
81% AND ABOVE	878
<hr/>	
TOTALS	5150
<hr/> <hr/>	

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2008
CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	682	127
Black/African American	17	0
Asian	9	0
American Indian/Alaskan Native	205	69
Native Hawaiian/Pacific Islander	1	0
American Indian.Alaskan Native & White	13	5
Asian & White	16	0
Black/African American & White	1	0
American Indian.Alaskan Native & Black.African American	3	0
Other Multi Racial	91	8
TOTALS:	1038	209



**Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013**

Matrix Code CDBG # LOW MOD Number Served

**Year 2008
LISTED BY COUNTY**

CDBG Duncan Wastewater Treatment Imp 110-09	CDBG Duncan Admin 110-09-01	21A	\$ 15,018.00	0	0
	CDBG Duncan Wastewater Treatment Imp 110-09-02	03J	\$ 84,982.00	452	817
TOTALS	Greenlee County		\$ 100,000.00	452	817

CDBG Kearny 114-09 Bar Screen Lift	CDBG Kearny 114-09-01 Admin	21A	\$ 60,943.99	0	0
	CDBG Kearny 114-09-02 Bar Screen Lift	03J	\$ 419,768.18	1514	2168
TOTALS	Pinal County		\$ 480,712.17	1514	2168

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-09-DC-04-0001
REPORT FOR FY 2009
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$12,078,239	100%
1. ALLOCATION	\$12,078,239	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$11,615,892	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 341,565	
D. TOTAL DRAWN DOWN	\$11,571,841	
1. BY RECIPIENTS	\$11,499,541	99%
2. BY STATE ADMINISTRATION	-0-	
E. TECHNICAL ASSISTANCE 1%	\$120,782	
1. AMOUNT DRAWN DOWN	\$ 72,300	60%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2009
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 9,635,403	83%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 743,080	6%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,237,409	11%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 10,378,483	
D. TOTAL OBLIGATED TO RECIPIENTS	\$ 11,615,892	

PART II. NARRATIVE REQUIREMENTS

FY 2009 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2009 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2009 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2008 and FY 2009 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation.

The SSP-Competitive Component limitations beginning in FY2007 to all eligible CDBG activities except emergency vehicle or equipment purchases was revoked for emergency vehicle purchases making all eligible CDBG activities except equipment purchases allowed to apply for SSP funding. The other requirements such as; completion of the Environmental Review Record process to include the Release of Funds and completed engineering or submission of a list of pre qualified homeowners have remained the same. The NOFA for the SSP-Competitive Component was issued October 5, 2009 with applications due by February 15, 2010. ADOH received 23 applications and was able to award 7 projects thru the SSP application round with the funds available.

FY 2009 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

Some decisions about the use of CDBG funds for FY 2009 have already been made as a result of the state's past experiences, e.g., that to increase the state's expenditure rate, a special set aside needed to be created limited to implement projects with environmental requirements met, design completed and for owner occupied housing eligible families identified. Housing also realized that much more intensive TA needed to be provided both before applications were submitted as well as in the early phases of project implementation if long delays in project implementation – and thus funds expenditures – were to be avoided. Up front TA, prior to the applications being submitted to Housing has eliminated a great deal of application revisions experienced in past years. Housing has also moved up application due dates to

improve expenditure rates by having applications approved for contract prior to funds being allocated by HUD. In addition, a pre-award assessment of application process has been implemented to ensure project capacity and implementation readiness. Applications for FY 10 will include HUD mandated performance measurements to increase performance reporting.

In order to address timely project completion and to obtain accurately developed project budgets, ADOH changed its procedure for administrative funding available to its recipients. As of 2008 A maximum of 18% of the aggregate total of all activities for which funding is requested can be charged to general administration and to eligible planning activities. If a community is implementing multiple activities, ADOH will enter into individual contracts for each activity; and each of the contracts will contain the general administrative funds appropriate for and specific to that activity. This alleviates having to hold completed activities open simply because the administrative dollars for another activity have been tied to the contract for the one completed

Finally, due to HUD HQ and HUD OIG compliance monitoring for the colonias set-aside, ADOH will begin implementing a competitive application process for colonias projects in FY2010. ADOH will announce a NOFA that combines two program years of 10% colonias set aside in order to allow for larger awards. ADOH anticipates release of the NOFA in March of 2011 with applications due by June of 2011 and awards determined by August 2011 which allows ADOH to meet its 15 month commitment requirement.

FY 2009 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2009 program is anticipated to provide benefit to low and moderate income persons.

FY 2009 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 09 were received.

FY 2009, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2009

As of June 30, 2013, \$72,300 of FY 2009 1%TA funds (60%) had been drawn down. Housing continued to have annual \$10,000 contracts with each of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. In addition, the COGs may use such funds to assist with RwlC meetings (see below for a more detailed explanation of the RwlC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RWIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwlC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwlC TA process throughout their regions, identify communities and systems in need

of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RWC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2009 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2009. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2009.

As in prior years, each applicant for FY 2009 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will continue to review FY 2009 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will continue to be used to document this review. Where documents are missing or other evidence of non-compliance is noted, monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2009.

