

City of Flagstaff Community Development Block Grant

Program Year 2024

April 9, 2024



Kristine Pavlik, Housing & Grants Administrator



Purpose & Agenda

Presentation and discussion regarding the City of Flagstaff Community Development Block Grant Program Year 2024 Funding Recommendations and Annual Action Plan

- Brief CDBG Recap
- 2024 Annual Action Plan Process
- Proposals Received
- Allocation Recommendations





CDBG Overview



What is the Community Development Block Grant?

- Federal grant program administered by HUD
- Created in 1974 to provide funding for housing & community development activities
- Serves primarily low to moderate income households

Why does the City of Flagstaff receive CDBG \$\$\$?

- Metropolitan city with a population of 50,000+
- Entitlement Community
- Annual Allocation based on a formula set by HUD





CDBG Overview

CDBG Primary Objective

The development of viable urban communities through the provision of the following, principally for low- and moderate-income persons:

- Decent Housing
- A suitable living environment
- Economic opportunity

How can the City spend CDBG dollars?

As the City Council determines based on:

- Priorities and needs identified in the Consolidated Plan
- The Primary Objective
- One or more of the National Objectives

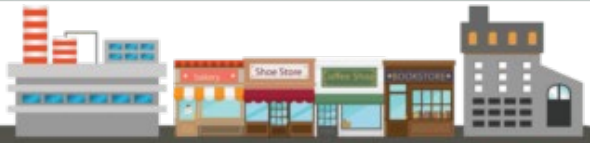


CDBG Overview



CDBG

COMMUNITY DEVELOPMENT BLOCK GRANT



ECONOMIC DEVELOPMENT



PUBLIC FACILITIES & IMPROVEMENTS



HOUSING



PUBLIC SERVICES



National Objectives

To be eligible, an activity must qualify as one of the following:

- Limited Clientele
- Housing Activity
- Area Benefit
- Job Creation or Retention Activities (Economic Development)



CDBG Overview



Criteria for use of CDBG Funds

- At least **70%** of the CDBG funds **must** benefit low to moderate income persons over the program year (July 1 to June 30)
- Historically, Flagstaff serves **100%** low to moderate income persons with CDBG funding



CDBG Overview

How does the City access the funds?

- **Annual Action Plan - “What are we are going to do?”**
Outlines yearly funding allocations – Due every May
- **Consolidated Annual Performance Evaluation Report (CAPER) - “What did we do?”**
Summary of outcomes for prior year allocations - Due every September
- **Consolidated Plan – “How should we choose what to do?”**
Assessment of housing & community development needs – Due every 5 years
- **Analysis of Impediments to Fair Housing choice - “City of Flagstaff Fair Housing Plan”**
Analysis and City goals for Fair Housing – Due every 5 years
- **Substantial Amendments to Annual Action Plan – “What do we need to change?”**
To accommodate changes and additional funding, as needed only



CDBG Overview



In the 2021-2025 Consolidated Plan, the City has designated the following target areas for CDBG projects. These target areas encompass many of the areas of low-income and minority concentration:

