

**CITY OF PHOENIX
2008-2009 ANNUAL ACTION PLAN**

The 2008-2009 Annual Action Plan is the specific one-year plan for the use of U.S. Department of Housing and Urban Development (HUD) formula grant funds. The formula grant programs are included in the 2005-10 Consolidated Plan and include the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) programs. Both documents have been prepared to address diverse housing and community development needs in the City of Phoenix as well as priority affordable housing needs, homeless issues, and supportive housing needs. The formula grant funding made available for fiscal year 2008-09 to the City of Phoenix is as follows:

Community Development Block Grant (CDBG)	16,845,609
HOME Investment Partnerships (HOME)	8,390,028
Housing Opportunities for Persons with AIDS (HOPWA)	1,541,000
Emergency Shelter Grants (ESG)	<u>749,013</u>
TOTAL	\$27,526,650

**2008-2009 COMMUNITY DEVELOPMENT BLOCK GRANT
ALLOCATION PLAN**

The Neighborhood Services Department administers the CDBG Program funds for the City of Phoenix. The city's strategy for the CDBG Program targets funding to local priorities.

Available resources are used to rehabilitate affordable rental and owner-occupied housing; to develop vacant residential land; demolish buildings that are not suitable for rehabilitation; increase the percentage of owner-occupied housing; create more jobs; coordinate services; increase capacity of neighborhood-based organizations to effectively address their needs; and carry out other tasks relative to improving neighborhoods. The 2008-09 CDBG allocation is \$16,845,609 and the broad activity areas are as follows:

2008-09 FUNDING

Critical Core City Department Programs	8,129,131
Open Application Process	2,757,969
Competitive Request for Proposal Process	2,135,195
CDBG Program Management, Coordination, and Support	3,319,804
Emergency Contingency Fund	503,510
	<u>\$16,845,609</u>

2008-2009 HOME INVESTMENT PARTNERSHIPS PROGRAM

The Housing Department administers the HOME Investment Partnerships Program for the City of Phoenix. The program addresses the need for affordable and supportive housing in Phoenix for lower income persons with a broad range of special needs.

The funds provide low interest loans to non-profit and for-profit developers to construct, acquire, or rehab multi-unit rental housing for low-income residents; assist with transitional housing facilities and financing for first-time homeownership activities; provide funds to CHDO agencies for acquisition and rehabilitation of affordable housing and new construction; and provide loans and grants for reconstruction of owner-occupied houses. The 2008-2009 HOME entitlement allocations of \$6,338,128 and \$51,900 for the American Dream Down payment Initiative (ADDI); estimated annual program income of \$2,000,000, and broad activity areas are as follows:

BROAD ACTIVITY AREA	<u>2008-09 FUNDING</u>	FEDERAL FUNDING	PROGRAM INCOME
Multi-Family Rental Housing		1,934,000	
Special Projects		1,364,596	2,000,000
Community Housing Development Organization – (CHDO) Set Aside		950,719	
Reconstruction / Rehabilitation of Owner-Occupied Homes in Neighborhood Initiative Areas		1,455,000	
HOME Program Management and Coordination		633,813	
Total HOME Funds		<u>\$6,338,128</u>	<u>\$2,000,000</u>
American Dream Down Payment Initiative (ADDI)		\$51,900	

**2008-2009 HOUSING OPPORTUNITIES FOR
PERSONS WITH AIDS**

The Housing Department administers the HOPWA Program for the City of Phoenix and is the grantee for the grant within the Maricopa and Pinal County areas. The goal of the City of Phoenix HOPWA Program is, where possible, to maintain eligible persons in their current living conditions and to increase the number of shelter, transitional and permanent housing units for persons living with HIV/AIDS. The Housing Department administers the HOPWA funds for the two-county area. The 2008-09 HOPWA allocations and activities are as follows:

2008-09 FUNDING

HOPWA Emergency Assistance Program	200,000
Rental Assistance Program	500,000
HOPWA Supportive Housing Program	744,770
Housing Information Services	50,000
HOPWA Program Management and Coordination	46,230
	<u>\$1,541,000</u>

**2008-2009 EMERGENCY SHELTER GRANT
ALLOCATION PLAN**

The Emergency Shelter Grant (ESG) Program is administered by the Human Services Department. ESG funds are used for programs that serve homeless or nearly homeless people. The funds address the immediate needs of homeless persons living on the street, in emergency shelters, or in transitional housing; provide financial assistance in the form of rent and utility payments to prevent homelessness; and cover expenses by homeless service providers to operate emergency shelter or transitional housing programs. The 2008-09 ESG allocations and activities are as follows:

2008-09 FUNDING

Essential Services	55,440
Prevention Services	222,996
Operating Costs	470,577
Administration	<u>0</u>
	\$749,013

Prepared by:

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For questions regarding the HUD Consolidated Plan/Annual Action
Plan, contact Jennifer Harper at 602-262-4730*

HOUSING PRIORITY INVESTMENT PLAN (FY 2008-09)

Priority A: Provide homeownership opportunities to first-time homebuyers, particularly for low and moderate income families with children.