Actions taken to affirmatively further fair housing

The agency's commitment to affirmatively furthering fair housing was demonstrated on many fronts. ADOH advertised in its winter newsletter and participated in the Arizona Fair Housing Partnership's annual event, of which ADOH sits on the steering committee. The event was held at the Disabilities Empowerment Center, April 13, 2010 and was entitled **Opening Doors, Profitability and Fair Housing in Today's Economy**. Rebecca Flanagan of the Phoenix HUD office and Terry Goddard, the State's Attorney General spoke. The agency renewed its contract with Southwest Fair Housing Council to provide fair housing/fair lending training throughout the State of Arizona; providing at least two workshops per county for housing professionals, two workshops per county for consumers and a minimum of one fair housing training per CDBG recipient. The contract also required a fair housing training for Arizona Department of Housing staff, two presentations at each continuum of care meeting, to stock and maintains at least fifteen sites per county for the distribution of fair housing literature, and use of the media (radio, television, print ads) to make consumers aware of fair housing laws. ADOH partnered with

the City of Yuma and Southwest Fair Housing Council along with many other agencies, staffing a booth at a fair housing fair for consumers. The Community Development and Revitalization division of ADOH required each recipient of CDBG funds to offer at least three opportunities per year to further fair housing. Those opportunities included an annual adoption of a fair housing resolution or proclamation and displaying fair housing posters in a public area of the community's administration building or office. Other fair housing activities that communities participated in for fair housing compliance included the distribution of a fair housing brochure, the sponsoring of a fair housing poster, an essay, or poetry contest in the local schools; encouraging the media to promote fair housing awareness with public service announcements; hosting of an annual fair housing meeting or forum; conducting a community wide fair housing opinion survey; encouraging civic organizations to invite speakers to talk about fair housing; or other activities. ADOH monitors for fair housing compliance on all applicants and recipients of CDBG funding.

Summary of impediment to fair housing choice

The agency's Analysis of Impediments to Fair Housing Choice was updated in the spring of 2009. There were a few impediments carried over from 2006. The impediments are:

1. Illegal housing discrimination is occurring in non-metro counties in Arizona.
2. Many housing consumers are unaware of their fair housing rights and available fair housing resources. Therefore, when housing discrimination is encountered, it often goes unreported and unresolved.
3. Many housing providers illegally discriminate because of inadequate knowledge and understanding of their responsibilities under the Fair Housing Act (FHA).
4. Many public and private agencies in non-metro Arizona lack effective fair housing referral procedures. This impedes people's access to agencies that provide fair housing information and assistance to victims of housing discrimination.
5. Disparities in lending and predatory lending practices are impediments to fair housing choice in Arizona.
6. "Not in my Backyard" (NIMBYism) can be an impediment to fair housing because it has obstructed plans and policies to provide affordable housing and special needs housing that serves protected classes.
7. The issue of affordable housing is a fair housing impediment in two ways:
 - The lack of affordable housing throughout the state has a disparate negative impact on Fair Housing Act protected classes.
 - Planning to affirmatively further fair housing will be included/expanded in affordable housing projects funded by ADOH.
8. On-going data gathering from CDBG sub recipients will need to improve to meet evolving AI requirements. The 2006 AI stated, "Information gathering and monitoring fair housing performance needs to be improved." ADOH responded with improvements in these areas. This impediment carries over to the 2010 Plan of Action.

Action identified to be taken to overcome effects of impediments.

ADOH has no fair housing enforcement capacity. The State of Arizona Attorney General's Office has this responsibility. Therefore, the identification of impediments to fair housing choice and Plan of Action are limited to those areas that are within ADOH's jurisdiction. However, within the parameters that ADOH operates, it will continue to have a significant impact in improving fair housing choice in Arizona.

The agency has a contract with Southwest Fair Housing Council to provide education and outreach throughout Arizona. The key points in the Plan of Action include the following:

- The continuation of a comprehensive strategy to provide fair housing education and outreach to both housing providers and housing consumers in the non-metro counties of Arizona.
- The inclusion of training, information and activities to address the need for foreclosure prevention and the increase in foreclosure rescue and mortgage modification scams that are hitting residents protected under Title VIII particularly hard.

- Requiring that all federally funded projects funded by ADOH include a strategy to affirmatively further fair housing and a plan for monitoring and enforcing this requirement.
- Requiring that all communities with CDBG funding through ADOH provide ADOH information on zoning and land use to determine the extent that land use provisions and practices may be either exclusionary or inclusionary and to use this information to inform ADOH planning.

Additionally, the agency distributes an annual fair housing survey to its CDBG recipients electronically to help identify impediments to fair housing choice within our communities. The agency has also created and distributed a fair housing complaint referral form, a referral list, and procedures to each of its CDBG communities. This complaint referral process is monitored by ADOH annually and whenever CDBG-contracts are closed out.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2009.

The *CDBG Procurement and Contracting Handbook*, which is available on the ADOH website to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

Although during the last three years, ADOH submitted to HUD annual MBE/WBE report for CDBG funded activities, ADOH has located a determination by Steve Johnson of HUD HQ that State programs are *not required to submit the MBE/WBE report form 2516* but rather must have the MBE/WBE information available for HUD during program review. Therefore, ADOH will maintain MBE/WBE information for its recipients and their sub-recipients in its offices for HUD to review at its discretion.

4.A.2. Section 3 Compliance, FY 2009

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3 compliance by the community and the contractor. CDBG staff has and will continue to desk monitor bid documents to make sure that they contain the required Section 3 items, and have and will review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff has and will continue to review additional Section 3 materials that grantees are to maintain in their files.

NOTE: Section 3 applies to 17% of the 63 originally funded FY2009 contracts due to the dollar threshold and type of activities being undertaken.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2009.

Housing maintains such data in the required format available for review upon request.



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Project and Activity Recap - Year 2009
Includes Activities with Matix Codes: ALL

CHART 3

8 Matrix Types consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual
1	1	01-ACQUISITION OF REAL PROPERTY	5	6
1	3	03-PUBLIC FACILITIES AND IMPROVEMENTS (GEN.)	1610	1610
2	03F	03F-PARKS, RECREATIONAL FACILITIES	22336	22336
1	03H	03H-SOLID WASTE DISPOSAL IMPROVEMENTS	14502	7251
5	03J	03J-WATER/SEWER IMPROVEMENTS	18517	19171
1	03K	03K-STREET IMPROVEMENTS	3614	3614
6	14A	14A-REHAB; SINGLE-UNIT RESIDENTIAL	26	36
1	14B	14B-REHAB;MULTI-UNIT RESIDENTIAL	4	8
18		Total Activities:	60614	54032



**Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012**

Income Information for ALL Projects/Activities in Reporting Period Year 2009

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	486
31-50% of HAMFI (Low Income)	4236
51-80% of HAMFI (Moderate Income)	24357
81% AND ABOVE	7936
<hr/>	
TOTALS	37015
<hr/> <hr/>	

***HAMFI = HUD Adjusted Median Family Income



Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2009

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	38	12
Black/African American	2	0
Asian	0	0
American Indian/Alaskan Native	1	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	0	0
Asian & White	0	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	9	8
TOTALS:	50	20



**Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013**

Matrix Code

CDBG

LOW MOD

Number Served

Year 2009

LISTED BY COUNTY

CDBG Cochise County 127-10 OOER	CDBG Cochise Cnty 127-10-01 Admin	21A	\$ 30,449.07		
	CDBG Cochise Cnty 127-10-02 OOER	14A	\$ 191,058.58	16	16
CDBG SSP Douglas 169-10 Water Tank Imps	CDBG SSP Douglas 169-10-01 Admin	21A	\$ 6,282.00		
	CDBG SSP Douglas 169-10-02 Water Tank	03J	\$ 293,718.00	13505	15862
TOTALS	Cochise County		\$ 521,507.65	13521	15878

CDBG SSP Eloy 172-10 OOHR	CDBG Eloy 172-10-01 Admin	AD	\$ 30,000.00		
	CDBG Eloy 172-10-02 OOHR	14A	\$ 270,000.00	8	8
CDBG SSP Kearny 170-10 Well Improvements	CDBG Kearny 170-10-01 Admin	21A	\$ 30,833.63		
	CDBG Kearny 170-10-02 Well Improvements	03J	\$ 218,947.39	1245	2168
TOTALS	Pinal County		\$ 549,781.02	1253	2176

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-09-DC-04-0001
REPORT FOR FY 2010
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$13,252,771	100%
1. ALLOCATION	\$13,252,771	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$12,755,188	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 365,055	
D. TOTAL DRAWN DOWN	\$ 11,536,917	
1. BY RECIPIENTS	\$ 11,506,917	100%
2. BY STATE ADMINISTRATION	-0-	
E. TECHNICAL ASSISTANCE 1%	\$132,528	
1. AMOUNT DRAWN DOWN	\$ 30,000	23%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2010
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 10,991,311	86%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 475,000	4%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,288,877	10%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 11,466,311	
D. TOTAL OBLIGATED TO RECIPIENTS	\$ 12,755,188	

PART II. NARRATIVE REQUIREMENTS

FY 2010 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2010 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2010 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2009 and FY 2010 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation after deductions for the allowable 2% plus \$100,000 for State Administration, 1% Technical Assistance and 10% colonias set aside. Beginning with the FY2010 funding year, Housing has implemented a competitive application round for Colonias eligible projects with NOFA release every two years in order to combine 2 allocations years and better enable colonias communities to completely address their water, sewer or housing issues with one large project.

Also beginning in FY2010 all Regional account and SSP-Competitive projects must now meet a medium or high priority as established in the State's FY2010-FY2014 Consolidated Plan and Annual Action Plans. Priorities were established based on public, private and partner input thru several focus group meetings thru-out the state. Although all CDBG activities remain eligible, the state chose to fund only those activities with medium or high priority in order to focus funding more towards meeting basic human needs and community livability.

The NOFA for the SSP-Competitive Component was issued January 21, 2011 combining the FY2010 and FY2011 SSP-Competitive Component funds with applications due by June 30, 2011. ADOH received 18 applications. The review and scoring process is underway and Housing hopes to award approximately 11 projects thru the SSP application round with the funds available.

The NOFA for the Colonias-Competitive Component was issued May 10, 2011 and combines the FY2010 and FY2011 mandatory 10% set asides. Applications for the colonias competition are Due August 31, 2011. It is not known at this time how many applications will be received. As Housing is willing to fund an amount up to but not to exceed the combined FY2010 and FY2011 10% colonias set aside for any project it is also unknown at this time how many projects will be awarded.

FY 2010 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

As a result of public, private and partner input as well as OIG audits, the state has already implemented several changes as outlined in FY 2010 Narrative Requirement 2. Housing will continue seek input from public, private and partner entities and to review current economic trends when establishing activity priorities thru its Annual Action Plan.

In order to address timely project expenditures and completions ADOH will look more favorably on recapturing awards from non-performing communities and re-allocating those funds thru the SSP-Competitive Component to projects and communities demonstrating an ability to deliver timely and compliant projects.

Finally, due to delays in allocation notification from HUD HQ, Housing may look to announcing the Regional Account application rounds annually rather than going with the dates set for June and July of each year in the Consolidated Plan.

FY 2010 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2010 program is anticipated to provide benefit to low and moderate income persons.

FY 2010 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 2010 were received.

FY 2010, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2010

As of June 30, 2013, \$30,000 of FY 2010 1%TA funds (23%) had been drawn down. Housing continued to have annual \$10,000 contracts with three of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. For FY 2010, Western Arizona Council of Governments (WACOG) was not given a TA contract due to lack of timeliness in reporting and close out of previous TA contracts. Additionally, the COGs may use TA funds to assist with RwiC meetings (see below for a more detailed explanation of the RwiC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwiC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwiC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources,

various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2010 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2010. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2010.

As in prior years, each applicant for FY 2010 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will continue to review FY 2010 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2010.

