

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

CAPER

THIRD PROGRAM YEAR PY2012

Public review and comment from September 14, 2013 through September 29, 2013 at the following locations: 1) City Hall Lobby, 201 S. Cortez Street, Prescott, AZ 86303; 2) Office of the Grants Administrator, 201 S. Cortez Street, Prescott, AZ 86303; 3) Prescott Public Library, 215 E. Goodwin Street, Prescott, AZ 86303; and 4) the City's website: www.cityofprescott.net. The CAPER may be reviewed and copies requested during business hours, Monday through Friday from 8 a.m. to 5 p.m.

Citizens who would like more information or would like to make comments regarding the CAPER are asked to contact Shaun Rydell, Grants Administrator, City of Prescott, 201 S. Cortez Street, Prescott, AZ; phone 928-777-1143; email: CDBG@prescott-az.gov. Comments will be taken until 12:00 p.m. GMT on Monday, September 30, 2013.



Third Program Year CAPER

The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

CDBG Program Year Three:

The Consolidated Annual Performance and Evaluation Report (CAPER) includes both a summary of the program accomplishments and an assessment of progress toward meeting the program goals during Program Year 2012. The City of Prescott underwent two CDBG program administrative changes in March 2013 and in late July, 2013.

The City of Prescott received CDBG funds in the amount of \$222,897 in Program Year 2012. The designated projects included: Program administration and fair housing education, housing rehabilitation for single family manufactured homes, specifically roof and HVAC replacement. Funded activity also supported public service emergency weekend meals to elderly homebound and disabled persons and Dexter Neighborhood street improvements. A reallocation of CDBG funds in the amount of \$45,000 was made to Project Aware, Inc., via substantial amendment in April, 2012. The reallocation was used to demolish an uninhabitable blighted house.

The City of Prescott continues to support organizations providing housing benefits for both low- to moderate-income families and the special needs population. The Analysis of Impediments to Fair Housing, updated in Program Year 2010, addresses the need for affordable housing; however, housing and land prices continue to rise, and the housing market remains in decline. Development costs continue to rise and very few homes on the market in the city qualify as "affordable housing".

As with any transition, the new grants administrator has examined and identified strengths and weaknesses in the City of Prescott's CDBG program. The changes and remediation will be addressed in subsequent sections of this report.

General Questions

1. Assessment of the one-year goals and objectives:

a. Describe the accomplishments in attaining the goals and objectives for the reporting period:

Project #	ACTIVITY / GOAL / OBJECTIVE	OUTCOME
1.	<p>Fair Housing – Southwest Fair Housing Council</p> <p><i>Goal:</i> Public Service Support <i>Objective:</i> Ensure equal housing access for all persons regardless of race, color, religion, sex, handicap, familial status or national origin.</p>	<p>Public Service</p> <p>Fair Housing Programs/Events to educate the public, including realtors, homeowner associations, leasing agents, etc.</p> <p>Persons served: 12</p>
2.	<p>Prescott Meals on Wheels</p> <p><i>Goal:</i> Public Service Support <i>Objective:</i> Special Needs Population</p>	<p>LMC Availability/Accessibility</p> <p>Emergency weekend meals to elderly homebound and special needs population LMI/LMC Persons served: 52 Percentage of LMI/LMC: 100%</p>
3.	<p>Catholic Charities</p> <p><i>Goal:</i> Weatherize Public facility serving LMC <i>Objective:</i> Decent Housing</p>	<p>LMC Availability/Sustainability</p> <p>Project was carried over from PY 2011 to PY2012. Duplex located at 218-220 N. Virginia Street received energy efficient window replacement.</p> <p>LMI/LMC Persons served: 2 Percentage of LMI/LMC: 100%</p>

<p>4.</p>	<p>Coalition For Compassion and Justice</p> <p>Goal: Repair heating/ roofing in owner occupied low income mobile homes</p> <p>Objective: Create suitable living environment – sustainable housing</p>	<p>Unable to proceed. Projects not ready to fund. Reprogrammed CDBG funds of \$10,000 to PY2013</p> <p>LMI/LMC Persons served: 0 Percentage of LMI/LMC: 100%</p>
<p>5.</p>	<p>Dexter Neighborhood</p> <p>Goal: Public Facilities and Improvements</p> <p>Objective: Low Mod Area Benefit</p>	<p>LMA improved pedestrian safety and ADA Accessibility</p> <p>LMA served: 1 neighborhood Percentage of LMI/LMC: 100%</p>
<p>6.</p>	<p>West Yavapai Guidance Clinic</p> <p>Goal: Public Facilities</p> <p>Objective: Create suitable service environments</p>	<p>LMC Availability/Sustainability rehabilitation/improvements at two West Yavapai Guidance Clinic facilities that included carpeting and re-roofing. PY2011 carryover funds.</p> <p>Facilities served: 2</p>
<p>7.</p>	<p>Administration, General</p> <p>Goal: Planning and Administration</p> <p>Objective: Administration of CDBG program</p>	<p>Administrative costs for implementing/ administering the grant including: legal noticing, mailings, bid preparation costs, postage, wages, etc.</p>
<p>8.</p>	<p>Project Aware (by amendment program year 4-24-2012)</p> <p>Goal: Clearance and Demolition of a spot blight abandoned building</p> <p>Objective: remove blighted conditions</p>	<p>Sustainability</p> <p>Demolition of spot blight uninhabitable structure.</p> <p>Facilities served: 1</p>

- b. Provide a breakdown of the CDBG grant funds spent on grant activities for each goal and objective.

