



CITY OF FLAGSTAFF



Community Development Block Grant 2022 Annual Action Plan

Year 2 of the 2021-2025 Consolidated Plan

July 1, 2022 – June 30, 2023

Submitted to the U.S. Department of
Housing and Urban Development
May 15th, 2022

Mayor

Paul Deasy

Council

Vice-Mayor Becky Daggett
Councilmember Miranda Sweet
Councilmember Regina Salas

Councilmember Austin Aslan
Councilmember Adam Shimoni
Councilmember Jim McCarthy

City Manager

Greg Clifton

Community Development Director

Daniel Folke

Housing Director

Sarah Darr

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Annual Action Plan (Action Plan) is submitted to the U.S. Department of Housing and Urban Development (HUD) on an annual basis and serves as the formal application for the use of Community Development Block Grant (CDBG) entitlement funds received by the City of Flagstaff.

The City of Flagstaff Annual Action Plan describes allocations for the Community Development Block Grant program for the coming year – Program Year 2022, the second year of the 2021-2025 Consolidated Plan. The Consolidated Plan guides the allocation of funds over the five year period and addresses the goals and priorities identified by the Community. New activities selected for funding were determined through a Notice of Funding Available and application process approved by the Flagstaff City Council.

2. Summarize the objectives and outcomes identified in the Plan

The Annual Action Plan defines the one-year activities in relationship to the five-year goals and objectives of the Consolidated Plan covering Program Years 2021-2025, submitted to HUD on May 15, 2021. The Annual Action Plan provides a brief description of the programs and projects of the City of Flagstaff in Program Year 2022-2023, as well as funding announcements for the CDBG program.

The City of Flagstaff's Five-Year Consolidated Plan for Program Years 2021-2025 outlines specific steps for the community as it works to meet the housing and community development needs of low-and moderate income and special needs households. As part of the consolidated planning process the City conducted a comprehensive housing and community development Needs Assessment and Market Analysis. With these assessments and additional community data along with public and stakeholder input collected the City identified four priority needs and established 11 activity goals for meeting these community needs in the five years covered by the Consolidate Plan.

Identified High Priority Needs and Activity Goals Established

- Support neighborhood revitalization and public facilities and infrastructure improvements especially in established target areas
- Support public services and economic opportunities for low-and moderate income persons
- Support services and projects addressing homelessness
- Support the development, accessibility, and preservation of decent affordable housing

The Community Development Block Grant program is provided through the US Department of Housing and Urban Development (HUD) Office of Community Planning and Development. Due to its size and composition, the City of Flagstaff is classified as an 'Entitlement community'. This means that Flagstaff does not apply for the CDBG program but is awarded CDBG funds at a level based on a HUD formula involving population and demographics. To receive CDBG funds, every five years the City must complete a Consolidated Plan and an Annual Action Plan, based on the

Consolidated Plan that details the uses of funds. Congress' primary objective for CDBG is to improve communities, principally for low and moderate-income persons by:

1. Providing Decent Housing,
2. Providing a Suitable Living Environment, and
3. Expanding Economic Opportunities.

3. Evaluation of past performance

In the context of limited CDBG and leverage funding, the City made significant progress towards investing in housing and public and supportive services for vulnerable populations. Throughout the last Program Year, the COVID-19 global pandemic led to more households desperately needing relief programs and the City and its partner agencies stepped in to provide a variety of services, many aimed to serve people at risk of or experiencing homelessness. Significant progress was also made towards providing economic opportunities and a large number of individuals benefitted from non-congregate shelter, homeless services outreach, homeless youth educational services and the development and expansion of permanent supportive housing.

Moderate progress towards increasing the availability and affordability of housing for owners and renters was also made due to few opportunities to invest in additional housing. The City continued to make progress towards strengthening coordination and delivery of resources, operating the Flagstaff Public Housing Authority and City Housing Sections in one department, and maintaining a high level of involvement with the Coconino County Continuum of Care and Flagstaff Front Door for Coordinated Entry.

Flagstaff is proud of prior year CDBG accomplishments and continues to utilize viable resources to improve the quality of life in the community. In all, approximately 12,579 individuals and an additional 59 households were beneficiaries of CDBG services during the 2020 Program Year. Emergency Rental Assistance programs prevented 44 low to moderate households facing eviction from entering into Flagstaff's homelessness system. Additionally, rehabilitation and expansion of units at Sharon Manor has provided transitional housing to 4 households experiencing homelessness and victims of domestic violence. The City of Flagstaff is proud to say that CDBG funds served 100% low to moderate income individuals.

The City strives to utilize CDBG funds in target neighborhoods; however, the actual distribution of funds to target areas depends on the number and type of proposals received. The target neighborhoods include Flagstaff's historic settlements and are characterized by the widespread need for housing rehabilitation; dilapidated structures and under-utilized sites; as well as water and sewer line replacement. Neighborhood Infill programs, revitalization efforts, and planning processes are now being implemented in all target neighborhoods, as the market and funding allows. Last fiscal year, 22% of CDBG funding was expended in the target neighborhood of Sunnyside and 30% in La Plaza Vieja. This fiscal year, the city will expend 44% of CDBG funding in the Southside Target Neighborhood. The remaining 66% of CDBG funding will be utilized for hotel to housing renovations and public service projects offered citywide.

4. Summary of Citizen Participation Process and consultation process

The consultation and public participation process for the development of this year's Annual Action Plan consisted of four public meetings and one-on-one technical assistance with multiple interested agencies. The draft Annual Action Plan was made available for public comment from March 1, 2022, to April 1, 2022. The funding allocations in this plan were brought to the City Council during a public meeting held on April 12, 2022 and were approved by City Council on April 19, 2022.

A draft of the Annual Action Plan was available on-line at the City's website for a 30-day comment period beginning March 1, 2022 and ending April 1, 2022. A virtual public hearing was held on April 12, 2022 with City Council to recommended activity allocations for the Program Year 2022 Entitlement. The public and stakeholders were encouraged to attend and offer comments or to submit written comments directly to Council. At the City Council Meeting held April 19, 2022 final decisions on the funding allocations for selected proposals were received and approved by Council.

Notice of public meetings was published at one week prior to each meeting in the Arizona Daily Sun, a newspaper of general circulation and to members of the local Continuum of Care. The Continuum of Care has developed an extensive mailing and email list that includes over 300 people who represent organizations that serve homeless and at-risk households, mainstream service and housing agencies, community development organizations, civic leaders, etc. This list is used to regularly inform these agencies of planning efforts, funding opportunities, changes in policy and practice or any other information that agencies may find useful. Notifications were also published on the City of Flagstaff Housing social media and web pages.

Emails and notices provided information about the topic of the forum or meeting, location, and how comments could be submitted if the person(s) was unable to attend. The forums and meetings were held in handicapped accessible locations. Accommodations for those with hearing and special language needs were made on an as needed basis when at least twenty-four-hour notice was provided to the City.

In 2019, City Council added a new chapter to the Flagstaff City Code, creating a Housing Commission. The Housing Commission consists of thirteen citizens, with twelve members appointed by the City Council and one representative from the Flagstaff Housing Authority Board of Commissioners. It serves as an advisory board to City Council; makes recommendations with respect to housing policies, needs, and programs in Flagstaff; and furnishes the Council with information through the Housing Director. The Commission holds monthly public meetings and provides an avenue for the community and stakeholders to communicate with the Commission and City staff. A representative member of the Housing Commission took part in the official ranking of applications for the 2022 program year.

With the 2021 Consolidated Plan, the City added additional public participation to its Citizen Participation Plan. This includes two meetings with target neighborhoods residents in partnership with A League of Neighborhoods (including Southside Community Association, La Plaza Vieja Neighborhood Association and Sunnyside Neighborhood Association).

In June 2021, A League of Neighborhoods (ALN) and City staff from Housing, Capital Improvements, Transportation, Code Enforcement, Planning, and Parks and Recreation held an open house for residents from target neighborhoods to provide an overview of the CDBG program, the 5 year Capital Improvement Plan and the internal process for identifying projects in target areas that may be eligible to be funded with CDBG dollars. The residents and neighborhood association members provided a wealth of feedback regarding area needs and priorities. Applicable City Commissions will be

encouraged to attend. As part of the Annual Action Plan process, City staff also hosted a meeting for target neighborhood residents in January 2022 to discuss projects proposed by the City for potential CDBG funding for the upcoming program year.

5. Summary of public comments

A summary of comments received.....