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**Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012**

**Project and Activity Recap - Year 2010
Includes Activities with Matix Codes: ALL**

CHART 3

13 Matrix Types consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Estimated Amount
1	20	20-PLANNING	2071	2071	\$79,707.50
1	03	03-PUBLIC FACILITIES AND IMPROVEMENTS (GEN.)	566	566	\$180,648.00
2	03A	03A-SENIOR CENTERS	306	306	\$102,992.22
1	03D	03D-YOUTH CENTERS	955	955	\$139,640.00
3	03E	03E-NEIGHBORHOOD FACILITIES	6065	6065	\$673,656.61
1	03I	03I-FLOOD DRAIN IMPROVEMENTS	3894	3894	\$300,000.00
4	03J	03J-WATER/SEWER IMPROVEMENTS	3283	2858	\$1,417,897.45
9	03K	03K-STREET IMPROVEMENTS	29714	29040	\$2,860,481.67
2	03L	03L-SIDEWALKS	4847	4847	\$419,166.28
1	05	05-Public Services (General)	64567	64567	\$85,000.00
1	05M	05M-HEALTH SERVICES	1306	1306	\$60,976.00
8	14A	14A-REHAB; SINGLE-UNIT RESIDENTIAL	60	68	\$1,580,527.81
1	14B	14B-REHAB;MULTI-UNIT RESIDENTIAL	33	33	\$158,000.00
35		Total Activities:	117667	116576	\$8,058,693.54



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2010

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	760
31-50% of HAMFI (Low Income)	8012
51-80% of HAMFI (Moderate Income)	86954
81% AND ABOVE	18779
<hr/>	
TOTALS	114505
<hr/> <hr/>	

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2010

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	2560	805
Black/African American	51	3
Asian	9	0
American Indian/Alaskan Native	72	2
Native Hawaiian/Pacific Islander	1	0
American Indian.Alaskan Native & White	27	1
Asian & White	0	0
Black/African American & White	4	2
American Indian.Alaskan Native & Black.African American	1	0
Other Multi Racial	167	132
TOTALS:	2892	945



Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013

Matrix Code

CDBG

LOW MOD

Number Served

Year 2010
LISTED BY COUNTY

Colonias Project: Graham County - Water Delivery System Replacement for Solomon AZ Colonias is not yet completed and therefore there is no data to report at this time. This project was funded with Program Year 2010 and 2011 Colonias Set Aside Funds.

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-09-DC-04-0001
REPORT FOR FY 2011
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$11,109,245	100%
1. ALLOCATION	\$11,109,245	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$10,675,968	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 322,185	
D. TOTAL DRAWN DOWN	\$ 4,067,385	
1. BY RECIPIENTS	\$ 4,037,385	99%
2. BY STATE ADMINISTRATION	-0-	
E. TECHNICAL ASSISTANCE 1%	\$111,092	
1. AMOUNT DRAWN DOWN	\$ 30,000	27%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>	FY2011	
A. PERIOD SPECIFIED FOR BENEFIT		
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 7,858,740	74%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 1,701,452	16%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 1,115,776	10%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 9,560,192	
D. TOTAL OBLIGATED TO RECIPIENTS	\$ 10,675,968	

PART II. NARRATIVE REQUIREMENTS

FY 2011 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2011 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2011 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2010 and FY 2011 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation after deductions for the allowable 2% plus \$100,000 for State Administration, 1% Technical Assistance and 10% colonias set aside. Beginning with the FY2010 funding year, Housing has implemented a competitive application round for Colonias eligible projects with NOFA release every two years in order to combine 2 allocations years and better enable colonias communities to completely address their water, sewer or housing issues with one large project.

Also beginning in FY2010 all Regional account and SSP-Competitive projects must now meet a medium or high priority as established in the State's FY2010-FY2014 Consolidated Plan and Annual Action Plans. Priorities were established based on public, private and partner input thru several focus group meetings thru-out the state. Although all CDBG activities remain eligible, the state chose to fund only those activities with medium or high priority in order to focus funding more towards meeting basic human needs and community livability. This practice continued for FY2011.

FY 2011 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

As a result of public, private and partner input as well as OIG audits, the state has already implemented several changes as outlined in FY 2010 Narrative Requirement 2. Housing will continue seek input from public, private and partner entities and to review current economic trends when establishing activity priorities thru its Annual Action Plan.

In order to address timely project expenditures and completions ADOH will look more favorably on recapturing awards from non-performing communities and re-allocating those funds thru the SSP-Competitive Component to projects and communities demonstrating an ability to deliver timely and compliant projects.

Finally, due to a reduction in state staffing and federal funding and due to increased focus on project completion and timely expenditure at the national level, the State now recommends that individual communities submit only one (1) project application for the Regional Account during their funding cycle. ADOH recommends that Counties submit no more than three (3) project applications. Applications/projects in excess of these amounts will be funded only if the following threshold criteria are met on the date the application is received by ADOH:

1. All Recipients:
 - a. All reporting required by the Department is up to date.
 - b. All monitoring findings have been cleared.
 - c. Recipient is compliant with all current contracts.
 - d. Recipient is in conformance with all original contract Schedules of Completion or has obtained ADOH approvals for revisions or amendments to their Schedules of Completion.
 - e. Recipient has no contracts over the previous 3 years that have been extended more than once.
 - f. For all previously funded projects environmental clearances have been obtained and scope of work has begun.
2. Recipients with contracts in their 24th or greater month:
 - a. Performance: Scope of Work 100 percent complete and Contract Close out Report received and approved.
 - b. Expenditure Rates: CDBG Funds 100 percent expended or de-obligated.
3. Recipients with contracts in their 18th to 23rd month:
 - a. Performance: The Scope of Work is currently 75 percent complete.
 - b. Expenditure Rates: CDBG funds 75 percent expended.
4. Recipients with contracts in their 12th to 17th month:
 - a. Performance: The Scope of Work is currently 50 percent complete. +
 - b. Expenditure Rates: CDBG funds 50 percent expended.
5. Recipients with new contracts up to their 11th month
 - a. Performance: The Scope of Work is currently 25 percent complete
 - b. Expenditure Rates: CDBG funds are 25% expended.

FY 2011 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2011 program is anticipated to provide benefit to low and moderate income persons.

FY 2011 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 2011 were received.

FY 2011, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2011

As of June 30, 2013, \$30,000 of FY 2011 1%TA funds (27%) had been drawn down. Housing continued to have annual \$10,000 contracts with all four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. Additionally, the COGs may use TA funds to assist with RwIC meetings (see below for a more detailed explanation of the RwIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RwIC) meetings in their areas about 2-3 times a year. In January 2002, the name of this entity changed and staffing was taken over by the Arizona Small Utilities Association, the Arizona arm of the National Rural Water Association. The COGs are an essential component in the RwIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RwIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RwIC meetings, and undertake limited follow-up on behalf of the communities and systems.