Project 1: Fair Housing – Southwest Fair Housing Council	
<i>Funding Source:</i>	CDBG (public service)
<i>Goal:</i>	Promote and educate the public on Fair Housing Laws
<i>Objective:</i>	Ensure equal housing access for all persons regardless of race, color, religion, sex, handicap, familial status or national origin.
<i>Budgeted:</i>	\$1460
<i>Spent/Drawn:</i>	\$1,200 - PY2011

Project 2: Prescott Meals on Wheels	
<i>Funding Source:</i>	CDBG (public service)
<i>Goal:</i>	Increase supportive services to special populations.
<i>Objective:</i>	Special needs population served LMC
<i>Budgeted:</i>	\$30,002.00
<i>Spent/Drawn:</i>	\$30,002.00

Project 3: Catholic Charities	
<i>Funding Source:</i>	CDBG (public service)
<i>Goal:</i>	Weatherize public facility – reduce op cost w/ energy efficient windows.
<i>Objective:</i>	Sustainability Housing serving LMC
<i>Budgeted:</i>	\$11,200.00
<i>Spent/Drawn:</i>	\$8,933.50

Project 4: Coalition for Compassion and Justice	
<i>Funding Source:</i>	CDBG (LMC Housing)
<i>Goal:</i>	Replace Roof or HVAC
<i>Objective:</i>	Sustainability Housing serving LMC
<i>Budgeted:</i>	\$15,000.00
<i>Spent/Drawn:</i>	\$0.00 reprogrammed PY2013 \$10,000.00

Project 5: Dexter Neighborhood	
<i>Funding Source:</i>	CDBG (LMA – Public Improvements)
<i>Goal:</i>	Install Sidewalk and ADA
<i>Objective:</i>	Sustainable Neighborhood Census LMA
<i>Budgeted:</i>	\$300,000.00 (AP12 major amendment 082312 pub)
<i>Spent/Drawn:</i>	\$318,549.31

Project 6: West Yavapai Guidance Clinic	
<i>Funding Source:</i>	CDBG (LMC – Public Facility)
<i>Goal:</i>	Sustain supportive services to LMC in LMA
<i>Objective:</i>	Sustainability Increase supportive services to LMC
<i>Budgeted:</i>	\$57,000.00 carryover PY2011
<i>Spent/Drawn:</i>	\$79,978.24

Project 7: Administration /General/ Planning	
<i>Funding Source:</i>	CDBG
<i>Goal:</i>	Administrate and Manage CDBG Programs Funds
<i>Objective:</i>	Support community Project Activity in Program Year
<i>Budgeted:</i>	\$44,578.80
<i>Spent/Drawn:</i>	\$38,572.82

Project 8: Project Aware Demolition	
<i>Funding Source:</i>	CDBG
<i>Goal:</i>	Demolition of spot blighted uninhabitable building
<i>Objective:</i>	Remove spot blight
<i>Budgeted:</i>	\$44,578.80
<i>Spent/Drawn:</i>	\$38,872.82

Total Allocation Program Year 2012:	
<i>CDBG Grant Received</i>	\$222,897.00
<i>Carryover PY 2011</i>	\$ 45,000.00
<i>CDBG reallocation of surplus funds – AP 2012 Major Amendment</i>	\$238,343.00
<i>PY 2012 CDBG amended Program Funding Balance</i>	\$506,240.00
Funds Expended	\$ (428,783.00)
<i>Balance Surplus Funds</i>	\$ 77,457.00

- c. If applicable, explain why progress was not made towards meeting the goals and objectives.

Project #	ACTIVITY / GOAL / OBJECTIVE	OUTCOME
4.	<p>Coalition For Compassion and Justice</p> <p>Goal: Repair heating/ roofing in owner occupied low income mobile homes</p> <p>Objective: Create suitable living environment – sustainable housing</p>	<p>Unable to proceed. Projects not ready to fund. Reprogrammed CDBG funds in PY2013</p> <p><i>Capacity to secure eligible clients was unsuccessful. Difficulty came in procuring interested contractors who met eligibility guidelines to bid projects. Program Administration efforts declined in end of program year. Technical support unavailable to assist Subrecipient to complete activity.</i></p>

2. Describe the manner in which the recipient would change its program as a result of its experiences.

During the transition between grant administrators the CDBG program responsibilities were maintained using temporary staff resources. In July, 2013 a permanent program manager was appointed grants administrator. Deficiencies of the City of Prescott’s CDBG program are currently under review. Managing past practices and current year activities restrict complete change in management style.

The learning curve of new program administration requires research and ongoing training in database management including both Munis (the City’s GAAP accounting program) and the Integrated Disbursement & Integration System (IDIS). Administrator is scheduling a full examination of the 2010-2014 Consolidated Plan, the 2013 Annual Action Plan, the updated 2010 Analysis of Impediments to Fair Housing, and the 2011 CAPER.

Corrective Activities:

In order to meet the CDBG 1.5 Timeliness Standard, the following items have been implemented or will be implemented:

- The CDBG program has been again placed under the aegis of the Community Development Department. (*implemented January, 2012*)

Anticipated outcome:

The CDBG program has been repositioned where the program will undergo increased internal monitoring for program success.

- Maintain close contact with Ms. Noemi Ghirghi, Phoenix CPD staff and other HUD personnel as needed. (*implemented, ongoing*)

Anticipated outcome:

Contact with CPD/HUD staff will help identify any potential areas of concern and prevent serious problems from arising.

- **Maintain** close contact with the City's finance department. (*implemented, ongoing*)

Anticipated outcome:

Closer monitoring of funding expenditures and reimbursements.

- Obtaining drawdowns and progress reports from IDIS on a monthly or quarterly basis as needed. (*implemented, ongoing*)

Anticipated outcome:

Increasing the frequency of drawdowns and reviewing the progress reports will identify potential funding areas of concern and help to insure that the 1.5 timeliness requirement is met.