La Plaza Vieja

Census Tract 11.02, Block Groups 1 & 3

Sunnyside

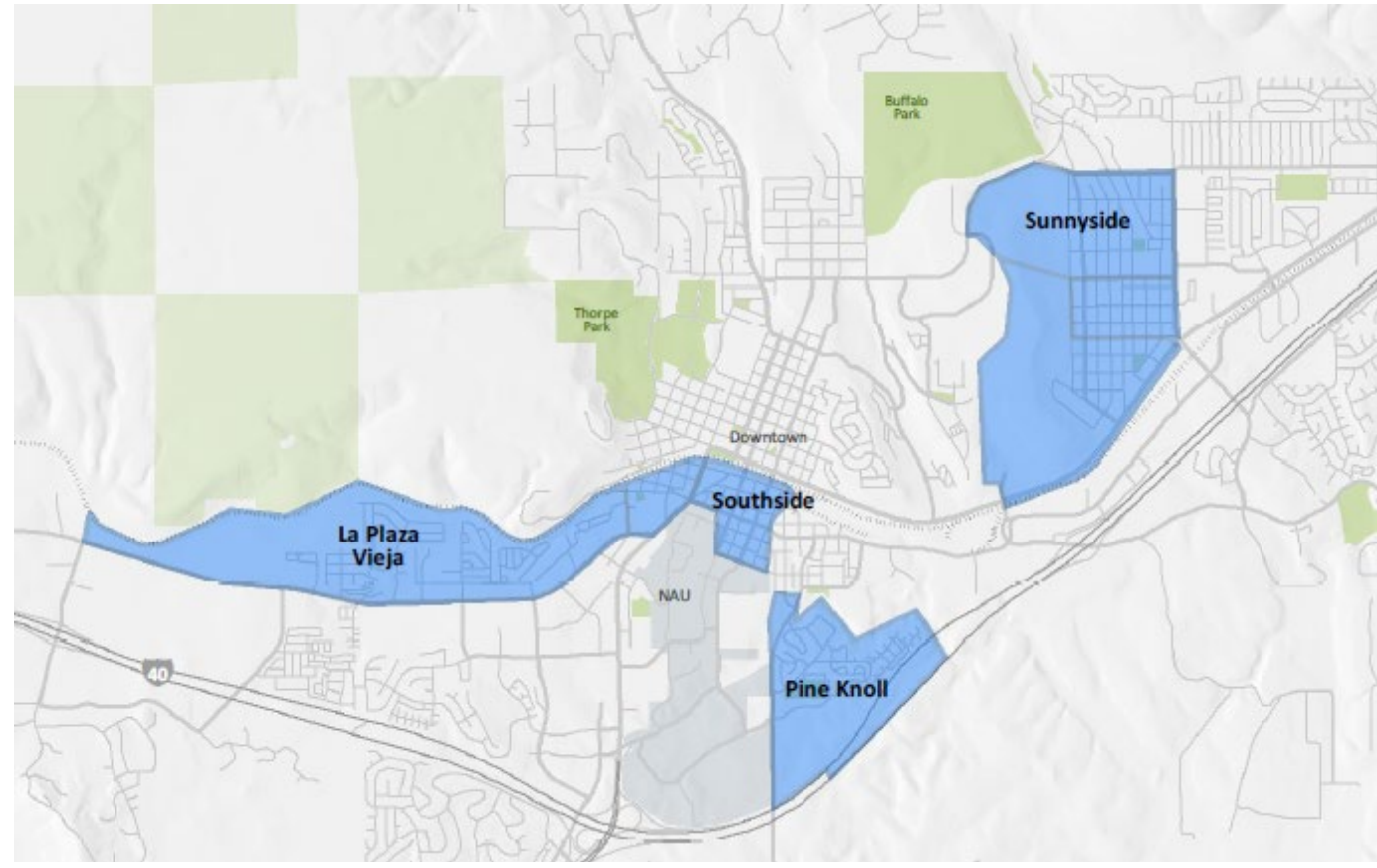
Census Tract 3, Block Groups 2, 3, & 4

Southside

Census Tract 8, Block Group 1

Pine Knoll

Census Tract 8, Block Group 2





Council / Staff Responsibilities

Council CDBG Priorities

(established Jan 2023)

- Provide affordable housing (rental and ownership)
- Address Homelessness
- Support Neighborhood Revitalization
- Workforce Development

City Staff Responsibilities

- Conduct proposal process
- Determine activity eligibility
- Assess activity viability
- Conduct agency risk assessment
- Provide recommendations to the City Council



Risk Assessments

Housing Staff Considers

- Objectives & Council's Priorities
- Number Served & Area Benefit
- Community Need & Collaboration
- Budget, Leverage & Cost Effectiveness
- Organizational /Federal Grant Experience
- Financial Capacity & Rate of Expenditure
- Budget Analysis & Sufficient Leverage
- Duplication of Benefits/Supplanting