FY 2011 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2011. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2011.

As in prior years, each applicant for FY 2011 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will review FY 2011 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will be used to document this review. Where documents are missing or other evidence of non-compliance is noted, a monitoring visit follow-up letter has and will be mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

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Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Project and Activity Recap - Year 2011
Includes Activities with Matix Codes: ALL

CHART 3

2 Matrix Types consisting of the following breakdown:

# of Activities	Matrix Code	Activity Matrix	Proposed	Actual	Estimated Amount
5	03K	03K-STREET IMPROVEMENTS	25286	17349	\$1,458,259.12
1	14A	14A-REHAB; SINGLE-UNIT RESIDENTIAL	10	7	\$124,303.21
6		Total Activities:	25296	17356	\$1,582,562.33



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2011
CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	2
31-50% of HAMFI (Low Income)	5346
51-80% of HAMFI (Moderate Income)	7111
81% AND ABOVE	4897
<hr/>	
TOTALS	17356
<hr/> <hr/>	

***HAMFI = HUD Adjusted Median Family Income



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2011

CHART 5

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	6	0
Black/African American	0	0
Asian	0	0
American Indian/Alaskan Native	1	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	0	0
Asian & White	0	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	0	0
TOTALS:	7	0



Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013

Matrix Code

CDBG

LOW MOD

Number Served

Year 2011
LISTED BY COUNTY

Colonias Project: Graham County - Water Delivery System Replacement for Solomon AZ Colonias is not yet completed and therefore there is no data to report at this time. This project was funded with Program Year 2010 and 2011 Colonias Set Aside Funds.

PART I
STATE CDBG PERFORMANCE/EVALUATION REPORT

STATE OF ARIZONA
GRANT #B-09-DC-04-0001
REPORT FOR FY 2012
DATA AS OF JUNE 30, 2013

CHART 1

I. <u>FINANCIAL STATUS</u>	<u>AMOUNT</u>	<u>%</u>
A. TOTAL FUNDS	\$8,908,063	100%
1. ALLOCATION	\$8,908,063	
2. PROGRAM INCOME	-0-	
B. AMOUNT OBLIGATED TO RECIPIENTS	\$8,540,821	
C. AMOUNT FOR STATE ADMINISTRATION	\$ 278,161	
D. TOTAL DRAWN DOWN	\$ 444,437	
1. BY RECIPIENTS	\$ 437,737	98%
2. BY STATE ADMINISTRATION	-0-	
E. TECHNICAL ASSISTANCE 1%	\$ 89,081	
1. AMOUNT DRAWN DOWN	\$ 6,700	8%
F. SECTION 108 LOAN GUARANTEES	\$ N/A	

CHART 2

II. <u>NATIONAL OBJECTIVES</u>		
A. PERIOD SPECIFIED FOR BENEFIT		FY2012
B. AMOUNTS USED TO:	<u>AMOUNT</u>	<u>%</u>
1. BENEFIT TO LOW/MODERATE INCOME PERSONS	\$ 7,472,746	87%
2. PREVENT/ELIMINATE SLUMS/BLIGHT	\$ 230,999	3%
3. MEET URGENT COMMUNITY DEVELOPMENT NEEDS	\$ -0-	
4. ACQUISITION/REHABILITATION NONCOUNTABLE DOLLARS	\$ -0-	
5. ADMINISTRATION	\$ 837,076	10%
C. TOTAL AMOUNT OBLIGATED TO RECIPIENTS TO FULFILL NATIONAL OBJECTIVES (minus administration)	\$ 7,703,745	
D. TOTAL OBLIGATED TO RECIPIENTS	\$ 8,540,821	

PART II. NARRATIVE REQUIREMENTS

FY 2012 NARRATIVE REQUIREMENT 1

AN ASSESSMENT OF THE RELATIONSHIP OF THE USE OF FUNDS TO THE STATE'S OBJECTIVES

The objective of the State of Arizona's FY 2012 non-entitlement Community Development Block Grant Program (CDBG) is stated below along with an assessment of Arizona's success in using available funds to meet this objective.

Objective

To further the development of viable urban and rural communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

In consultation with the four non metropolitan Councils of Governments (COGs) Housing reconfirmed that the primary objective of the CDBG Program as stated in statute most accurately reflected the objective of the Arizona State program. Because of the diverse nature of the needs of various communities, Housing concluded that any one particular focus of the program might not accurately address those needs, and that the local citizen and public participation process was sufficient to ensure that applications were responsive to locally identified objectives and needs.

FY 2012 NARRATIVE REQUIREMENTS 2

AN EXPLANATION OF THE NATURE OF AND REASONS FOR ANY CHANGES IN PROGRAM OBJECTIVES

There were no changes in program objectives between FY 2011 and FY 2012 for the 85% of the state's CDBG funds that are in the Regional Account or the State Special Projects Account that receives 15% of the annual allocation after deductions for the allowable 2% plus \$100,000 for State Administration, 1% Technical Assistance and 10% colonias set aside. Beginning with the FY2010 funding year, Housing implemented a competitive application round for Colonias eligible projects with NOFA release every two years in order to combine 2 allocation years and better enable colonias communities to completely address their water, sewer or housing issues with one large project. The FY2012 Colonias set aside will be awarded with the FY2013 Colonias Set Aside thru a Notice of Funding Availability released April 19, 2013. The application deadline is September 16, 2013 at 4p.m.

Housing continues to require that all Regional account and SSP-Competitive projects must now meet a medium or high priority as established in the State's FY2010-FY2014 Consolidated Plan and Annual Action Plans. Priorities were established based on public, private and partner input thru several focus group meetings thru-out the state. Although all CDBG activities remain eligible, the state chose to fund only those activities with medium or high priority in order to focus funding more towards meeting basic human needs and community livability. This practice began in FY2010.