- **2010-2014 Consolidated Plan Amendment** will allow staff to better facilitate project timelines. The approved major amendments include: 1) Administrative approval allowed on all projects up to 20% of the yearly funding allocation changes and, 2) cancelled or deleted projects will not require a substantial amendment.

Anticipated outcome:

Re-allocation of funds will occur more quickly and efficiently enabling CDBG dollars to be spent in a timely manner.

- Program administrator will increase the monitoring (phone calls, on-site visits, establishing project schedules, etc.) of the non-profits that are designated to receive 2013 CDBG funding. (*Implemented, ongoing*)

Anticipated outcome:

With increased contact and monitoring, problems will be identified and resolved in a more timely manner.

- Beginning the environmental assessments and drafting the Subrecipient agreements as close to the start of the program year as possible. (*implemented, ongoing*)

Anticipated outcome:

Projects will be able to move from start to completion within the program year.

- Conduct educational workshop for non-profit providers during November of each calendar year with topics to include: national objectives, eligible/non-eligible projects, timeliness requirements, recordkeeping, monitoring, subrecipient agreements, Davis-Bacon, etc. (*implemented, ongoing*)

Anticipated outcome:

The workshop will enable non-profit providers to have a greater understanding of the program, especially the 1.5 timeliness requirement.

- Revising the non-profit application to include accurate, complete data (cost estimates, project schedule, etc.) A sample of the revised application will be handed out at the November workshop to allow a non-profit provider two additional months to prepare a request for the upcoming year. This will also enable pre-application meetings between the non-profit provider and the grants administrator. (*under implementation per the Citizens Advisory Committee meeting of May 30, 2012*)

Anticipated outcome:

Non-profit providers will be required to identify the dollars needed and establish proposed timetable requirements; subsequently, the Citizens Advisory Committee will be able to select projects that can be accomplished within the constraints of the 1.5 timeliness rule.

- Continue to attend HUD-sponsored training programs. (*implemented, ongoing*)

Anticipated outcome:

Increased knowledge of the CDBG program.

3. Affirmatively Furthering Fair Housing:

a. Provide a summary of impediments to fair housing choice.

The following summary is taken from the AI study that was updated in 2010:

- 1) Lack of mechanisms for Fair Housing information in Prescott.
- 2) Lack of Fair Housing education and outreach to inform, train and create an awareness of fair housing in the community.
- 3) Substantial need exists for affordable housing in Prescott.
- 4) Lack of adequate subsidized housing.
- 5) Predatory practices and disparities in lending affect FHA-protected classes in Prescott.
- 6) Exclusionary zoning impedes affordable housing in Prescott.
- 7) NIMBYism impedes both fair and affordable housing in Prescott.

b. Identify actions taken to overcome effects of impediments identified.

Responses to 3a above:

- 1) The City of Prescott consistently makes specific efforts to provide outreach to, and access for, people with disabilities as well as racial and ethnic minorities. Efforts are documented in the Consolidated Plan, Annual Action Plan, Analysis of Impediments to Fair Housing, CAPER and Citizens Advisory Committee meetings. Providing several opportunities for all populations in the community to get involved in the citizen participation process is ongoing.
- 2) The City of Prescott, partnering with the Southwest Fair Housing Council, has made strides in providing information and educational opportunities to the public as well as realtors, property management personnel and homeowners associations. Fair Housing posters, in English, Spanish and Chinese, are posted in high-traffic areas of the city; educational brochures are available in the City Hall Lobby and at the Prescott Public Library. In an effort to reach the largest number of people, public service announcements are made on local access TV (Channel 13) as well

as local radio stations. Areas addressed included how to recognize discriminatory practices and predatory lending practices; how to recognize telephone and mail "scams", especially those geared to the senior population; and, notification of the Fair Housing Workshop. A proclamation by the Mayor and City Council declared April 2013 "Fair Housing Month."

- 3) Slow progress continues in the area of affordable housing; consequently, very few homes in the affordable price range have been, or are, on the market. Home prices have, once again, begun to rise. Development costs are high and also contribute to the lack of affordable housing in the city.
- 4) The City of Prescott supports the development of rental units that are affordable for extremely low-income households, primarily through encouraging Low Income Housing Tax Credit Projects (LIHTC). The Bradshaw Senior Community now has four operational buildings, three buildings are devoted to seniors' non-assisted living; and, the newest building is for low-income families. This project provides approximately 68% of its units to households with income at, or below, 50% AMGI. The project is fully rented and continues to maintain a waiting list of persons seeking affordable, low-income housing.
- 5) Fair housing links to local and regional resources are being developed including information developed by Southwest Fair Council.
- 6) & 7) Staff, commission and board members have encouraged more discussion of community-wide interests at both Planning & Zoning Commission Meetings and Board of Adjustment Hearings. Efforts to eliminate NIMBYism continue at these meetings when the topic arises or is perceived.

4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

The City of Prescott continues to support those organizations that provide services to the underserved population. The Rowle P. Simmons Adult Center offers an array of services, activities and meals for the aging senior population. The Code Enforcement Division of the City of Prescott's Community Development Department works proactively with neighborhood residents to resolve code issues. Neighborhood cleanup

projects are sponsored not only throughout the city, and include the Dexter LMI neighborhood each year.

Leveraging Resources

- a. Identify progress in obtaining “other” public and private resources to address needs.

HUD Grantee: Prescott Area Family Shelter
Project Partner: Disabled American Veterans’

The improvements required by code are funded through HUD in support of LMC and Households. Family Shelter services are partnering with the Disabled American Veterans organization to open a safe extended stay family location. DAV purchased the building and have contracted with Prescott Area Shelter Services to manage day-to-day operations.

- b. **How Federal resources from HUD leveraged other public and private resources.**

HUD funding allows Prescott CDBG grant recipients the opportunity to continue their services, improve the living standards and make available a safe, sustainable community for the Low to moderate income citizens who live and work in Prescott.