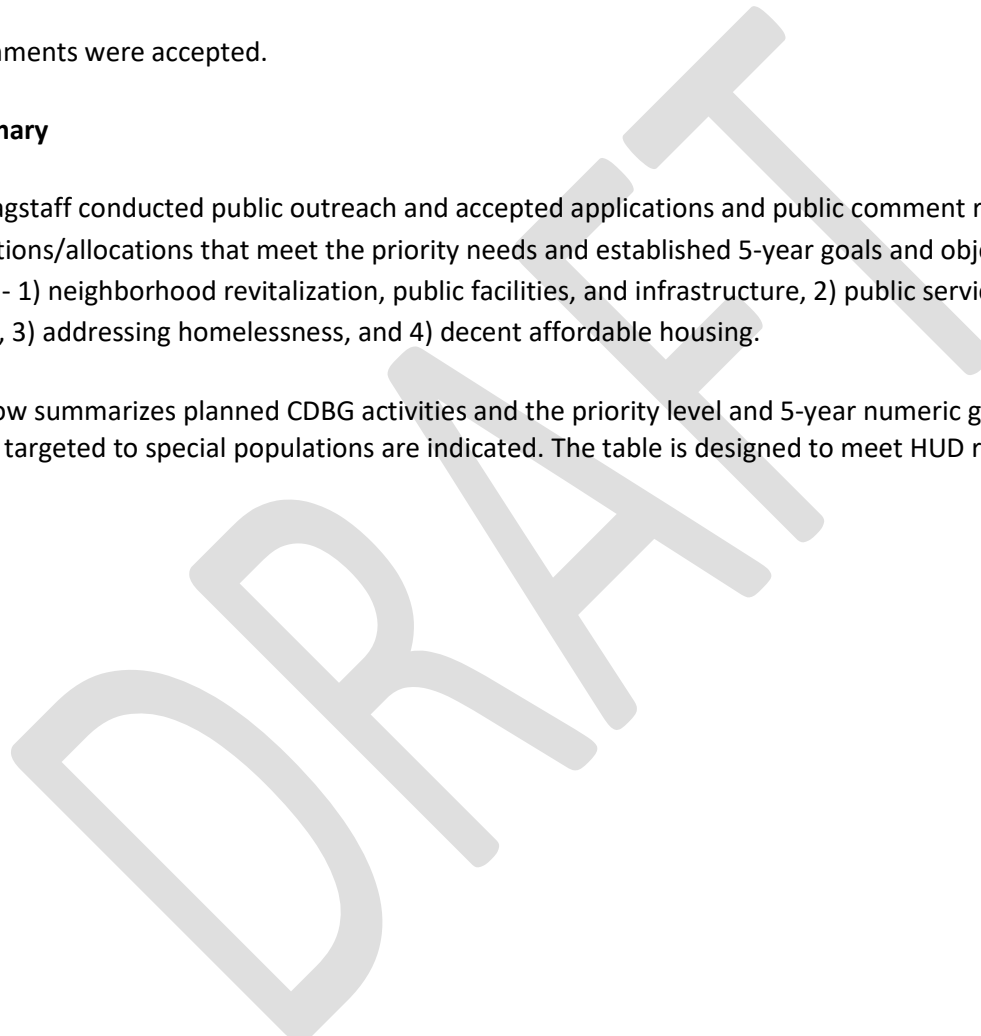
6. Summary of comments or views not accepted and the reasons for not accepting them

All public comments were accepted.

7. Summary

The City of Flagstaff conducted public outreach and accepted applications and public comment related to funding recommendations/allocations that meet the priority needs and established 5-year goals and objectives in following priority areas - 1) neighborhood revitalization, public facilities, and infrastructure, 2) public services and economic opportunities, 3) addressing homelessness, and 4) decent affordable housing.

The table below summarizes planned CDBG activities and the priority level and 5-year numeric goal for each. Activities that might be targeted to special populations are indicated. The table is designed to meet HUD requirements.



5-year Consolidated Plan Goals					
Activity	Special Population	Request	Priority Level	1 Year Goal	5-year Goal
Priority Need: Neighborhood Revitalization, Public Facilities & Infrastructure					
Neighborhood Facility and Infrastructure Improvements - <i>Includes Parks/ Playgrounds/ Streets/ Water Sewer Lines/ Energy Efficiency/ Broadband Infrastructure/ Etc.</i>			High		3,000 people
Public Facilities - <i>Includes Acquisition/ Construction/ Reconstruction/ Rehab/ Installation/ Improvements/ Etc.</i>	X		High		100 people
Acquisition for Affordable Housing Development - <i>Land/ Real Property</i>			Low		3 units
Priority Need: Public Services & Economic Opportunities					
Services to Meet Basic Needs - <i>Includes Childcare/ Senior Services/ Services for Disabled Individuals/ Mental Health/ Counseling/ Substance Abuse/ Etc.</i>	X		High		300 people
Workforce Development - <i>Includes Employment/ Job Training/ Business mentorship/ support/ assistance</i>	X		Low		15 people
Housing Stabilization - <i>Includes Rental Assistance/ Eviction and Foreclosure Prevention/ Legal Services/ Housing Counseling/ Etc.</i>			High		50 households
Priority Need: Addressing Homelessness					
Service and Facility Operating Support - <i>Includes Outreach/</i>	X		High		1,500 people

<i>Shelter Managers / Case Managers/ Coordinated Entry/ Etc.</i>					
Increase Shelter Beds/Units - <i>Includes Emergency / Transitional Shelter/ Permanent Supportive Housing/ Etc.</i>	X		High		15 beds/units
Priority Need: Decent Affordable Housing – Owner & Renter					
Housing Rehabilitation - <i>Grants or Deferred Loan for Rehabilitation Costs</i>	X		High		20 units
Housing Development - <i>Includes Acquisition/ Demolition/ Preconstruction Costs/ Infrastructure</i>	X		High		3 units
Housing Assistance - <i>Includes Financial Assistance for Down-payment, Deposits/ Closing Costs</i>			High		50 households

DRAFT

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	FLAGSTAFF	City of Flagstaff Housing Section

Table 1 – Responsible Agencies

Narrative (optional)

The City’s Housing Section is the HUD “lead agency” for the CDBG Consolidated Plan and Annual Action Plan. The Housing Section is part of the City’s Community Development Division. In addition to Housing, the Community Development Division includes the Planning and Development services sections.

The Housing Section works to address the shortage of affordable housing with a number of programs and tools. In addition to administration of the CDBG program, the Housing Section performs four primary functions.

1. Research and Planning. Key to this focus area is the identification and maintenance of data pertinent to housing in Flagstaff and nationally, the creation and implementation of plans, the location and review of best practices and additional tools being used in other communities, and project specific planning.
2. Policy. The development and subsequent implementation of policy initiatives is critical to the success of the City of Flagstaff’s overall housing and economic development goals. In general, policy development and implementation are designed to enhance City program effectiveness, identify gaps or underserved groups, and enhance the private sector’s ability to provide market based solutions.

3. Housing Programs and Development. This focus area encompasses programmatic areas, as well as the implementation of previous planning efforts, resulting in the creation of housing opportunities.
4. The Flagstaff Housing Authority owns and manages 265 units of low-income public housing, administers 333 Section 8 Housing Choice Vouchers, 106 VASH Vouchers for Veterans, 40 Mainstream vouchers for households with a disabled adult, 20 Emergency Housing Vouchers and several Foster Youth Initiative (FYI) Vouchers for youth aging out of the State foster care system. The Housing Authority also manages Clark Homes, a Section 8 new construction development with 80 units of low-income housing and provides twelve Section 8 Certificates for the seriously mentally ill, in partnership with the Guidance Center.

Consolidated Plan Public Contact Information

Kristine Pavlik, Housing and Grants Administrator

City of Flagstaff

211 West Aspen Avenue

Flagstaff, AZ 86001

928-213-2749

Kristine.Pavlik@flagstaffaz.gov

The City of Flagstaff DUNS Number is 08-830-2625

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

In developing the 2022 Annual Action Plan, the City consulted with agencies providing services related to housing, social services, elderly persons, disabled persons, persons with HIV/AIDS, children experiencing neglect, and individuals and families impacted by homelessness.

A draft of the Consolidated Plan was made available on-line at the City’s website starting March 1, 2022. A public hearing was held on April 12, 2022 with City Council. The public and stakeholders were encouraged to attend and offer comments or to submit written comments.

Additional consultation took place with the Coconino County Continuum of Care, a group of organizations providing services to homeless individuals and families as well as with resident of CDBG identified target neighborhoods through two outreach meetings held in June 2021 and January 2022.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The City has developed an extensive mailing and email list that includes over 150 people that represent organizations that serve homeless and at-risk households, mainstream service and housing agencies, community development organizations, civic leaders, etc. This list is used to regularly inform these agencies of planning efforts, funding opportunities, changes in policy and practice or any other information that agencies may find useful.

In developing the 2020 Annual Action Plan, the City consulted with agencies providing services related to housing, social services, elderly persons, disabled persons, persons with HIV/AIDS, children experiencing neglect, and individuals and families impacted by homelessness. Agencies participating in the Annual Action Plan public meeting were:

1. Catholic Charities of Northern Arizona
2. Coconino County Health and Human Services
3. City of Flagstaff

4. Southwest Behavioral Health Services
5. Flagstaff Shelter Services
6. The Guidance Center
7. Housing Solutions of Northern Arizona
8. Building Community Flagstaff
9. Salvation Army
10. Threaded Together
11. Health Choice Integrated Care
12. DNA People's Legal
13. Habitat for Humanity
14. Flagstaff Family Food Center
15. Chicanos Por La Casa

The City Housing Section works with coordinated entry, various agencies, committees along with City and County departments to coordinate resource delivery to eligible households. The City supports developers, when appropriate, that are seeking funding for Low Income Housing Tax Credits and provides support to other projects that will serve Flagstaff's low and moderate-income households.

Activities that serve a special population, including homeless populations, and projects located in target neighborhoods received additional points in the ranking process. The City also gives points to activities that evidence community collaborations including leverage, staffing partnerships, other formal agreements, and letters of support.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City participates with the Coconino County Continuum of Care (managed by the Arizona Department of Housing), including working groups, sub-committees and advisory groups around specific homeless and at risk-populations. These meetings bring together shelter providers, prevention providers, housing providers and agencies that deliver prevention, rapid re-housing, emergency and transitional shelter services and permanent supportive housing opportunities. City of Flagstaff staff participate on the Executive Committee.

The City has participated on the Point-In-Time (PIT) steering committee for the seven years and worked with Northern Arizona University to assist in developing the survey instrument for the Balance of State Continuum of Care. In addition, City Staff leads the Flagstaff Project Homeless Connect steering committee and the System Design Steering committee.