FY 2012 NARRATIVE REQUIREMENT 3

AN INDICATION OF HOW THE STATE WOULD CHANGE ITS PROGRAM AS A RESULT OF ITS EXPERIENCE

As a result of public, private and partner input as well as OIG audits, the state has already implemented several changes as outlined in FY 2010 Narrative Requirement 2. Housing will continue to seek input

from public, private and partner entities and to review current economic trends when establishing activity priorities thru its Annual Action Plan.

In order to address timely project expenditures and completions ADOH will look more favorably on recapturing awards from non-performing communities and re-allocating those funds thru the SSP-Competitive Component to projects and communities demonstrating an ability to deliver timely and compliant projects.

Due to a reduction in staffing and federal funding and due to increased focus on project completion and timely expenditure at the national level, Housing now recommends that individual communities submit only one (1) project application for the Regional Account during their funding cycle and recommends that Counties submit no more than three (3) project applications. Applications/projects in excess of these amounts will be funded only if the following threshold criteria are met on the date the application is received by ADOH:

1. All Recipients:
 - a. All reporting required by the Department is up to date.
 - b. All monitoring findings have been cleared.
 - c. Recipient is compliant with all current contracts.
 - d. Recipient is in conformance with all original contract Schedules of Completion or has obtained ADOH approvals for revisions or amendments to their Schedules of Completion.
 - e. Recipient has no contracts over the previous 3 years that have been extended more than once.
 - f. For all previously funded projects environmental clearances have been obtained and scope of work has begun.
2. Recipients with contracts in their 24th or greater month:
 - a. Performance: Scope of Work 100 percent complete and Contract Close out Report received and approved.
 - b. Expenditure Rates: CDBG Funds 100 percent expended or de-obligated.
3. Recipients with contracts in their 18th to 23rd month:
 - a. Performance: The Scope of Work is currently 75 percent complete.
 - b. Expenditure Rates: CDBG funds 75 percent expended.
4. Recipients with contracts in their 12th to 17th month:
 - a. Performance: The Scope of Work is currently 50 percent complete.
 - b. Expenditure Rates: CDBG funds 50 percent expended.
5. Recipients with new contracts up to their 11th month
 - a. Performance: The Scope of Work is currently 25 percent complete
 - b. Expenditure Rates: CDBG funds are 25% expended.

Finally, Beginning with Federal FY 2014 each individual community and county must submit a Letter of Intent (LOI) to ADOH regarding their projects selected for application to the Regional Account. The LOI must be received by ADOH no less than 120 days prior to the regional account application due date for the respective community or county. The LOI must include **all** of the following information:

- Amount of funds applied for;
- Project title;
- Project location;
- Service Area;
- Intended National Objective to be met;
- Proposed beneficiaries;
- Detailed information on who will administer all aspects of the project;
- Scope of Work; and
- Information on any additional funding sources being used for the project. Are these funds applied for? Approved? Committed by governing body?

Any community or county that fails to submit an LOI by the deadline will not be eligible for regional account funding and their allocation will be returned to the State Special Projects Account.

Submission of Intent Letters will allow Housing to better address technical assistance needs prior to application submission and it is Housing's hope that this will reduce application errors as well as timing to project implementation.

All of these new processes are included in Housing's newly updated CDBG Application Handbook which was issued in April 2013 and will be continuously updated as needed. The last update being made on July 16, 2013.

FY 2012 NARRATIVE REQUIREMENT 4

EVALUATION OF THE EXTENT TO WHICH THE PROGRAM BENEFITED LOW- AND MODERATE-INCOME PERSONS

Please see Chart 2 Funding by National Objective, Chart 3 Project and Activity Recap, Chart 4 Income Information, and CAPER Exhibit 2C CDBG Investment by Activity and Persons Served for detailed information about the extent to which the FY 2012 program is anticipated to provide benefit to low and moderate income persons.

FY 2012 NARRATIVE REQUIREMENT 5

A SUMMARY OF ANY COMMENTS CONCERNING THE PROGRAM THAT HAVE BEEN RECEIVED FROM CITIZENS

No comments regarding FY 2012 were received.

FY 2012, PART II

B.1. Summary of Activities and Results from Technical Assistance Funding, FY 2012

As of June 30, 2013, \$6,700 of FY 2012 1%TA funds (8%) had been drawn down. Housing continued to have annual \$10,000 contracts with three of the four non-metropolitan Councils of Governments, enabling them to attend CDBG meetings and training and provide TA to local governments and non-profits within their regions. Additionally, the COGs may use TA funds to assist with RWIC meetings (see below for a more detailed explanation of the RWIC, the change in its name and the COGs' role in such). Further 1% TA funds will continue to be used to cover the costs of CDBG staff when they develop and/or present workshops, revise or create Handbooks and provide TA.

Some of the COGs host and help organize Rural Water Infrastructure Committee (RWIC) meetings in their areas about 2-3 times a year. The COGs are an essential component in the RWIC process, which is a cooperative one-stop outreach and TA system involving CDBG, U.S.D.A. Rural Development, the Water Infrastructure Financing Authority (WIFA) that administers the state water and wastewater revolving funds (the SRF), the state Corporation Commission, the state's Departments of Environmental Quality and Water Resources, various non-profits with both circuit riding and funding capabilities, a state bond bank known as the Greater Arizona Development Authority (GADA) and for-profit engineering companies. The COGs help publicize the RWIC TA process throughout their regions, identify communities and systems in need of TA, assist those communities to define and describe their problems, attempt to ensure that they attend RWIC meetings, and undertake limited follow-up on behalf of the communities and systems.