- c. **How matching requirements were satisfied.**

Matching funds are not required in the CDBG program.

Managing the Process

1. **Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.**

CDBG Program Year Three CAPER managing the process response:

The City of Prescott, in selecting CDBG projects, tests adherence to 24 CFR Part 570.208 with respect to meeting one of the three national objectives: 1) benefitting low- and moderate-income persons; 2) eliminating slums or blight; and/or 3) meeting urgent needs. All activities selected by the City of Prescott in Program Year 2012 met one of the three national objectives.

Application workshops and the final selection of CDBG activities is accomplished via the public participation process. After an initial Citizens

Advisory Committee (AC) meeting where non-profit requests are presented, a list of tentative projects is compiled. Committee and staff review and score projects to determine action plan proposed projects or service. The public participation process, as outlined in the Consolidated Plan 2010-2014, is followed. Three public hearings are held to receive citizen comments; subsequently, City Council receives the Citizens Advisory Committee's recommendations and makes the final decision on how CDBG funds will be allocated.

Emphasis during Program Year 2012 was placed on administering the grants according to CDBG requirements including, but not limited to: sub-recipient agreements, environmental reviews and monitoring. The grants administrator attended HUD/CDBG training session when available in our region and reviewed webinar sessions when questions arose. Increased participation by both the Citizens Advisory Committee and City Council has taken place.

A councilman has been designated as a liaison between the CAC and council; subsequently, after attending committee meetings, a CDBG update is presented at council meetings on a regular basis.

Citizen Participation

1. Provide a summary of citizen comments.

The requirements of the Citizens Participation Plan, as outlined in the City of Prescott 2011-2014 Consolidated Plan, were followed. A draft of the 2012 CAPER was made available at the following prominent locations: Prescott City Hall Lobby, 201 S. Cortez Street, Prescott, AZ 86303; Office of the Grants Administrator, City Hall, 201 S. Cortez Street, Prescott, AZ 86303; Prescott Public Library, 215 E. Goodwin Street, Prescott, AZ 86303; and on the City of Prescott website: www.cityofprescott.net. Details and contact information was provided for the 15-day public comment period which began on September 13, 2013 and ended on September 30, 2013. A legal advertisement appeared in *The Daily Courier* on September 13, 2012. Documentation of the public notice is included in the Appendices that follow. A public meeting was scheduled on September 25, 2013 at 10:00 a.m. in Council Chambers for the purpose of receiving public comment. The meeting was attended by one person and members of the CDBG Citizens Advisory Committee's.

CDBG Program Year ThreeCAPER Citizen Participation response:

FILL IN WITH ANY COMMENTS RECEIVE Public hearing scheduled 092513.

2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

CDBG Program Year 2012 -- Total Allocation \$222,897.00					
Activity	Allocation PY 2012 Plan	Reallocated Funds / Carryovers	Total Allocation	Total Current Year Expenditures	Remaining Balance
Fair Housing	1,430.00	(1,430.00)	0.00	0.00	0.00
Prescott Meals on Wheels	32,000.00	(1,998.00)	30,002.00	30,002.00	0.00
Catholic Charities	11,200.00	(11,200.00)	0.00	0.00	0.00
Coalition for Compassion and Justice	15,000.00	(15,000.00)	0.00	0.00	0.00
Dexter Neighborhood	60,473.00	258,076.31	318,549.31	318,549.31	0.00
West Yavapai Guidance Clinic	57,000.00	(57,000.00)	0.00	0.00	0.00
Project Aware	0.00	45,000.00	45,000.00	40,460.00	4,540.00
Administration	45,794.00	(\$1,215.20)	44,578.80	38,572.82	6,005.98
Totals	222,897.00	215,233.11	438,130.11	427,584.13	10,545.98

* Substantial amendment approved by Prescott City Council on 04-24-12.

No additional federal funds were received or used to further the objectives of the Consolidated Plan.

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

CDBG Program Year ThreeCAPER Institutional Structure response:

The CDBG program was placed under the aegis of the Community Development Department starting in January, 2012. Prior to the realignment, the CDBG program was housed under the Risk Management Department. The CDBG grants administrator works cooperatively with other departments within the City of Prescott to ensure that performance and compliance requirements are followed. The City of Prescott CDBG program also relies on local non-profit organizations, the Citizens Advisory Committee, Planning and Zoning Commission, Unified Development Code Committee and Code Enforcement, to disseminate information about CDBG-related topics including, but not limited to: Consolidated Plan and Annual Action Plan, CAPER, fair housing, etc.

To overcome gaps, the City participates in the Affordable Housing and Homeless Coalition which provides an avenue for the member organizations to work cooperatively towards identifying and supporting solution to meet unmet needs.

Community Development staff members work with AmeriCorps VISTA and the residents living in the Dexter Neighborhood, Prescott's LMI neighborhood. This group is organizing and actively seeks relationships with local institutions and has a goal of civic engagement.

Cooperation with Northern Arizona Council of Governments (NACOG) is an on-going resource in identifying and qualifying low-income persons for the Meals on Wheels program. Southwest Fair Housing Council services are utilized for the Fair Housing component of the Annual Plan.

Monitoring

CDBG Program Year ThreeCAPER Monitoring response:

1. Describe how and the frequency with which you monitored your activities.

The City of Prescott monitors all CDBG-funded activities to ensure that the activity is in compliance with all applicable federal, state and local regulations.

Local non-profits receiving CDBG funding must enter into sub-recipient contracts prior to release of funding. Sub-recipients are required to submit progress reports; consequently, the grants administrator monitors monetary requests to ensure that the amount of funds being drawn down is proportionate to the progress being made.

On-site monitoring visits of each subrecipient were undertaken by the new grants administrator within the first six weeks of employment. Sub-recipient agreements were signed by non-profits.