City staff has been instrumental in the creation of Front Door Coordinated Entry. The System Design Steering committee has created a single point of entry for coordinated assessment in the Flagstaff area, known as Front Door. Since January 2017, accessing housing and services has been dramatically simplified for those in crisis. When members of the community identify themselves to be in a housing crisis, they can access community services by entering the Front Door Program.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Flagstaff is not an ESG grantee.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

1	Agency/Group/Organization	CATHOLIC CHARITIES OF NORTHERN ARIZONA
---	----------------------------------	--

Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-homeless
What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Catholic Charities of Northern Arizona continued to monitor the needs of Northern Arizona communities and responded by providing life-changing services that protect and nurture children, help strengthen families and assist individuals in crisis. Catholic Charities delivers services in foster care, adoption and pregnancy counseling, North Star youth development and Westside Head Start early education. Over the years in response to community needs, Catholic Charities has grown to serve veterans and their families, sex-trafficked survivors, victims of domestic abuse, refugees and those experiencing homelessness. Catholic Charities of Northern Arizona is also a key partner of the Front Door of Coconino County.
2	Agency/Group/Organization Coconino County Health and Human Services

Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Services-Employment Health Agency Other government - County Major Employer
What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Coconino County Community Services Department (CCCSD) is the largest provider of emergency services in the community, specifically eviction/foreclosure prevention and move in assistance; it is the number one referral agency in both the County and the City of Flagstaff. Coconino County Health and Human Services is the recognized Community Action Agency for the County and covers a service area of 18,000 square miles. CCHHS has successfully administered an eviction and foreclosure prevention program for the last thirty-six (36) years. The agency was consulted through public meetings, the public comment period and one on one technical assistance.

3	Agency/Group/Organization	CITY OF FLAGSTAFF
	Agency/Group/Organization Type	Housing PHA Services - Housing Service-Fair Housing Other government - Local Major Employer
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Economic Development Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City will continue to utilize CDBG funds in target neighborhoods. These programs serve low to moderate income residents of target neighborhoods. The programs improve infrastructure and revitalize low income neighborhoods
4	Agency/Group/Organization	SOUTHWEST BEHAVIORAL HEALTH SERVICES, INC.
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Persons with Disabilities Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Non-Homeless Special Needs

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Southwest Behavioral & Health Services offers an array of programs to meet the unique needs of the communities we serve. These include outpatient mental health treatment and psychiatric services including medication monitoring; assistance for persons with addictions; intensive inpatient care for persons in crisis; residential housing, in-home and supported housing services; prevention services, community outreach and school-based counseling; services throughout the lifespan for members with Autism Spectrum Disorder (ASD); and four opioid replacement clinics throughout the state that are working tirelessly to save lives and help alleviate the statewide crisis. SB&H also offers permanent supportive housing funding for seriously mentally ill clients. The agency was consulted through public meetings, the public comment period and one on one technical assistance.</p>
5	<p>Agency/Group/Organization</p>	<p>Flagstaff Shelter Services</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Flagstaff Shelter Services offers homeless individuals shelter and supportive services and is focused on chronically homeless individuals, many of whom have serious psychiatric or substance abuse issues. Flagstaff Shelter Services provides all individuals experiencing homelessness with coordinated entry know as Flagstaff's Front Door. The agency was</p>

		consulted through public meetings, the public comment period and one on one technical assistance.
6	Agency/Group/Organization	The Guidance Center
	Agency/Group/Organization Type	Housing Services-Health Health Agency

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Guidance Center (TGC) is a not-for-profit Community Mental Health Center with locations serving Flagstaff. TGC provides a full range of services, which include everything from general mental health counseling for everyday stressors, to our inpatient psychiatric hospital for acute psychiatric emergencies. TGC is committed to creating healthy individuals, families, and communities. The agency was consulted through public meetings, the public comment period and one on one technical assistance.
7	Agency/Group/Organization	Housing Solutions of Northern Arizona

Agency/Group/Organization Type	Housing Services - Housing Services-Victims of Domestic Violence Services - Victims
What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Housing Solutions of Northern Arizona (HSNA) is a nonprofit housing organization, founded as the Affordable Housing Coalition in 1990 through the grassroots efforts of local citizens concerned about the lack of affordable housing in the Flagstaff community. HSNA expanded from an advocacy organization to one that focuses on programs designed to help residents identify and maintain safe, decent, and affordable housing. The agency's mission is "building opportunities for sustainable, affordable housing in northern Arizona." The agency was consulted through public meetings, the public comment period and one on one technical assistance.

8	Agency/Group/Organization	Building Community Flagstaff
	Agency/Group/Organization Type	Consultant for Nonprofits
	What section of the Plan was addressed by Consultation?	Economic Development

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Building Community Flagstaff's mission is to develop reciprocal relationships and communication systems among staff, organizations, and populations served to optimize organizational development, service alignment, and community development. The organization's vision is to develop efficient, effective, and comprehensive social service networks. The agency was consulted through public meetings and the public comment period.
9	Agency/Group/Organization	SALVATION ARMY
	Agency/Group/Organization Type	Services-Children Services-homeless Services-Employment
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Veterans Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Salvation Army is an evangelical organization working to meet basic human needs in the community. The agency was consulted through public meetings and the public comment period.
10	Agency/Group/Organization	Threaded Together

Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-Education Services-Employment Services - Victims
---------------------------------------	--

	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Threaded Together is a nonprofit organization devoted to inspiring creativity and connection through textile arts programs that empower participants, enrich community, and offer employment pathways for women and vulnerable populations. The agency was consulted through public meetings, the public comment period and one on one technical assistance.
11	Agency/Group/Organization	Health Choice Integrated Care
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Health Agency Regional organization

What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Health Choice Integrated Care is the Northern Arizona Accountable Care Organization and provides an integrated approach to health and wellness for patients. The agency was consulted through public meetings, the public comment period and one on one technical assistance.

12	Agency/Group/Organization	Desert Seeds / Semillas del Desierto
	Agency/Group/Organization Type	Services -Gardening
	What section of the Plan was addressed by Consultation?	Public Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency attended public meetings.
13	Agency/Group/Organization	Habitat for Humanity of Flagstaff

	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Habitat for Humanity believes that every man, woman, and child should have a decent, safe, and affordable place to live. The organization builds and repairs houses all over the world using volunteers and donations. Partner families purchase these houses through no-profit, no-interest mortgage loans and other innovative financing methods. The agency was consulted through public meetings, the public comment period and one on one technical assistance.
14	Agency/Group/Organization	Flagstaff Family Food Center
	Agency/Group/Organization Type	Services-homeless Services-Health Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated	Serving hope to Flagstaff families by providing hunger relief and children's literacy programs. The agency was consulted through public meetings, the public comment period and one on one technical assistance.

	outcomes of the consultation or areas for improved coordination?	
15	Agency/Group/Organization	CHICANOS POR LA CAUSA
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Chicanos Por La Causa (CPLC) programs work to help individuals and families achieve self-sufficiency by providing accessible healthcare; affordable housing; a quality education; access to meaningful work; and political representation. The agency was consulted the public comment period and one on one technical assistance.

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

All major agencies providing a full range of public services in and around the Town of Gilbert were contacted to request comments. No specific agency or agency type was excluded. service, housing, and health agencies; other government agencies; planning organizations; and business and civic leaders. All agencies are offered the opportunity to have input into the Consolidated Plan and Action Plan through stakeholder meetings, public meetings, e-mail, and written input. No specific agency types were identified as not consulted.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Coconino County Continuum of Care	Arizona Department of Housing	The City’s Consolidated Plan identifies addressing homelessness as a priority need.
City of Flagstaff	10 Year Housing Plan	The City’s Consolidated Plan and this Plan define the City’s housing related needs and policy goals for overcoming barriers to affordable housing.
Coconino County Action Alliance	Coconino County Health and Human Services	The City’s Consolidated Plan priority needs all overlap with the goals of the County Action Alliance
Housing Attainability Study	Housing Solutions of Northern Arizona	The City’s Consolidated Plan and this study provide a thorough assessment of housing needs in Flagstaff
Community Needs Assessment 2020	Coconino County Health and Human Services	The City’s Consolidated Plan and this assessment both work to identify community needs

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City Housing Section works with Coconino County and various City and County departments to coordinate resource delivery to eligible households. The City works with the State's homeless and special needs staff and the local Continuum of Care to support as many targeted activities as CDBG funding will allow. The City supports developers, when appropriate, that are seeking funding for LIHTC and other projects that will serve Flagstaff's low and moderate income households. The City participates with the Coconino County Continuum of Care (managed by the Arizona Department of Housing), including working groups, sub-committees, and advisory groups around specific homeless and at risk-populations. These meetings bring together shelter providers, prevention providers, housing providers and agencies that deliver prevention, rapid re-housing, emergency, and transitional shelter services, as well as permanent supportive housing opportunities. Flagstaff City staff participate on the Executive Committee. City staff also lead the Point-in-Time steering committee, the Homeless Connect steering committee and sit on the systems design steering committee.

DRAFT

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City of Flagstaff makes funding allocations based on community priorities and input. Priorities are determined by City Council and through input provided by the public, both in the planning and application processes.

Investments are allocated based on City Council's determination. Proposals for eligible activities are solicited through a formal Request for Proposals (RFP) process, which is open to qualified external organizations and City sponsored projects. Submitted proposals are evaluated and ranked, and a summary of the evaluation is presented to City Council for its review and consideration in making final funding decisions. A review committee consisting of City staff and external members determines a score for each proposal and makes recommendations to City Council based on the following priorities:

1. City Council annual CDBG priorities, 5-year Consolidated Plan and eligible CDBG funding. The need for funds and the demand for the project are demonstrated; Geographic areas designated as target neighborhoods due to a disproportionate concentration of low income and minority populations; Projects that meet the previous criteria and address the Primary, National and Consolidated Plan Objectives of the CDBG program; and Projects that demonstrate the capacity to provide timely, compliant, and sustainable benefits to the community.

Activities that will serve a special population, including homeless populations, and projects located in target neighborhoods receive additional points in the ranking process. The City also gives points to activities that evidence community collaborations including leverage, staffing partnerships, other formal agreements, and letters of support.