Housing held 4 Technical Assistance Workshops in the spring of 2013, one for each of the rural regional Council of Governments (COGS). These workshops included information on changes to the CDBG Application Handbook, a review of the most common application preparation discrepancies and an individual meeting with each of the communities to discuss their projects in development

FY 2012 PART III

COMPLIANCE WITH APPLICABLE CIVIL RIGHTS LAWS

A. 1. Ethnicity Information, FY 2012. See Chart 5 Racial Ethnicity Composition for detailed information.

A. 2. A Narrative Summary of the State's Reviews of Recipients' Civil Rights Performance Including: a. Process and Standards Used to Review; b. Results of the Reviews; and c. State's Findings and Corrective/Remedial Actions, If Any, FY 2012.

As in prior years, each applicant for FY 2012 CDBG funds was required to submit a certification, signed by the CEO, that the community would comply with all applicable civil rights laws, regulations and Executive Orders. The CDBG Program continued to provide TA on how such requirements were to be implemented via the *CDBG Grant Administration Handbook*.

Further, where the CDBG Program is aware of outstanding concerns, it has and will continue to withhold funds from the community until necessary corrective actions are implemented.

CDBG Program staff has and will continue to review Requests for Proposals, Professional Services Contracts, subrecipient agreements, bid documents and construction contracts to ensure that these contain the required civil rights clauses and certifications. Revisions or amendments have and will be required where such items are omitted or non-compliant. This desk monitoring has and will be documented in the contract file, as will be the grantee's responses and amended documents.

Further, during future on-site visits, CDBG Program staff has and will review FY 2012 grantees' documents to include: procurement and contracting if such were not desk monitored; items relating to 504 and at a minimum the accessibility of the facility from which the CDBG Program is administered and any public facilities constructed or rehabbed with CDBG funds; and the community's AFFH files. Monitoring forms have and will continue to be used to document this review. Where documents are missing or other evidence of non-compliance is noted, monitoring visit follow-up letters have been mailed usually within 30 days of the visit; with a response required, usually within 30 days of the date on the letter. If a satisfactory response is not received, funds may be withheld for any or all of the community's contracts.

A.3. A Narrative Description Summarizing State and Local Efforts, Actions and Results in Affirmatively Furthering Fair Housing, FY 2012.

Actions taken to affirmatively further fair housing

The agency's commitment to affirmatively furthering fair housing was demonstrated on many fronts. ADOH's spring newsletter was dedicated to the 45th Anniversary of the signing of the Fair Housing Act. The newsletter featured the Governor signing a proclamation declaring April as Fair Housing Month; it also gave a brief history leading up to the signing of the Fair Housing Act and introduced the HUD Disparate Impact Rule. The Arizona Fair Housing Partnership, which ADOH sits on the steering committee, held its annual April event also dedicated to celebrating 45 years of fair housing. The event was held at the Disabilities Empowerment Center on April 19, 2013 and was entitled ***Back to the Future***. The Fair Housing proclamation signed by the Governor was on display. Speakers included: Bill Gray, former President of the Arizona School of Real Estate and nationally recognized lecturer; Dr. Matthew C. Whitaker, ASU Foundation Professor of History and the Director of the Center for the Study of Race and Democracy; Reginald H. Givens, Foreclosure Assistance Administrator with ADOH; and Phoenix Councilman Tom Simplot. They each shared their knowledge of past, present, and future aspect of housing and housing discrimination.

The agency renewed its contract with Southwest Fair Housing Council (SWFHC) to provide fair housing/fair lending training throughout the State of Arizona; providing at least two workshops per county for housing professionals, two workshops per county for consumers and a minimum of one fair housing

training per State CDBG recipient. The contract also provides a fair housing training for ADOH staff, two presentations at other agency, city, county and continuum of care meetings. SWFHC also stocks and maintains at least fifteen sites per county for the distribution of fair housing literature, and they use the media (radio, television, print ads, and PSAs) to make consumers aware of fair housing laws and trainings throughout Arizona. In the last fiscal year, SWFHC has provided 166 trainings and workshops throughout the state of Arizona.

ADOH partnered with the City of Yuma and SWFHC along with many other agencies, staffing a booth at a fair housing fair for consumers in Yuma. The Community Development and Revitalization division of ADOH required each recipient of CDBG funds to offer at least three opportunities per year to further fair housing. Those opportunities included an annual adoption of a fair housing resolution or proclamation and displaying fair housing posters in a public area of the community's administration building or office. Other fair housing activities that communities participated in for fair housing compliance included the distribution of a fair housing brochure, the sponsoring of a fair housing poster, an essay, or poetry contest in the local schools; encouraging the media to promote fair housing awareness with public service announcements; hosting of an annual fair housing meeting or forum; conducting a community wide fair housing opinion survey; encouraging civic organizations to invite speakers to talk about fair housing; or other activities. ADOH monitors for fair housing compliance on all recipients and applicants of CDBG and HOME funding.

Summary of impediment to fair housing choice

The agency's Analysis of Impediments to Fair Housing Choice was updated in the spring of 2009. There were a few impediments carried over from 2006. The impediments are:

1. There is a need to improve the process for fair housing complaint/referral in many non-metro communities.
2. Many housing consumers are unaware of their fair housing rights and available fair housing resources. Therefore, when housing discrimination is encountered, it often goes unreported and unresolved.
3. Many housing providers illegally discriminate because of inadequate knowledge and understanding of their responsibilities under the Fair Housing Act.
4. Many public and private agencies in non-metro Arizona lack effective fair housing referral procedures. This impedes people's access to agencies that provide fair housing information and assistance to victims of housing discrimination.
5. Disparities in lending and predatory lending practices are impediments to fair housing choice in Arizona.
6. "Not in my Backyard" (NIMBYism) can be an impediment to fair housing because it has obstructed plans and policies to provide affordable housing and special needs housing that serves protected classes.
7. The issue of affordable housing is a fair housing impediment in two ways:
 - The lack of affordable housing throughout the state has a disparate negative impact on Fair Housing Act protected classes.
 - Planning to affirmatively further fair housing will be included/expanded in affordable housing projects funded by ADOH.
8. Enforcement needs to be increased in rural areas. A greater focus needs to be on border areas, colonias, and communities surrounding reservations where discrimination has been shown to be particularly high.