Non-profit progress reports were examined to ensure that compliance with federal, state, local and sub-recipient agreements were followed.

2. Describe the results of your monitoring including any improvements.

Agency Monitoring Results -- CDBG Funding – Program Year 2011

<i>Agency</i>	<i>Outcome</i>
Fair Housing	Fair housing event occurred forgot to set up in IDUS as activity processed in PY2011 budget
Prescott Meals on Wheels	No findings, concerns or suggestions.
Catholic Charities	PY2011 carryover windows replaced
Coalition for Compassion and Justice	Project unable to organize resources to complete. Project technical support shall increase in PY2013.
West Yavapai Guidance Clinic	Project completed in past funding year PY2011
Project Aware	Spot blight activity

3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.

- d. Indicate any activities falling behind schedule.
- e. Describe how activities and strategies made an impact on identified needs.
- f. Identify indicators that would best describe the results.
- g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
- h. Identify whether major goals are on target and discuss reasons for those that are not on target.
- i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Targeted homeless and low- to moderate-income persons and clientele received most of the CDBG funding in the 2012 program year. Collaboration between the city and non-profit providers occurred allowing for benefits to both persons and organizations. Priority goals and strategies included in Program Year 2012 included:

Priority Goal: increase capacity within supportive services to homeless and special populations.

Strategy: Support organizations that provide supportive services to homeless and special populations. Public services, *i.e.*, Prescott Meals on Wheels is helping to keep the elderly and disabled in their home settings and receive emergency and weekend nutritional meals and home wellness visits to LMC.

Through the use of CDBG funds, West Yavapai Guidance Clinic serves persons with mental and physical challenges and provides valuable health care services that are vital to the community.

Priority Goal: increase the supply of transitional housing for families.

Strategy: Support organizations that develop and provide transitional housing for families.

The City of Prescott is working with Housing Coalition to increase the supply of transitional housing. A substantial amendment was passed by City Council on April 24, 2012 to re-allocate \$45,000 of funding to Project Aware to demolish an uninhabitable blighted structure and when future housing is funding resources are secured by this Subrecipient six units of affordable housing will be built for formerly homeless women and their children.

The major goals identified in the 2010-2014 Consolidated Plan are on target. Reduced funding, in the current economic setting, could become a barrier to fulfilling the strategies of the plan. Reallocation of unspent funds or unallocated, accumulated funding will be used to revitalize the Dexter Neighborhood, Prescott's only LMI-qualifying area, starting in Program Year 2012. The Dexter Neighborhood revitalization is a high priority identified in the 2010-2014 Consolidated Plan. Data from the 2010 US Census includes Census Tract 9, Block Groups 9.01, 9.02, 9.03 and 9.04, the Dexter Neighborhood.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

CDBG Program Year Three CAPER Lead-based Paint response:

Lead-based paint testing is conducted as part of the CDBG rehabilitation programs. Lead-based testing was not conducted as part of the environmental review. No projects had met the threshold for lead based paint during Program Year 2012. If necessary, education, testing and abatement shall occur before or during any rehabilitation process.

HOUSING

Housing Needs

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

CDBG Program Year Three CAPER Housing Needs response:

The City of Prescott holds a legal document from the State of Arizona known as a "Decision and Order" that designated the City to be an assured water provider. Further, City Council approved a Water Management Policy. In that policy, of the 200AF allocated each year, 20% is reserved for demonstrated affordable or workforce housing. Any unused balance of that base allocation for affordable/workforce housing is rolled over into succeeding years and is only available for allocation for affordable/workforce housing projects in any following year.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

CDBG Program Year Three CAPER Specific Housing Objectives response:

Progress is being made with continuation of the commitment between the City of Prescott and Housing Development Organizations to provide additional housing opportunities. In addition private development is participating, with the completion of another phase of the Bradshaw Senior Community, additional housing was made available for seniors, disabled and families of low- to moderate-incomes.

Public Housing Strategy

The City of Prescott does not have any public housing projects.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

CDBG Program Year Three CAPER Barriers to Affordable Housing response:

The City of Prescott holds a legal document from the State of Arizona known as a "Decision and Order" that designated the city to be an assured water provider. Further, City Council approved a Water Management Policy. In that policy, of the 200 AF allocated each year, 20% is reserved for demonstrated affordable or workforce housing. Any unused balance of that base allocation for affordable/workforce housing is

rolled over into succeeding years and is only available for allocation for affordable/workforce housing projects in any following year.

A Fair Housing workshop was advertise and held on **MARCH 28, 2013**, resulting in low attendance. Few questions were asked by persons in attendance. The low attendance indicates that the workshop content may need to be re-directed towards identifying barriers to affordable housing.

HOME/ American Dream Down Payment Initiative (ADDI)

The City of Prescott does not receive HOME/ADDI funds.

HOMELESS

Homeless Needs

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

CDBG Program Year Three CAPER Homeless Needs response:

The needs exist, many organizations are operating to support those needs. CDBG funds offer support to existing programs yet funding is not great enough to address current homelessness.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

CDBG Program Year Three CAPER Specific Housing Prevention Elements response:

The City of Prescott continues to support those organizations that provide services to homeless and special needs populations. West Yavapai Guidance Clinic and Project Aware were the recipients of CDBG funding during Program Year 2012. Both organizations serve low- to moderate-income persons and clientele. West Yavapai Guidance Clinic provides

emergency and scheduled services in the field of mental health. Project Aware provides emergency shelter bed space for 14 homeless individuals and transitional apartment space for an additional 14 individuals.

Emergency Shelter Grants (ESG)

The City of Prescott does not receive Emergency Shelter Grant funds.