The consultation and public participation process for the development of this year's Annual Action Plan consisted of three public meetings, a request for proposal process, and an invitation for written comment. Forums and meetings were conducted to solicit information on housing and community development needs and to elicit public comment on planned activities. The draft Annual Action Plan was made available for public comment from March 1, 2022 to April 1, 2022.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	40+ residents, Councilmembers and City Staff	Comments and feedback received from neighborhood residents regarding crime, code violations, housing, etc.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Public Meeting	Non-targeted/broad community	20+ Residents, Council and Staff	Comments and feedback received from neighborhood residents regarding crime, code violations, housing, etc.	N/A	
7	Public Hearing	Non-targeted/broad community	15 Non-profit representatives	No Comments Received	N/A	
8	Public Hearing	Non-targeted/broad community	No one attended this meeting	No Comments Received	N/A	
8	Internet Outreach	Nontargeted/broad community	Emails were sent to over 300 member of Coconino County's Continuum of Care informing agencies of important dates for the 2022 Community Development Block Grant Schedule, public comment period and deadlines.	No Comments Received	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
9	Newspaper Ad	Persons with disabilities Nontargeted/broad community	Arizona Daily Sun ad February 8 & 15, 2022 - Invited the public to second Public Meeting to discuss the use of CDBG funding on February 26, 2022.	No Comments Received	N/A	
10	Newspaper Ad	Persons with disabilities Nontargeted/broad community	Arizona Daily Sun ad December 16 & 30, 2021 - Invited the public to first Public Meeting re NoFA for CDBG funding on Jan 13, 2022.	No Comments Received	N/A	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Flagstaff Annual Action Plan describes allocations for the Community Development Block Grant program for the coming year – Program Year 2022, the second year of the 2021-2025 Consolidated Plan. These allocations fund activities to address goals from the primary Consolidated Plan areas: Affordable Housing, Homelessness, Community Development, Neighborhood Revitalization, Economic Opportunities, Public Services, Fair Housing and Citizen Participation.

The amount of CDBG funding received by the City of Flagstaff varies from year-to-year is based on the federal budget. The City expects to receive between \$510,000 and \$615,000 each year during the next five years. The 2021 Program Year CDBG Entitlement for the City of Flagstaff was \$571,367 and the City expects to see a similar allocation for Program Year 2022. In addition, the City is utilizing \$264,000 in CDBG Program Income and \$13,411.32 in de-obligated past years funds in combination with the 2022 Entitlement for an estimated total of \$842,411.32 available to allocate.

Additional federal funds to address goals were made available for public housing and programs addressing the needs of people experiencing homelessness. State government, local general funds and private resources are occasionally secured by the City or by local agencies for a variety of uses.

As of the date of submission of the Program Year 2022 Annual Action Plan, a portion of CDBG funds from previous program years is currently unspent. However, these funds have been allocated to projects in the corresponding Annual Action Plans and will not be reallocated to different activities. Previous years' funds are not accounted for in this Annual Action Plan.

In Program Years 2019 and 2020 the City of Flagstaff received CDBG-CV funds provided by the CARES (Coronavirus, Aid, Relief and Economic Security) Act. These funds were allocated in the 2019 Annual Action Plan completing two substantial amendments. A portion of the CDBG-CV funds remain unspent yet allocated to projects that prevent, respond to and/or prepare for Coronavirus. These funds will not be reallocated to different activities and are not accounted for in the PY 2022 Annual Action Plan.

Anticipated Resources

Program	CDBG	Source of Funds	Public-federal
Uses of Funds: Affordable Housing, Public Services, Acquisition, Administration & Planning			
Narrative Description: The 2021 Program Year CDBG Entitlement for the City of Flagstaff was \$571,367 and the City expects to see a similar allocation for Program Year 2022. In addition, the City is utilizing			

\$264,000 in CDBG Program Income and \$13,411.32 in de-obligated past years funds in combination with the 2022 Entitlement for an estimated total of \$842,411.32 available to allocate.				
Expected Amount Available Year 1				
Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	Expected Amount Available Remainder of ConPlan: \$
\$565,000	\$264,000	\$13,411.32	\$842,411.32	\$1,720,468

Table 5 - Expected Resources – Priority Table

Federal funds will leverage possible additional resources to rehabilitate and/or develop affordable housing for renters or owners, to provide services to vulnerable populations including people experiencing homelessness, people living in poverty, and other people with special needs. When funding has matching requirements, match may be satisfied through local fundraising by nonprofit organizations, State Housing Trust Funds, and City General Funds. \$457,551 federal, state, and local funds will leverage 2022 CDBG projects.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Flagstaff utilizes CDBG funds to improve public facilities and infrastructure in low- and moderate-income neighborhoods, specifically the Sunnyside, Pine Knoll, La Plaza Vieja and Southside target neighborhoods. The City relies on the Council adopted and voter ratified Flagstaff Regional Plan 2030 as well as Neighborhood Specific Plans for La Plaza Vieja and Southside to guide area needs and project allocations for public facilities and infrastructure such as sidewalk improvements, recreation improvements and more. These Neighborhood Specific Plans were developed in partnership with the corresponding neighborhood associations and extensive public involvement.

Discussion

The City of Flagstaff continues to receive periodic Program Income from previous homebuyer assistance and owner occupied housing rehabilitation programs. In PYs 2020 and 2021 the City received an unprecedented amount of Program Income due to the favorable housing market and interest rates in the City of Flagstaff. Those funds will be allocated in this Annual Action Plan. Should the City receive additional Program Income in excess of an amount that could make it difficult for the City to remain timely, a mid-year allocation and amendment to the Annual Action Plan will be considered.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

DRAFT

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Activity Matrix Code:	Goal Outcome Indicator
1	Neighborhood Facility and Infrastructure	2022	2023	Non-Housing Community Development	Southside	Neighborhood Revitalization	CDBG \$370,411.32	14A	Public Facilities & Infrastructure Improvements: 1,000 Households Served
2	Increase Overnight Emergency Shelter, Transitional and Supportive Housing Beds/Units	2022	2023	Homeless	Citywide	Homelessness	CDBG \$250,000	14G	Overnight/ Emergency Shelter/ Transitional Housing Beds/Units added: 56 Units
3	Services to Meet Basic Needs	2022	2023	Homeless Non-Homeless Special Needs	Citywide	Homelessness Public Services & Economic Opportunities	CDBG \$30,000	05D 05N 03T 05H	Public service activities other than Low-/Moderate-Income Housing Benefit: 60 Persons
4	Workforce Development	2022	2023	Non-Housing Community Development	Citywide	Public Services & Economic Opportunities	CDBG \$39,826.00	05H 05Z	Individuals/Businesses assisted: 6 Persons

5	Service and Facility Operating Support, including Outreach Services to Meet Basic Needs	2022	2023	Homeless Non-Homeless Special Needs	Citywide	Homelessness Public Services & Economic Opportunities	CDBG \$25,174.11	03T	Public service activities other than Low-/Moderate-Income Housing Benefit: 600 Persons
6	Planning & Administration	2022	2023	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Citywide	Homelessness Affordable Housing Public Services & Economic Opportunities Revitalization, Public Facilities & Infrastructure	CDBG \$127,000.000	20 21A 21B 21C 21D 21E	Other: 1

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Neighborhood Revitalization, Public Facilities, and Infrastructure
	Goal Description	Improvements to public facilities located primarily in majority low – and moderate income areas. Improve Neighborhood Involvement and Interaction • Provide Neighborhood Safety and Pride • Improve Physical Appearance and Property Values • Promote Sustainability and Conservation • Address Infrastructure and Public Facility Needs • Identify In-Fill Housing Opportunities

2	Goal Name	Increase Overnight Emergency Shelter, Transitional and Supportive Housing Beds
	Goal Description	Funds will be used to increase Overnight Emergency Shelter, Transitional and Supportive Housing Beds for homeless and chronically homeless individuals/households. Projects include acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees.
3	Goal Name	Services to Meet Basic Needs
	Goal Description	Public service projects may include Pandemic Response, Homeless/AIDS Patients Programs, Senior Services, Services for Persons with Disabilities, Legal Services, Youth Services, Transportation Services, Substance Abuse Services, Services for Special Needs, Employment Training, Crime Awareness/Prevention, Fair Housing Activities, Tenant/Landlord Counseling, Child Care Services, Health Services, Mental Health Services, Screen for Lead Poisoning, Subsistence Payments, Food Banks, Etc.
4	Goal Name	Workforce Development
	Goal Description	Assistance for programs providing workforce development including employment/job training and business development support services carried out as a public service. Activities include skill development programs, vocational programs, apprenticeship programs, paid internships, and technical assistance for businesses and/or business counseling for individuals.

5	Goal Name	Service and Facility Operating Support, including Outreach
	Goal Description	CDBG funds will be used for costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance.
6	Goal Name	Planning and Administration
	Goal Description	CDBG funds will be used for expenses related to administering the program, preparing planning documents and reports, fair housing activities, and other eligible expenses.

DRAFT

Projects

AP-35 Projects – 91.220(d)

Introduction

The strategies listed in this plan address the second-year allocation of the 2021-2025 Consolidated Plan for the City of Flagstaff in Program Year 2022. The City will be allocating funds to local agencies/ subrecipients to carry out projects and manage funds with City of Flagstaff oversight. Projects align with the priority needs of the community: Revitalization, Public Facilities and Infrastructure, Public Services & Economic Opportunities, Addressing Homelessness, Develop and Preserve existing Affordable Housing.

Through the 2022 CDBG process, the City of Flagstaff Housing Section received 6 external Community Development Block Grant/ARPA Recovery Fund proposals and 1 internal request for CDBG funds for the 2022 Program Year. One applicant withdrew their CDBG application with the intention of applying for future ARPA Recovery Funds from the Housing Assistance allocation.