Action identified to be taken to overcome effects of impediments.

ADOH has no fair housing enforcement capacity. The State of Arizona Attorney General's Office has this responsibility along with Southwest Fair Housing Council. Therefore, the identification of impediments to fair housing choice and Plan of Action are limited to those areas that are within ADOH's jurisdiction. However, within the parameters that ADOH operates, it will continue to have a significant impact in improving fair housing choice in Arizona.

The agency has a contract with Southwest Fair Housing Council to provide education and outreach throughout Arizona. The key points in the Plan of Action include the following:

- The continuation of a comprehensive strategy to provide fair housing education and outreach to both housing providers and housing consumers to include trainings in Spanish throughout the State of Arizona.
- The inclusion of training, information, and activities to address the need for foreclosure prevention and the increase in foreclosure rescue and mortgage modification scams that are hitting residents protected under Title VIII particularly hard.
- Requiring that all federally funded projects funded by ADOH include a strategy to affirmatively further fair housing and a plan for monitoring and enforcing this requirement.
- Provide a uniformed process for all CDBG communities to facilitate a tracking and referral system for victims of housing discrimination that helps to ensure that violations of the fair housing law do not go unreported.

Additionally, the agency distributes an annual fair housing survey to its CDBG recipients electronically and makes the survey available on our website throughout the month of April, to help identify impediments to fair housing choice within the State of Arizona. The agency has also created and distributed a fair housing complaint referral form, a referral list, and procedures to each of its CDBG communities and has offered these forms and instruction to any agency interested in this procedure. This complaint referral process is monitored by ADOH annually and whenever CDBG-contracts are closed out.

A.4.1. A Summary of the Results of State and Recipient Actions to Use Minority and Women-Owned Businesses in Carrying Out CDBG-Funded Activities, FY 2012.

The *CDBG Procurement and Contracting Handbook*, which is available on the ADOH website to all applicants and grantees, contains information about how grantees may comply with this requirement and references the availability of MBE/WBE/DBE directories. During on-site monitoring visits, CDBG Program staff reviews files to determine if efforts were made to utilize such firms and if documentation of the use of such firms is being maintained. The review itself is documented on monitoring forms; and if no or insufficient actions were taken, the monitoring visit follow-up letter contains recommendations for corrective actions.

In addition, the *CDBG Administration Handbook*, Chapter 7, Closeouts, contains a format that all grantees must use when submitting a Closeout Report. This includes a Business Opportunities Form that documents whether any MBE/WBE/DBE firms were awarded contracts relating to the provision of goods or services for the CDBG funded project(s) and which collects data on the type of firm, the ethnicity of the owner and the dollar amount of the contract. If this form is not submitted as part of the Closeout or is incomplete/incorrect, the grantee is notified that the Closeout cannot be approved until corrections are made.

ADOH has located a determination by Steve Johnson of HUD HQ that State programs are *not required to submit the MBE/WBE report form 2516* but rather must have the MBE/WBE information available for HUD during program review. Therefore, ADOH will continue to maintain MBE/WBE information for its recipients and their sub-recipients in its offices for HUD to review at its discretion.

4.A.2. Section 3 Compliance, FY 2012

The *CDBG Procurement and Contracting Handbook*, Chapter 11, contains detailed information about the purpose of Section 3 along with instructions and examples of forms for documenting Section 3 compliance by the community and the contractor. CDBG staff has and will continue to desk monitor bid documents to make sure that they contain the required Section 3 items, and have and will review Section 3 reports when a community submits its request for a final construction funds draw. In addition, during on-site monitoring visits, staff has and will continue to review additional Section 3 materials that grantees are to maintain in their files.

Housing will continue to submit electronically, the HUD 60062 Section 3 Summary Report with data collected thru desk review, on-site monitoring and the project close out report entitled Business Opportunity Report.

A.5. The Data on the EEOC-EEO-4 Form should be maintained at the State for each State Agency administering the Program, FY 2012.

Housing maintains such data in the required format available for review upon request.



Arizona
Department
of Housing

Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Project and Activity Recap - Year 2012
Includes Activities with Matix Codes: ALL

CHART 3

There are no projects funded with Program Year 2012 funds that have completed and therefore there is no data to report at this time.



Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012

Income Information for ALL Projects/Activities in Reporting Period Year 2012

CHART 4

Includes Activities with Matix Codes of All

MEDIAN INCOME	PERSONS BENEFITTING
0-30% of HAMFI *** (Very Low Income)	0
31-50% of HAMFI (Low Income)	0
51-80% of HAMFI (Moderate Income)	0
81% AND ABOVE	0
TOTALS	0

***HAMFI = HUD Adjusted Median Family Income

There are no activities funded with Program Year 2012 funds that have completed and therefore no data to report



**Arizona Department of Housing
Performance/Evaluation Report for Community Development Block Grant Program
Reporting Year: 2012**

**Racial Ethnic Composition for ALL Projects/Activities in Reporting Period Year 2012 &
CHART 5**

Includes Activities with Matix Codes of All

HUD DESIGNATED RACIAL CATEGORIES	PERSONS BENEFITTING	
	Racial Count	Ethnicity Count
White	0	0
Black/African American	0	0
Asian	0	0
American Indian/Alaskan Native	0	0
Native Hawaiian/Pacific Islander	0	0
American Indian.Alaskan Native & White	0	0
Asian & White	0	0
Black/African American & White	0	0
American Indian.Alaskan Native & Black.African American	0	0
Other Multi Racial	0	0
TOTALS:	0	0

There are no activities funded with Program Year 2012 funds that are completed and therefore no data to report.



Arizona Department of Housing
COLONIAS FUNCTION AS OF 6/30/2013

Matrix Code

CDBG

LOW MOD

Number Served

Year 2012

LISTED BY COUNTY

Colonias Set Aside funds for Program Year 2012 will be pooled with 2013 set aside funds and awarded in competitive application round. Applications are due September 16, 2013. Funds will be awarded prior to 15 month timely distribution deadline.