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives

- a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

The following priority needs were addressed during Program Year 2012 that are identified in the 2010-2014 Consolidated Plan, and specific data is provided on the accomplishments in other sections of this report:

1. Increase the supply of transitional housing for families
 - a. Support organizations that develop and provide transitional housing for families;
2. Increase the supply of permanent housing for homeless and other special populations.
 - a. Support organizations that develop and provide permanent supportive housing for other for other special populations, including those residents moving from transitional housing;
3. Increase supportive services to homeless and special populations.
 - a. Support organizations that provide supportive services to homeless and special populations; and,

4. Increase the supply of efficiency and one-bedroom rental units in close proximity to employment and services and that are affordable to low-income households
 - a. Support applications for LIHTC and other financial resources when such applications include efficiency and one-bedroom units.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.**

During Program Year 2012, CDBG funding was reallocated to the Dexter Neighborhood, sidewalk, lighting and ADA project activity. Funding was carried over from PY 2011 to complete Project Aware activity for the purpose of demolishing an uninhabitable blighted structure that in the future, will be replaced with six apartment units of affordable housing for formerly homeless women and their children.

- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.**

The entire CDBG funds for Program Year 2012, other than administrative costs and fair housing education, were used to benefit extremely low-income, low-income and moderate-income persons and areas in which persons work and live.

2. Changes in Program Objectives

- a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

No program changes in the objectives listed in the 2010-2014 Consolidated Plan are planned; however, an increased emphasis on revitalization of the Dexter Neighborhood has been identified and is scheduled to occur in Program Year 2014.

3. Assessment of Efforts in Carrying Out Planned Actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

All dollar amounts indicated in the Consolidated Plan and all resources were utilized and accounted for or were reallocated according to OMB directives. No Certifications of Consistency with the Consolidated Plan were issued. Any inquiries related to the implementation of the Consolidated Plan or Annual Action Plan are documented and become public record.

4. For Funds Not Used for National Objectives

- a. Indicate how use of CDBG funds did not meet national objectives.
- b. Indicate how did not comply with overall benefit certification.

All CDBG funds expended met one of the three National Objectives.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

- a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
- b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
- c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

No anti-displacement and relocation occurred during program year 2012.

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons

- a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
- b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
- c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

No Low/Mod Job Activities were undertaken during the program year.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit

- a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

Monitoring Records of LMC activities indicate that all LMC activities benefited at least 51% LMI/LMC persons.

8. Program income received

- a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
- b. Detail the amount repaid on each float-funded activity.
- c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
- d. Detail the amount of income received from the sale of property by parcel.

The City of Prescott did not receive any program income for any CDBG project during Program Year 2012.

9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

- a. The activity name and number as shown in IDIS;
- b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
- c. The amount returned to line-of-credit or program account; and
- d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

The City of Prescott did not have any prior period adjustments in Program Year 2012.

10. Loans and other receivables

- a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.

- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
- c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
- e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

Not applicable.

11. Lump sum agreements

- a. Provide the name of the financial institution.
- b. Provide the date the funds were deposited.
- c. Provide the date the use of funds commenced.
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.

Not applicable.

12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. Identify the type of program and number of projects/units completed for each program.
- b. Provide the total CDBG funds involved in the program.
- c. Detail other public and private funds involved in the project.

Not applicable.

13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies

- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Not applicable.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

CDBG Program Year Three CAPER Antipoverty Strategy response:

CDBG funds generally support organizations including Catholic Charities, Coalition for Compassion and Justice and West Yavapai Guidance Clinic - all community based support services empowering or directing LMC to resources and services to assist in or eliminate poverty.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

CDBG Program Year Three CAPER Non-homeless Special Needs response:

CDBG funding in the amount of \$32,000 to Prescott Meals on Wheels provided weekend emergency meals to homebound elderly and special needs clientele.

Activity funding Dexter neighborhood public facilities improvements including: walkways, curbs and ADA ramps. Dexter is a walkable location and is the City's moderate income in a low moderate area.

Specific HOPWA Objectives

The City of Prescott does not receive HOPWA funds.

CDBG Program Year Three CAPER Specific HOPWA Objectives response:

Not applicable.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

CDBG Program Year Three CAPER Other Narrative response:

APPENDICES

Appendices

PR26	p. 29
Substantial Amendment to Action Plan	P. 30
Maps	p. 31
Ethnicity Data	p. 32
Affidavit of Publication	p. 33

(CITY CLIERK kw KNOWES WE need this)

DRAFT

Community Development Block Grant Program
 Substantial Amendment to the City of Prescott
 2012 Annual Action Plan
 August 23, 2012

Community Development Block Grant Program
 SUBSTANTIAL AMENDMENT TO
 THE 2012 Annual Action Plan for
 The City of Prescott, Arizona
 July 01, 2012 – June 30, 2013

Web Address where the amendment is posted: www.cityofprescott.net

Contact: Kathy Dudek, Grants Administrator, City of Prescott,
 201 S. Cortez Street, Prescott, AZ, 86303
 Telephone 928-777-1143; Fax 928-771-5870
 Email: kathy.dudek@prescott-az.gov

Persons requiring Spanish Translation can contact Matt Dunbar, City of Prescott @ 777-1210 for assistance.
[Para asistencia en Espanol llame 928-777-1210.](mailto:Para.asistencia.en.Espanol@prescott-az.gov)

A Public Hearing and approval of this amendment is scheduled at
 City Council on Tuesday, September 25, 2012 at
 3:00 P.M in Council Chambers, City Hall, 201 S. Cortez Street, Prescott, AZ.

Background

The Citizens Participation Plan requires that any change in funding for a project that constitutes 10% or more of the annual allocation for projects require a substantial amendment. Shown below is the change reallocating CDBG Funding for Program Year 2012.