Per HUD’s guidance, the City of Flagstaff has estimated the 2022 allocation will be slightly less than last year’s federal allocation. Six external agency proposals were received. When program income and de-obligated funding is included, the 2022 CDBG allocation is \$842,411.32.

Recommendations were discussed at a public hearing and City Council Work Session on April 12, 2022. Resolutions approving the allocations and submission of the Annual Action Plan were approved by the City Council at a public hearing and City Council Meeting on April 19, 2022. The following table identifies approved projects for 2022-2023 Program Year with a budget of \$842,411.32.

Projects

#	Project Name
1	Neighborhood Revitalization and Public Facilities Improvements
2	Public Facility Improvements – Homeless Shelter Rehabilitation
3	Increase Shelter Beds/Units – Emergency and Transitional Hotel Housing
4	Service and Facility Operating Support – Youth Homelessness
5	Workforce Development – Job Training

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

For Program Year 2022, the City issued a request for proposals for CDBG eligible activities. Proposals are evaluated based on CDBG eligibility and funding criteria (for example: benefit of ratio of dollars per person, percent of leverage funding, past successful CDBG contract administration, location of the project in a target area, and evidence of community collaborations. At least 70% of CDBG funds must serve low and moderate-income people and not more than 15% may be used for public services. Up to 20% may be used to cover administrative costs, including indirect costs. The largest obstacle to addressing underserved needs is insufficient funding, particularly for public services projects. This City of Flagstaff evaluates past and present projects for efficient and effective use of funds in addressing the high priority needs identified in the Consolidated Plan as well as for the impact on low- and moderate-income City residents.

DRAFT

Project Summary Information

1	Project Name	Neighborhood Revitalization, Public Facilities, and Infrastructure Improvements
	Target Area	Citywide
	Goals Supported	Neighborhood Revitalization
	Needs Addressed	Neighborhood Revitalization, Public Facilities & Infrastructure
	Funding	CDBG \$370,411.32
	Description	The City of Flagstaff Murdoch Neighborhood Park Improvements project proposes to solve multiple nuisance and environmental issues within the Southside Neighborhood and places a renewed focus on the Murdoch Community Center as the public meeting center of the Southside and the community at large.
	Target Date	6/30/2023
	Estimate the number and type of families that will benefit from the proposed activities	A total of 1,257 households in the Southside neighborhood will benefit from the project.
	Location Description	NA

	<p>Planned Activities</p> <p>Activity Matrix: 14A, 14H 24 CFR 570.202(a)(1), 24 CFR 570.202(b)(9 or 42 USC 5305(a)(4)</p>	<p>The western right-of-way landscaped area is proposed to be incorporated into the current Murdoch grounds with a low decorative fence that is consistent in defining the overall park area. Problematic landscaping will be thinned, and improved lighting (dark sky compliant), park rules signage, and security provisions provided. The existing chain-link fence is to be removed from the north perimeter and replaced with the decorative pier and rail fencing. The north grounds currently have a mega sized chess board that will be incorporated with new hardscape and paths that provides ADA access into the site improvements. A turf lawn area is planned as a general play area. Playground equipment is not initially planned unless public input dictates. Informal areas are conceived that promotes creative play opportunities. Existing trees will be retained and additional provided. New shrubbery will not be provided but low-water native plantings encouraged where appropriate and limited. Appropriate site furnishings and lighting (dark sky) are to be provided.</p>
2	<p>Project Name</p> <p>Target Area</p> <p>Goals Supported</p> <p>Needs Addressed</p> <p>Funding</p> <p>Description</p>	<p>Increase Overnight Emergency Shelter, Transitional and Supportive Housing Beds/Units</p> <p>Citywide</p> <p>Increase Overnight Emergency Shelter, Transitional and Supportive Housing Beds</p> <p>Homelessness</p> <p>Public Services & Economic Opportunities</p> <p>CDBG: \$250,000</p> <p>With the support and financial backing of the Arizona Department of Housing, Flagstaff Shelter Services is acquiring a 56-room motel on Route 66, complete with 12 family units. To address community needs resulting from the COVID-19 pandemic, Flagstaff Shelter Services will use this new site to provide non-congregate, emergency shelter to diverse Flagstaff individuals and families experiencing homelessness. Eventually, once the pandemic is no longer an active threat to our community, the site will offer much-needed Permanent Supportive Housing units for vulnerable, housing-insecure community members. In the meantime, CDBG funds are needed to support crucial renovation costs to the motel property.</p>

	Target Date	6/30/2023
	Estimate the number and type of families that will benefit from the proposed activities	56 non congregate, emergency shelter units – 12 family units
	Location Description	3300 E Route 66, Flagstaff, AZ 86004
	Planned Activities Activity Matrix: 01, 14G 24 CFR 570.201(e) or 42 USC 5305(a)(1), 24 CFR 570.202(b)(1) or 42 USC 5305(a)(1)	CDBG funds will be used to renovate a former motel that will bring 56 much-needed, non-congregate emergency shelter units to Flagstaff. While the Crown Motel (currently known as the Howard Johnson on Route 66) is livable and includes all furnishings, the proposed renovations are needed to improve safety and security. These changes include installing wrought iron fencing around the property, filling in the existing pool, installing an interior fire sprinkler system, removing the existing Porte cochere, updating the existing laundry facilities to add four additional washers and dryers, and redoing the dilapidated parking lot.
3	Project Name	Service & Facility Operating Support
	Target Area	Citywide
	Goals Supported	Service & Facility Operating Support
	Needs Addressed	Homelessness Public Services & Economic Opportunities
	Funding	CDBG: \$30,000
	Description	Provide youth experiencing homelessness with basic needs and resources and housing options including Host Family programming.
	Target Date	6/30/2023

	Estimate the number and type of families that will benefit from the proposed activities	60 homeless youth served with housing resources and established The Host Family program in Flagstaff.
	Location Description	Citywide
	Planned Activities Activity Matrix: 03T, 05D, 05H, 05N 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)	Funding would be used to hire a Community Outreach Manager to recruit families for the Host Family component of the EYFTF program.
4	Project Name	Workforce Development
	Target Area	Citywide
	Goals Supported	Workforce Development
	Needs Addressed	Public Services & Economic Opportunities
	Funding	CDBG: \$39,826

	Description	The Sewing and Textile Employment Pathway (STEP) program is a 4-6 month paid vocational training program in Flagstaff, AZ that expands economic opportunity for low to moderate income (LMI) residents and enriches our community. Housed in our Threaded Together Workroom, a full-service sewing shop in the Sunnyside/Lower Greenlawn neighborhood, this program provides residents the opportunity to learn technical and employable skills in a safe and empowering environment. Through the STEP program, Threaded Together is also helping to =develop viable urban communities by providing employment opportunities within walking distance of partnering organizations. CDBG grant funds will be used to cover STEP training participants wages, and to supplement staff wages for training time.
	Target Date	6/30/2023
	Estimate the number and type of families that will benefit from the proposed activities	6 Low and Moderate Income individuals
	Location Description	Citywide
	Planned Activities Activity Matrix: 05H, 05Z 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)	CDBG grant funds will be used to cover STEP training participants wages, and to supplement staff wages for training time.
5	Project Name	Service & Facility Operating Support
	Target Area	Citywide
	Goals Supported	Service & Facility Operating Support

Needs Addressed	<p>Homelessness</p> <p>Public Services & Economic Opportunities</p>
Funding	CDBG: \$25,174
Description	Flagstaff Shelter Services will provide safe, non-congregate, emergency shelter to an estimated 600 diverse Flagstaff residents experiencing homelessness
Target Date	6/30/2023
Estimate the number and type of families that will benefit from the proposed activities	600 individuals experiencing homelessness
Location Description	Citywide
<p>Planned Activities</p> <p>Activity Matrix: 03T, 05D, 05H, 05N</p> <p>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) , 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2), 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</p>	<p>Requested funds will support operational costs of these units to get vulnerable households out of congregate shelter. As a result of this timely project, every individual and family experiencing homelessness in Flagstaff (regardless of COVID-19 status) will have access to safe shelter, nutritious meals, culturally sensitive medical and behavioral health care, day services, and evidence-based housing placement services.</p>

6	Project Name	Planning and Administration
	Target Area	Citywide
	Goals Supported	All
	Needs Addressed	Homelessness Affordable Housing Public Services & Economic Opportunities Revitalization, Public Facilities & Infrastructure
	Funding	CDBG: \$127,000
	Description	Expenses related to administering the program, preparing planning documents and reports, fair housing activities, and other eligible expenses under this category.
	Target Date	6/30/2023
	Estimate the number and type of families that will benefit from the proposed activities	Planning and administration of HUD programs provides a benefit to all residents.
	Location Description	Citywide

<p>Planned Activities</p> <p>Activity Matrix: 20, 21A, 21D, 21H</p> <p>24 CFR 570.206 or 24 CFR 570.489(a)(3) + 24 CFR 570.206 or 24 CFR 570.205 + 24 CFR 570.206(i)(2) or 42 USC 5305(a)(13)</p>	<p>Expenses related to administering the program, preparing planning documents and reports, fair housing activities, and other eligible expenses under this category including City of Flagstaff Indirect.</p>
---	--

DRAFT

DRAFT

AP-50 Geographic Distribution – 91.220(f)

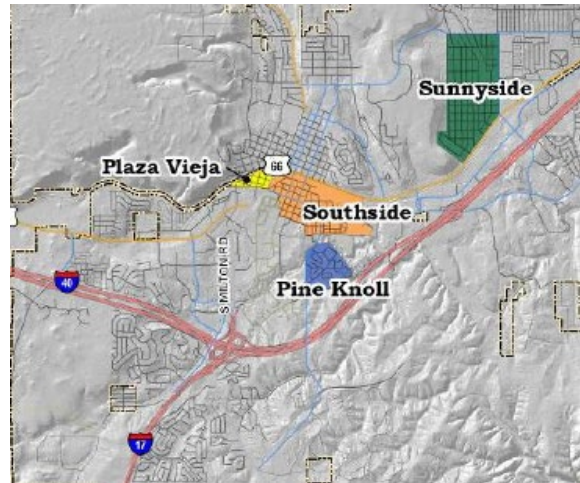
Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Flagstaff has identified four target neighborhoods. Target neighborhoods are defined by HUD as those where more than 50% of households have low- to moderate-incomes (80% or less of Flagstaff's Area Median Income).