Utilizing federal formula grant funding and American Dream Downpayment Initiative (ADDI) funds, assist 13 families with low and moderate incomes become homeowners. Using Phoenix Industrial Development Authority MRB funds assist 200 low-, moderate-, and middle-income families become homeowners.

Priority B: Provide quality, affordable rental housing opportunities to low and moderate income households through the acquisition and rehabilitation of existing properties.

Utilizing HOME, CDBG, and local funds, provide 200 new affordable rental housing units in Phoenix. Phoenix Industrial Development Authority Multi-family Revenue Bonds and the Low Income Housing Tax Credit Program will also help with the creation of new affordable rental units.

Priority C: Provide assisted rental housing opportunities to low income families, elderly, homeless persons, and other persons with special needs.

Utilizing HOPWA funding, provide assisted rental housing subsidies to 82 low and moderate income persons living with HIV/AIDS.

Priority D: Promote supportive services and facilities for persons affected by domestic violence, frail elderly, disabled persons, low income families (renters), and/or other persons with special needs.

Utilizing CDBG and HOPWA federal formula grant funding, assist in the creation of 20 units for low and moderate income households with special needs and assist 370 special needs households with housing services such as emergency assistance, operating and leasing assistance, and information and referral service.

Priority E: Promote and participate in a regional continuum of care system that will effectively transition persons who are homeless to appropriate permanent housing settings.

Utilizing ESG and CDBG federal formula grant funding, provide assistance to homeless persons (individuals, families and persons with special needs) and persons threatened with homelessness.

Priority F: Provide housing rehabilitation assistance for low and moderate income persons, whether owners or renters, focusing on selected neighborhoods.

Utilizing federal formula and other grant funds provide rehabilitation assistance to 86 low and moderate income public housing renters and 247 low and moderate owner occupied and renter occupied units.

COMMUNITY DEVELOPMENT PLAN (FY 2008-09)

Strategic Approach to Neighborhood Revitalization: The City's neighborhood revitalization strategy focuses limited resources on concentrated and comprehensive revitalization of targeted neighborhoods and the economic empowerment of the residents of those neighborhoods. Designated areas with the most focused and comprehensive revitalization and economic development activities are called Neighborhood Initiative Areas (NIAs) – neighborhoods in need of comprehensive physical and economic revitalization. Federal CDBG and HOME funds allocated to the City and general obligation bond funds are the primary funding sources for NIAs. Activities used are housing rehabilitation, infill housing, blight elimination, code enforcement, neighborhood economic development, infrastructure improvement, organizational capacity building, and public services.

Public Facilities Request for Proposal: A Public Facilities RFP of \$472,500 will fund acquisition, construction, and rehabilitation of senior and youth centers, neighborhood facilities, child care facilities, domestic violence shelters, and Americans with Disabilities Act (ADA) projects in Neighborhood Initiative Areas, the former Enterprise Community, Redevelopment Areas, eligible Historic Districts, and Special Revitalization Areas. This also includes the funding of projects such as acquisition, construction, and rehabilitation of facilities owned by non-profit agencies.

Public Services Request for Proposal: A Public Services RFP of \$820,000 will be available to non-profit agencies for public service projects. Of the total amount allocated to the RFP, 75% will fund projects for youth services and childcare, 20% will fund projects for persons with disabilities and senior support services, and 5% will fund blight prevention programs for neighborhood-based activities for the reduction of crime and revitalization programs in targeted areas.

Additional Request for Proposals include: Housing Counseling RFP of \$275,00 will be available for non-profit Housing Counseling Agencies; Homeless RFP of \$253,235 will be available for non-profit homeless shelters; and Job Training RFP of \$339,460 available for summer youth job programs.

Housing Open Application: The Housing open application funding has been dedicated to creating low and moderate-income housing. The activities are: 1) first time home ownership assistance, and 2) the acquisition and/or rehabilitation and limited construction of housing/shelter for special needs. The amount allocated is \$600,000.

Economic Development Open Application: These funds will address the needs identified at community planning workshops and business round table meetings. The funds will primarily assist small and micro businesses located in lower income neighborhoods and/or in the creation of jobs for lower income persons. The amount allocated is \$170,550.

Neighborhood Revitalization Open Application: This allocation reflects the City's commitment to the NIA and Redevelopment areas, and the commitment for the former Enterprise Community area. Activities eligible for funding include residential infill, new construction of housing, housing rehabilitation, rental housing rehabilitation for non-profit and for-profit organizations, blight elimination (cleanups, acquisition demolition), acquisition and rehabilitation for homeownership, and capacity building for non-profit organizations and neighborhood organizations. The amount allocated is \$1,375,000.

Neighborhood Infrastructure Fund Open Application: This allocation will fund infrastructure improvements and replacement of obsolete infrastructure. Eligible activities include streets, water and sewer lines, streetlights, and other similar improvements. The amount allocated is \$250,000.

Neighborhood Enhancement Program: This allocation will address neighborhood needs for parks, playgrounds, streetscape, landscaping, community gardens, physical improvements related to traffic mitigation, street and alley closures, and other key community projects. The funds will be focused on neighborhoods with active community based organizations/associations and areas that have basic neighborhood improvement goals and strategies in place. The amount allocated is \$362,419.

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