Changes

Allocations for 2012 Annual Action Plan are reallocated to the Dexter Neighborhood revitalization as follows:

Dexter Neighborhood Improvements	\$ 61,657.00
Re-allocation of surplus funds	\$ 238,343.00
Total Funding Program Year 2012	\$ 300,000.00

Citizen Participation and Public Comment

The draft amendment will be available for public review and comment beginning August 24, 2012 through September 25, 2012 at the following city locations: City Hall Lobby, 201 S. Cortez Street, Prescott, AZ; Prescott Public Library, 215 E. Goodwin Street, Prescott, AZ; and at the Office of The Grants Administrator, 201 S. Cortez Street, Prescott, AZ. The amendment is also posted on the City's website: www.cityofprescott.net. All comments received through September 25, 2012 will be considered by the City of Prescott prior to authorizing submission of the substantial amendment.

Other Considerations

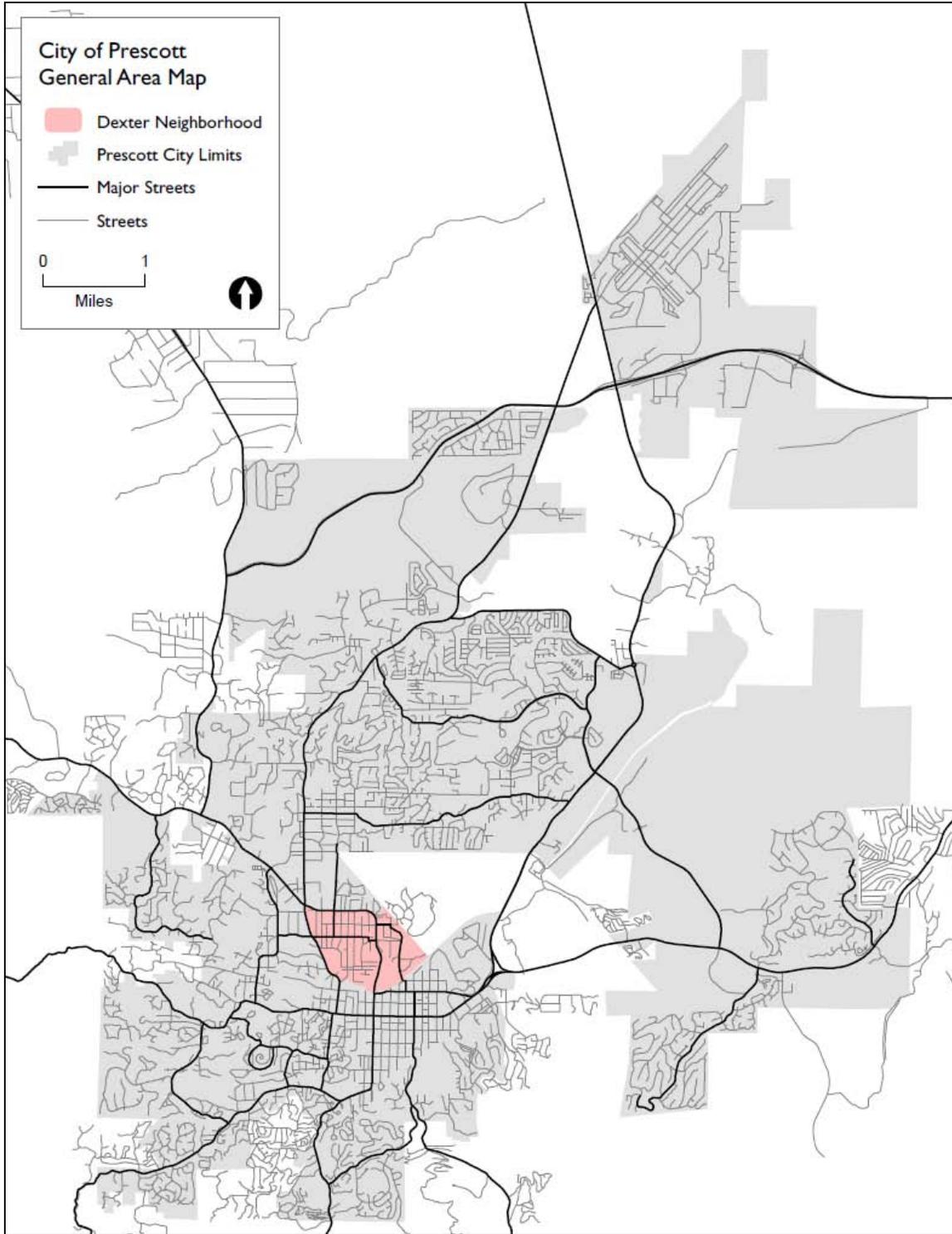
Reallocation of this funding provides for infrastructure improvements in the Dexter Neighborhood. The City of Prescott established a priority in the 2012 Annual Action Plan designating surplus, undesignated funds to be used for Dexter Neighborhood improvements (p. 10, 2012 Annual Action Plan).