- ▲ Sunnyside - Census Tract 3, Block Group 2, 3, & 4
- ▲ Southside - Census Tract 8, Block Group 1 & 2
- ▲ Pine Knoll - Census Tract 8, Block Group 3
- ▲ La Plaza Vieja - Census Tract 11.02, Block Group 3.

Together the 8,565 people who live in the target neighborhoods have the following characteristics:

- ▲ 6,210 are considered low- and moderate-income.
- ▲ 33% are Hispanic or Latino.
- ▲ 27% are people of color.
- ▲ 50% live in family households.
- ▲ 21% have a head of household that is 24 years old or younger.
- ▲ 24% own the home they occupy.



Three of these neighborhoods have formed a coalition referred to as the “A League of Neighbors”. The coalition includes the Sunnyside Neighborhood Association, La Plaza Vieja Neighborhood Association, and the Southside Community Association. Associations work hard to improve neighborhoods with grass-roots efforts in safety improvements, beautification, job development, and community spirit. These resident-driven 501(c)3 organizations work collectively and advocate for continual and necessary infrastructure improvements in historic neighborhoods, more local jobs, increasing voter registration, and unity among neighbors.

The 2022 Annual Action Plan directs 44% of the total annual entitlement towards facility improvements in the Southside neighborhood. **The Murdoch Park project proposes to solve multiple nuisance and environmental issues within the Southside Neighborhood and placing a renewed focus on the Murdoch Community Center as the public meeting center of the Southside and the community at large. The intent is to provide a small safe neighborhood park, landscaped and irrigated that promotes creative plan and contemplative areas with overall improved security. It has been state by many that the importance of the Murdoch and its relationship to Flagstaff’s ethnic history should be shared and integrated into the site in the potential for art and interpretive plaque installations.**

Geographic Distribution

Target Area	Percentage of Funds
Sunnyside	0%
La Plaza Vieja	0%
Southside	44%
Pine Knoll	0%
Citywide	100%

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Proposals are evaluated based on CDBG eligibility and funding criteria (for example: benefit of ratio of dollars per person, percent of leverage funding, past successful CDBG contract administration, location of the project in a target area, and evidence of community collaborations).

The City's four target areas encompass many of the areas of low-income and minority concentration and have been identified as high priority need in all categories.

Research has shown that neighborhoods can be a good predictor of health. Therefore, it is imperative to invest funding in areas of opportunity such as, community spaces, open space, quality schools, food, and transportation.

The Murdoch Park project proposes to solve multiple nuisance and environmental issues within the Southside Neighborhood and placing a renewed focus on the Murdoch Community Center as the public meeting center of the Southside and the community at large. The landscaped area to the west (closed off right-of-way) and the grounds immediately north of the Murdoch are proposed as a public park. The landscaped area to the west (closed off right-of-way) and the grounds immediately north of the Murdoch are proposed as a public park. The landscaped area to the west has been the site of behavioral problems and police calls that has included public health issues. The north Murdoch grounds is currently not supported by working irrigation and park-like improvements. These conditions add to the impression that this area is uncared for and reduce the utilization of the space by the neighborhood residents. In a 2018 survey of neighborhood residents, this area was highlighted as a place that individuals felt unsafe walking through because of these environmental factors.

Discussion

The City strives to utilize CDBG funds in target areas; however, the actual distribution of funds to target areas depends on the number and type of proposals that are received. In the 2022 Program Year, 44% of funds will be expended in the Southside neighborhood. **The Murdoch Park project proposes to solve multiple nuisance and environmental issues within the Southside Neighborhood and placing a renewed focus on the Murdoch Community Center as the public meeting center of the Southside and**

the community at large.]

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

One Annual Action Plan requirement is to provide information on the number of households that will benefit from affordable housing and the types of housing these households will be supported through. The following HUD tables define the City’s goals for the number of households that will be provided housing by housing activity.

One Year Goals for the Number of Households to be Supported	
Homeless	660
Non-Homeless	0
Special-Needs	0
Total	0

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	56
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	56

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

Over the coming year a total of 1,666 households will benefit from PY 2022 CDBG funded projects included in the Annual Action Plan. Hotel renovations will help to create 56 units of non-congregate, emergency shelter. Public facility improvements and neighborhood revitalization efforts will create a park space and improve safety in the Southside neighborhood, a CDBG target area with over 1,000 LMI households. 6 LMI individuals will be able to participate in a paid apprenticeship program, learning skills for long term job and/or small business success.

AP-60 Public Housing – 91.220(h)

Introduction

The Flagstaff Housing Authority owns and manages 265 units of low-income public housing, administers 333 Section 8 Housing Choice Vouchers, 106 VASH Vouchers for Veterans, 40 Mainstream vouchers for households with a disabled adult, 20 Emergency Housing Vouchers and several Foster Youth Initiative (FYI) Vouchers for youth aging out of the State foster care system. We partner with the Veterans Administration (VA) on the VASH program and with the State Department of Child Safety on the FYI program. The Housing Authority also manages Clark Homes, a Section 8 new construction development with 80 units of low-income housing and provides twelve Section 8 Certificates for the seriously mentally ill, in partnership with the Guidance Center.

While chronically underfunded by HUD for capital needs, the public housing units are in good repair. The Housing Authority follows a system of ensuring that all major systems are well maintained. The Housing Authority develops a 5-year Plan, updated, and submitted to HUD on an annual basis, to identify the capital needs of public housing developments and the methods by which living conditions will be improved for public housing residents.

The City intends to reposition and redevelop its public housing in order to increase the inventory of public and private affordable housing for renters and, potentially, homeowners throughout the City. The City's goals are to reposition its public housing portfolio, through RAD and other options allowed by HUD in order to stabilize funding, modernize properties, and increase the number of affordable housing units to create vibrant, attractive, and diverse mixed-income communities that include a mix of rental units to house families, as well as units specifically designed for the elderly and other groups with special needs.

Actions planned during the next year to address the needs to public housing

In March 2021, the City of Flagstaff released a Request for Statement of Qualifications from firms experienced in the repositioning of Public Housing through the Rental Assistance Demonstration (RAD) program, to partner on the repositioning of its Public Housing through RAD or other repositioning options allowed by U.S. Department of Housing and Urban Development (HUD). The most qualified respondent to the RSOQ has been selected and negotiations for a Master Development Agreement are underway. It is anticipated that a RAD application will be submitted by spring of 2023.

The City intends to reposition and redevelop its public housing in order to increase the inventory of public and private affordable housing for renters and, potentially, homeowners throughout the City. The City's goals are to reposition its public housing portfolio, through RAD and other options allowed by HUD in order to stabilize funding, modernize properties, and increase the number of affordable housing units

to create vibrant, attractive, and diverse mixed-income communities that include a mix of rental units to house families, as well as units specifically designed for the elderly and other groups with special needs.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority has multiple goals and objectives created to increase resident involvement including: providing maintenance and repair training prior to occupancy; continuing resident education; partnering with the Boys and Girls Club, Tynkertopia and the City Recreation Department to provide free on-site programs; resident meetings, barbeques and newsletters to help residents with education, employment, job training and youth services.

The City Housing Authority produces a monthly newsletter for public housing residents. Newsletter content includes food and utility assistance, library programming, free tax assistance information, healthcare marketplace information, regular deadlines for rent and recertification submission, public notice regarding policy changes, and countless other resources.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Flagstaff's Housing Authority is a high performing PHA.

Discussion

The Flagstaff Housing Authority owns and manages 265 units of low-income public housing, administers 333 Section 8 Housing Choice Vouchers, 106 VASH Vouchers for Veterans, 40 Mainstream vouchers for households with a disabled adult, 20 Emergency Housing Vouchers and several Foster Youth Initiative (FYI) Vouchers for youth aging out of the State foster care system. We partner with the Veterans Administration (VA) on the VASH program and with the State Department of Child Safety on the FYI program. The Housing Authority also manages Clark Homes, a Section 8 new construction development with 80 units of low-income housing and provides twelve Section 8 Certificates for the seriously mentally ill, in partnership with the Guidance Center.

While chronically underfunded by HUD for capital needs, the public housing units are in good repair. The Housing Authority follows a system of ensuring that all major systems are well maintained. The Housing Authority develops a 5-year Plan, updated, and submitted to HUD on an annual basis, to identify the capital needs of public housing developments and the methods by which living conditions will be improved for public housing residents.