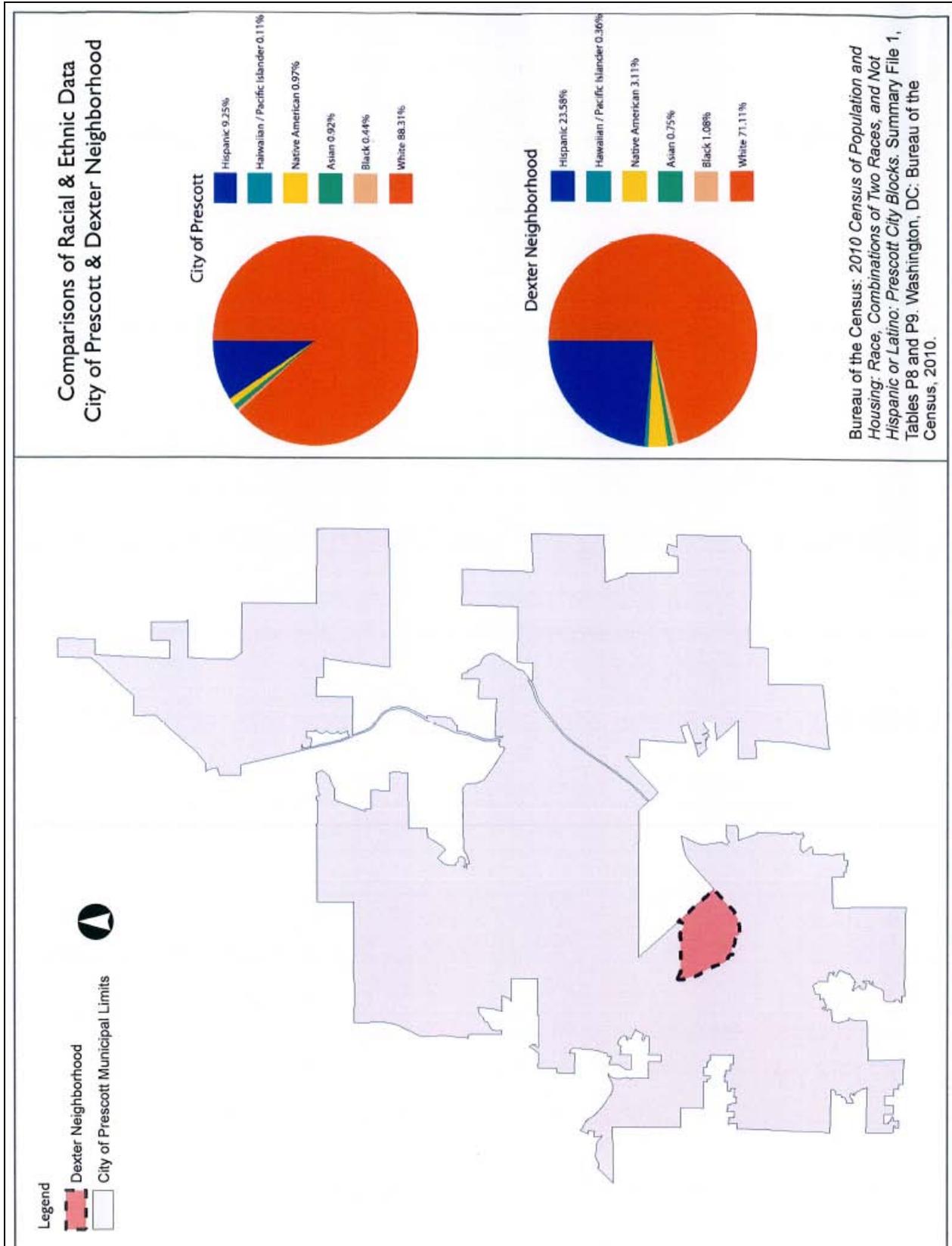
Source of Funds for Community Development Activity

The 2010-2014 Consolidated Plan and the Program Year 2012 Annual Action Plan provide a foundation for the use of federal, state and local resources to address community development priorities. For this third program year, the HUD Community Development Block Grant Program allocation is \$222,897. A City goal is to increase the ability to leverage Federal, State and local funds to support community development and housing improvements.

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. WITH 72 HOURS ADVANCE NOTICE, SPECIAL ASSISTANCE CAN BE PROVIDED FOR SIGHT, HEARING AND/OR MOBILITY IMPAIRED PERSONS AT PUBLIC MEETINGS. PLEASE CALL 777-1272 OR 777-1100 (TDD) TO REQUEST AN ACCOMMODATION TO PARTICIPATE IN THIS MEETING.

Publish 1x August 23, 2012 – The Daily Courier





Affidavit of Publication

**CITY OF PRESCOTT
PUBLIC MEETING NOTICE
Consolidated Annual Performance and Evaluation Report
(CAPER)
Community Development Block Grant Funds (CDBG)**

A public meeting will be held on Wednesday, September 25, 2013 at 10:00 a.m. in Council Chambers, City of Prescott, 201 S. Cortez Street, Prescott, AZ 86303 to review the 2012 Consolidated Annual Performance and Evaluation Report (CAPER) prior to submission to the U.S. Department of Housing and Urban Development. Public comments will be taken at the meeting.

The CAPER outlines the City of Prescott's performance in accomplishing the objectives identified in the City's Five Year Consolidated Plan for the use of CDBG funds. The CAPER includes the amount of funds expended to provide for goals set forth in the City of Prescott's 2012 Annual Action Plan (July 1, 2012 through June 30, 2013).

The CAPER will be available for public review and comment from September 14, 2013 through September 29, 2013 at the following locations: 1) City Hall Lobby, 201 S. Cortez Street, Prescott, AZ 86303; 2) Office of the Grants Administrator, 201 S. Cortez Street, Prescott, AZ 86303; 3) Prescott Public Library, 215 E. Goodwin Street, Prescott, AZ 86303; and 4) the City's website: www.cityofprescott.net. The CAPER may be reviewed and copies requested during business hours, Monday through Friday from 8 a.m. to 5 p.m.

Citizens who would like more information or would like to make comments regarding the CAPER are asked to contact Shaun Rydell, Grants Administrator, City of Prescott, 201 S. Cortez Street, Prescott, AZ; phone 928-777-1143; email: CDBG@prescott-az.gov. Comments will be taken until 12:00 p.m. GMT on Monday, September 30, 2013.

The City of Prescott endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance can be provided for sight, hearing, mobility, and/or language accommodations. Please call 928-777-1272 or TDD 928-777-1100 to request an accommodation to participate in this meeting.

Publish 1x
September 14, 2013



Affidavit will be inserted here