The City intends to reposition and redevelop its public housing in order to increase the inventory of public and private affordable housing for renters and, potentially, homeowners throughout the City. The

City's goals are to reposition its public housing portfolio, through RAD and other options allowed by HUD in order to stabilize funding, modernize properties, and increase the number of affordable housing units to create vibrant, attractive, and diverse mixed-income communities that include a mix of rental units to house families, as well as units specifically designed for the elderly and other groups with special needs.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City is not a direct recipient of Emergency Solutions Grant funds from HUD yet invests a significant amount of financial and staff resources in addressing the needs of people experiencing homelessness and people with special needs in the City of Flagstaff. This section describes the City's one-year goals and actions for reducing and ending homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

Continuum of Care (C of C) members and participants in the Front Door coordinated entry program may apply for CDBG funds to assist street outreach, but with limited public service dollars, local agencies choose to apply for support in prevention and diversion programs. There are currently three nonprofit organizations that conduct outreach services, two of which only serve veterans. Funded programs are highly encouraged to participate in coordinated entry through the Front Door and the C of C's individual assessment plan (VI-SPDAT) if not already involved.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City and Coconino County's Continuum of Care members recognize the critical nature of Housing First and permanent supportive housing. ***In the 2020 Point in Time Count 817 men, women and children were experiencing homelessness in Coconino County.*** Approximately 801 people remain on income restricted complex waitlists, while 1,250 people were on the waitlist in 2018. The high cost of housing and a 20% employment rate among individuals experiencing homelessness means that these individuals and families may require a longer stay in shelter or transitional housing.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming

homeless again

The City will continue to support agencies that provide emergency and transitional housing to the extent allowable under the CDBG program. In the 2022 Program Year, agencies will receive funds to support supportive housing services for chronically homeless individuals as well as basic needs and educational services for homeless and unaccompanied youth. The City and C of C members recognize the critical nature of Housing First and permanent supportive housing, yet the large number of homeless individuals and families, the high cost of housing, and a 20% employment rate among homeless individuals means that homeless individuals and families may require a longer stay in transitional housing. The City will also continue its active participation in the Coconino County Continuum of Care.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In the 2022 Program Year operational dollars will be granted to Flagstaff Shelter Services for renovations of a facility that will provide 56 non-congregate, emergency units for chronically homeless individuals. Additionally, Homeless Youth Connection will receive operational funds to provide services for homeless and unaccompanied youth, including a host family program for creating transitional housing for youth in need.

Community leadership is committed to bringing a higher level of coordination of services to those experiencing homelessness in our community. The Front Door is a collaborative project serving as a “front door” to those experiencing homelessness. Front Door is a diversion program and provides a single point of entry into the shelter and housing system to streamline services, reduce shelter stay and length of time that individuals and families are homeless, increase program utilization and eliminate the need for households in crisis to “service hop.”

The City will continue to support agencies that provide emergency and transitional housing to the extent allowed under the CDBG program. The City will also continue its active participation in the Coconino County Continuum of Care.

Discussion

The City is an active participant in the local Continuum of Care and staff members participate in multiple committees and lead the annual point-in-time count (conducted for the Arizona Rural Continuum of Care.) The City will continue to implement VASH Vouchers for Veterans experiencing homelessness as

well as Foster Youth Initiative Vouchers.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Affordable housing barriers are regulatory, process, or financial systems that make it harder for developers to create affordable housing. Barriers to affordable housing development can occur at many levels – local, state, and federal government, as well as related industries, such as the real estate, insurance, and finance industries.

HUD defines a regulatory barrier as "a public regulatory requirement, payment, or process that significantly impedes the development or availability of affordable housing without providing a commensurate health and/or safety benefit." To identify potential local public barriers to affordable housing development, the City completed HUD's Regulatory Barriers checklist.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Limited land and the current shortage in housing supply, relative to demand, are the primary reasons housing costs are increasing. A significant increase in housing supply is necessary to keep pace with current and projected housing demands. Strategies around affordable housing are incomplete when the focus is solely on increasing supply without giving attention to increasing density, establishing building innovation and cost saving practices, preserving affordable housing stock that already exists in the Flagstaff community and reviewing City codes, processes and fees to determine whether modification, reductions, or elimination would facilitate cost saving housing development strategies.

Zoning has a profound impact on housing location and type, but it can also impact cost and affordability. In addition to regulating where housing can be built, the Flagstaff zoning codes regulate other elements such as lot sizes, number of bedrooms, lot coverage, parking, and setbacks, all of which can impact the cost of development and overall housing supply. Currently, 58% of land in Flagstaff is zoned for Single-family residential, which allows for single-family homes and accessory dwelling units on each property. R1N also allows duplexes. These are low-density zones generally capped between 1 and 7 dwelling units per acre. In addition, 5.6% of land is zoned industrial, 12% is Public Open Space and 10% is Public Facilities. Approximately 14% of the land within the city allows for medium or high-density housing to be constructed, either through the commercial zoning categories as mixed-use or as apartments, condos, etc.

According to Arizona Housing Coalition, Best Practices Toolkit for Municipalities, overregulation of land use can create barriers to affordable housing supply. Zoning regulations, parking requirements, height restrictions, lengthy permitting processes, City codes and community opposition can contribute to increased development costs. Overregulation can restrict the ability of the developer to offer affordable rents and mortgages. Addressing overregulation and reform of land use policy is therefore a vital strategy to addressing housing affordability.

A prominent barrier to affordable housing development is the State law prohibition on mandatory inclusionary zoning policy. Inclusionary zoning policies are imposed at the local municipal level to require private developers to set aside a certain percentage of their units within new construction projects at an affordable rent. State law determines whether municipal inclusionary housing measures are mandatory or voluntary. In Arizona, as well as Colorado, Idaho, Indiana, Kansas, Texas, Tennessee, and Wisconsin—local governments are prohibited from adopting at least some form of mandatory inclusionary housing (for ownership housing, rental housing, or both). In some cases, courts have determined that statutes limiting rent control also preempt mandatory inclusionary measures for rental housing. Inclusionary housing is a complicated national issue that varies greatly by state, with litigation and new legislation continually shaping the issue. The City of Flagstaff has worked within the confines of state statutes to develop a voluntary program to incentivize the creation of both rental and ownership housing, yet, until such time as our State law is changed, mandatory inclusionary zoning is not a tool available to Arizona's local municipalities for increasing the supply of affordable rental housing.

While municipalities cannot supersede this State law regulation, they may mitigate its effects through the creation of policies that incentivize the inclusion of affordable units. Land use policy reform can be critical to encouraging equitable development in response to the Flagstaff's affordable Housing Emergency.

Since the Great Recession, the City has steadily made efforts to increase its capacity for affordable housing development and programs. The development of an Incentive Policy for Affordable Housing (IPAH) in 2009 and the 2011 overhaul of the Flagstaff Zoning Code were two of the biggest efforts to remove barriers to the creation of affordable housing. The IPAH is designed to foster the production of affordable housing units and is intended to reduce the deficit of all types of housing for households earning under 150% of the Area Median Income (AMI). The document incentivizes developers that commit to permanently affordable housing units through the reimbursement of development-related fees. The Flagstaff Zoning Code also implements affordable housing incentives through various development standards like density bonuses and reductions to parking and natural resource protection.

Another zoning code amendment was approved in 2021 that allows for increased regulatory incentives for developers who deliver 100% affordable projects. This amendment was processed to accommodate the tight external timeline requirements of any current and future Low-Income Housing Tax Credit

projects in the City.

In recent years, several zoning code amendments have implemented policies and recommendations from the High Occupancy Housing Specific Plan, which was adopted in 2018. The intent of that Plan was to identify areas of the city where high density residential projects are encouraged, and what development standards, features, and amenities are desired in those projects. An example of a recent code amendment included an exemption from a use permit requirement for projects that meet certain affordable housing requirements.

Also in 2021, City staff led a stakeholder outreach effort to prepare for a comprehensive update to the existing IPAH document and associated zoning code incentives. Interviews with the development community and housing practitioners shaped new concepts and proposed revisions, which were reviewed with a working group made up of members from the Housing and Planning and Zoning Commissions. The intent of this update to the IPAH is to ensure the incentives offered are not only useful and effective, but flexible enough to be applied under varied market conditions. This work will continue in the coming years as an implementation strategy of the 10 Year Housing Plan. The City's recently approved 10 Year Housing Plan is the most current and comprehensive plan to address the growing number of barriers to affordable housing, a brief discussion of the Plan is below.

Discussion:

Throughout 2021 City staff led an extensive public outreach effort to create a community-focused housing plan, one that offers goals and implementation strategies to improve access to housing and to increase the supply of housing across the entire housing continuum. This effort originated as a response to the City's declared Housing Emergency in December 2020. City Council approved the Plan in February 2022 and over the next ten years, staff will work to advance housing opportunities for all Flagstaff residents. The Plan is a foundational framework for establishing work programs, prioritizing staff work and allocating the necessary funding for its implementation. The Plan establishes policy initiatives and strategies that will be accomplished through the budget process, collaboration with City staff, and private, public, and nonprofit partnerships.

Going forward, the City's Incentive Policy for Affordable Housing, Flagstaff Zoning Code, Regional Plan, and other planning documents will need consider how to incorporate the policy initiatives and strategies identified in the 10 Year Housing Plan.

AP-85 Other Actions – 91.220(k)

Introduction:

On December 1st, 2020, Flagstaff City Council declared a Housing Emergency for the City of Flagstaff and resolved to prioritize affordable housing within City operations to create safe, decent and affordable housing for all community members. Flagstaff City Council directed staff to create a single, comprehensive community-facing document to summarize the city's immediate and long-term needs and strategies to improve housing affordability. Flagstaff's 10-Year Housing Plan was presented to the Housing Commission on January 27. The Plan was approved unanimously by Housing Commissioners. Flagstaff City Council unanimously adopted the Plan on February 15, 2022.

This Plan defines the Housing Emergency in Flagstaff and provides policy initiatives and strategies that the City will implement to address the Housing Emergency. As the City implements the 10-Year Housing Plan, the goal is to substantially increase housing subsidies for our neighbors that are unable to afford housing in Flagstaff and to increase the number of available and affordable housing options for Flagstaff residents at all income levels.

The City continues to establish goals related to the use of CDBG funds and has also established HUD-required strategies to improve the delivery system, address lead-based paint hazards, reduce the incidence of poverty, and address barriers to affordable housing development. The City has continued to perform HUD-required program monitoring for all sub-recipients.

Actions planned to address obstacles to meeting underserved needs

The development and subsequent implementation of policy initiatives are critical to the success of the City of Flagstaff's overall housing and economic development goals. In general, policy development and implementation are designed to enhance City program effectiveness, identify gaps or underserved groups, and enhance the private sector's ability to provide market-based solutions. At present, the greatest obstacle to meeting underserved needs is insufficient funding. The City addresses this obstacle by prioritizing CDBG projects that provide leverage funding to meet the needs of a larger number of people.

Although the City has several Housing planning documents, when declaring the Housing Emergency, Flagstaff City Council directed staff to create a single, comprehensive community-facing document to summarize the city's immediate and long-term needs and strategies to improving housing affordability.

This Plan defines the Housing Emergency in Flagstaff and provides policy initiatives and strategies that the City will implement to address the Housing Emergency. As the City implements the 10-Year Housing Plan, the goal is to substantially to increase housing subsidies for residents that are unable to afford housing in Flagstaff and to increase the number of available and affordable housing options for Flagstaff residents at all income levels.

Actions planned to foster and maintain affordable housing

The City of Flagstaff 10 Year Housing Plan establishes one overarching goal, supported by two fundamental elements that together will significantly impact housing attainability. The goal will be achieved through the implementation of the policy initiatives and strategies in this document. Implementation of the policy initiatives and strategies will be accomplished by the City of Flagstaff through the budget process, collaboration with City staff and private, public and nonprofit partnerships.

The overarching goal of the 10 Year Housing Plan is to reduce the current affordable housing need in our community by half over the next ten years.

- ▲ Element one: Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision.
- ▲ Element two: Create or preserve 7,976 housing units by 2031 with a minimum of 10% of them being affordable. This will increase the overall supply of market rate, workforce and affordable housing occupied by local residents.

The following are all policy initiatives and strategies intended to preserve and increase the supply of affordable housing in Flagstaff, as determined through the public engagement process for Flagstaff's 10 Year Housing Plan. This list will be updated annually based on current actions the City is taking to implement the Housing Plan.

- Incentivize the creation of affordable units through various programs and mechanisms.
 - Ensure that modifications to the zoning code improve and maintain the effectiveness of the density incentives for affordable housing.
 - Update the City's affordable housing incentive policy to implement the goals and policies of the 10-Year Housing Plan.
 - Amend the City code to implement the revised affordable housing incentive policy.
 - Explore implementing reduced fees and waivers to incentivize the development of affordable housing.
 - Explore in-lieu alternatives to providing affordable housing units (e.g. down payment assistance program, donation of finished lots, in-lieu payment, etc.).
 - Explore expedited review as an incentive to developments that provide affordable housing units.
 - Explore ways to incentivize employers to offer Employer Assisted Housing (EAH) programs.
 - Explore the use of the community land trust model and public/private partnerships to incentivize the development of ownership units that are priced significantly below market rate.
- Ensure that the Flagstaff Regional Plan includes robust affordable housing goals and policies.
 - Update the Regional Plan policies to support increased density related to affordable housing.
 - Identify suburban areas to support greater density and intensity of development.

- During the update of the Flagstaff Regional Plan, revise the Community Character chapter for goals and policies to include cost saving methods that reduce the conflict between affordable housing, historic preservation, and urban design.
- Create a dedicated funding source for affordable housing in Flagstaff.
 - Present 2022 Bond Measure to Council and Community for consideration for additional funding to be leveraged with local, state and federal dollars.
 - Create a fund for the purpose of acquiring land/units for affordable housing in order to be able to respond to opportunities as they arise.
 - Identify ongoing resource opportunities for the purpose of assisting households experiencing homelessness, households at risk of becoming homeless, first-time homebuyers, and affordable housing targeted to these populations.
 - Explore other funding mechanisms for affordable housing developments such as Revitalization District and dedicated sales tax.
- Amend the Flagstaff Zoning Code to facilitate the development of all housing types.
 - Review and amend the Planned Residential Development (PRD) standards and process to address barriers for infill development and allow for more flexibility in development options, building types, and lot configurations.
 - Explore options with appropriate land use and economic studies as necessary that could integrate affordable housing units to be developed in commercial and industrial locations where suitable.
 - Explore adding affordable housing as an allowed use in the Public Facilities (PF) Zone.
 - Review parking standards for all residential development with the goal of reducing the cost of development and increasing the number of dwelling units that may be achieved.
 - Evaluate and amend the Resource Protection Overlay standards to ensure that the minimum densities can be met on most sites, including making the requirements for residential sites to be similar to those for a commercial site.
 - Evaluate Resource Protection Overlay standards in terms of consistent application across each zone and allow for greater maximum densities.
 - Continue to evaluate and amend the current Accessory Dwelling Unit (ADU) zoning code standards with the goal of increasing supply.
 - Explore allowing additional flexibility for homeowners and landlords to increase density.

Actions planned to reduce lead-based paint hazards

Distribute lead poisoning and lead hazard information to participants in federally-funded programs and to any interested resident.

The City follows a multi-pronged approach to reduce lead hazards, integrating the following actions into housing policies and procedures:

1. Rehabilitation Projects. The City follows strict HUD guidelines for testing and abatement of lead-based paint and other hazardous substances and requires compliance from its contractors and subcontractors. Any structure built before 1978 that is proposed for rehabilitation under federal

programs, is tested for lead-based paint. Notices and requirements regarding testing and removal of lead-based paint are provided to program participants, contractors and project sponsors. The City has licensed contractors who are available to perform limited abatement and/or removal procedures if lead-based paint is present. Full abatement services are contracted with licensed contractors located outside of the City.

2. Section 8 Housing Choice Vouchers. The PHA inspects prospective dwellings constructed prior to 1978 that will have a child under the age of six residing therein, for compliance with EPA and HUD Lead Based Paint rules and regulations. The inspection includes visual inspections for chipped, peeling, chalking and deteriorated interior and exterior paint. Clearance testing may be performed after remediation by the property owner, to assure a lead-safe environment.
3. Public Education. Lead hazard information is distributed to participants in homeownership and rental programs.

Actions planned to reduce the number of poverty-level families

The City will reduce the number of poverty level households by providing CDBG public services resources to local agencies that provide social supports, and eviction and foreclosure prevention. The City will also fund programs to rehabilitate housing units owner-occupied by households living at or below the poverty level to support these households in retaining quality, safe housing. Households living below the poverty level will also be made aware of the various local services available that provide an economic safety net and opportunities for increased earnings.

Actions planned to develop institutional structure

The City of Flagstaff has well-developed and experienced institutional infrastructure for the delivery of housing and community development programs. The Housing Section works closely with nonprofit organizations to ensure that CDBG funds reach the neediest Flagstaff residents and neighborhoods. Organizations must annually apply for CDBG funds for eligible activities. The City also works closely with and is a member of the Coconino County Continuum of Care.

In 2019, City Council added a new chapter to the Flagstaff City Code, creating a Housing Commission. The Housing Commission consists of thirteen citizens, with twelve members appointed by the City Council and one representative from the Flagstaff Housing Authority Board of Commissioners. It serves as an advisory board to City Council; makes recommendations with respect to housing policies, needs, and programs in Flagstaff; and furnishes the Council with information through the Housing Director.

Actions planned to enhance coordination between public and private housing and social service agencies

A Housing Navigator is a person who works intensively with high-need clients, often those with high housing barriers including mental health issues, homelessness, past evictions etc. The main responsibility of the position is assisting clients with obtaining and maintaining housing. This includes

lots of one-on-one client and landlord interaction and, when necessary, mediation. The Housing Navigator also works on landlord recruitment for all voucher programs, a long-established need.

While one-time funding has been allocated by HUD related to the EHV program, on-going funded has been requested to fund the Housing Navigator position on a permanent basis through the general fund. Funding through the GF will allow the position to not be bound to one program or another, allowing for the work to occur where the greatest need is and facilitate stronger partnerships with local agencies. This will also allow federal funds to be directed to direct client services were possible.

The City has developed an extensive mailing and email list that includes over 300 people who represent organizations that serve homeless and at-risk households, mainstream service and housing agencies, community development organizations, civic leaders, etc. This list is used to regularly inform these agencies of planning efforts, funding opportunities, changes in policy and practice or any other information that agencies may find useful.

The Flagstaff Community has implemented a Coordinated Entry System for those experiencing homelessness, known as the Front Door. The Front Door Specialist conducts an assessment using The Vulnerability Index – Service Prioritization and Decision Assistance Tool (VI-SPDAT). The Front Door collaboration has united the Flagstaff community and the local Continuum of Care to fast track those in crisis to the best program to end that crisis.

On a weekly basis, a cadre of service providers meet for the Case Conferencing Team Meeting. Each case manager is representing his or her own agency that has signed the Service Provider Memorandum of Understanding (MOU). The purpose of this meeting is to have a real-time discussion of each person or family on the community waitlist and to utilize scores from the VI-SPDAT to ensure fast and appropriate referrals to end homelessness for those on the list.

The Front Door is a cost-effective strategy; that prioritizes a community conversation about how the systems function together, where the gaps in services exist, and how to answer the need. No longer will those in crisis be forced to go from shelter to shelter to access services.

Discussion:

Affordable, accessible, and decent housing is of critical importance to a community's health and viability. The Housing Plan will consolidate existing housing documents and augment with an additional planning effort to create a 10-year plan that seeks to define the housing emergency in Flagstaff and to provide policies and strategies to reduce the emergency. The Housing Plan will help identify needs, create an existing list of affordable housing, identify the affordable housing units underway, engage partners, and compile research on best practices. Altogether, these components will help identify specific policies and educational and advocacy strategies that can be implemented within our community to substantially increase the number of affordable housing units. As the City implements

Flagstaff's 2022 Housing Plan, the goal is to substantially increase the number of available and affordable housing options for all Flagstaff residents at all income levels.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan
3. The amount of surplus funds from urban renewal settlements
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.
5. The amount of income from float-funded activities

Total Program Income

Other CDBG Requirements

1. The amount of urgent need activities
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.