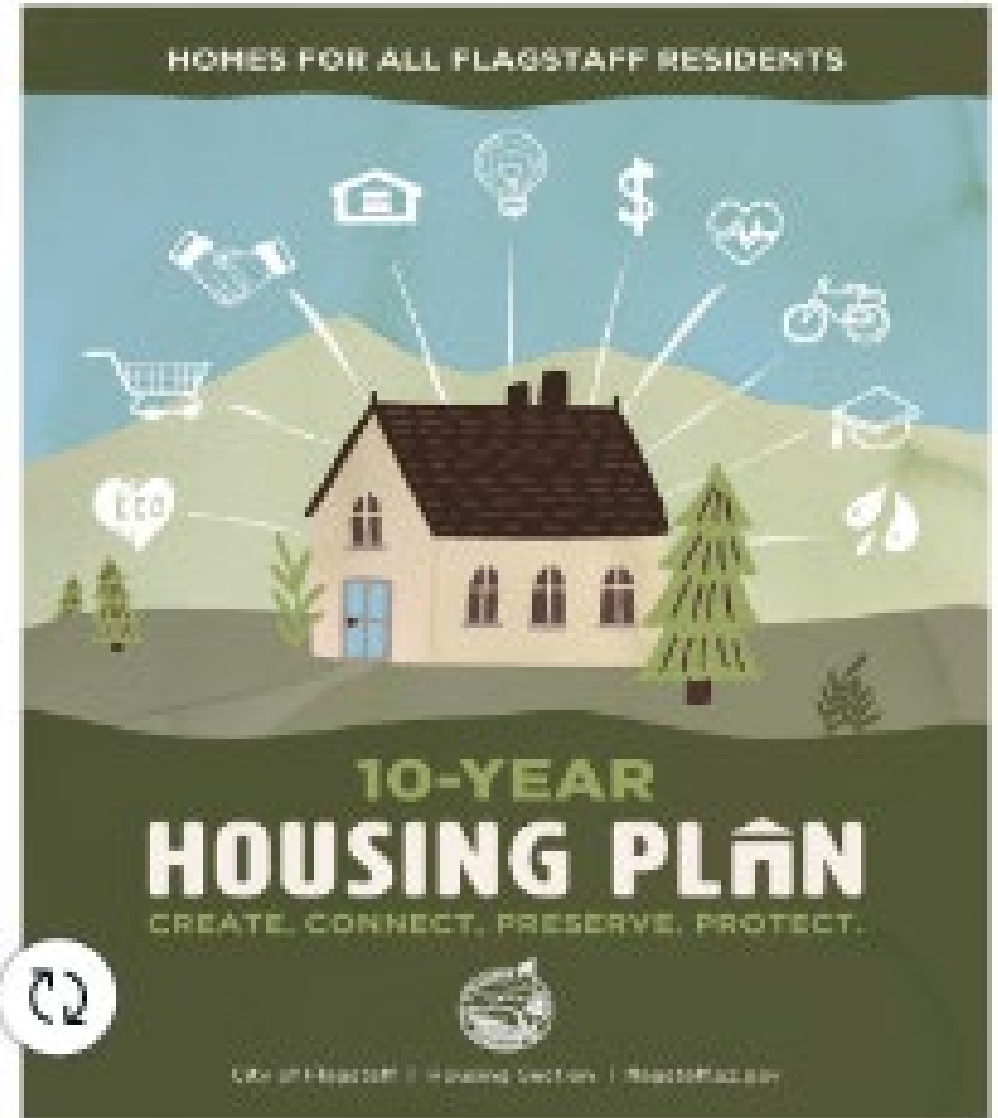
The City of Flagstaff is the Responsible Entity to the HUD!



10-Year Housing Plan



- Impact at least 6,000 low-to-moderate income Flagstaff residents through a combination of unit creation or subsidy provision.
- 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.





5-year Consolidated Plan Goals

Identified High Priority Needs and Activity Goals Established

- **Support neighborhood revitalization and public facilities and infrastructure improvements especially in established target areas including:**
 1. Neighborhood revitalization including Neighborhood Facility and Infrastructure Improvements (3,000 people)
 2. Public Facilities Improvements (100 people)
 3. Acquisition for Affordable Housing Benefit (100 people)
- **Support public services and economic opportunities for low-and moderate-income persons including:**
 1. Services to Meet Basic Needs (300 people)
 2. Workforce Development (15 people)
 3. Housing Stabilization Services (50 households)



5-year Consolidated Plan Goals

Identified High Priority Needs and Activity Goals Established

- **Support services and projects addressing homelessness including:**
 1. Service and Facility Operating Support (1,500 people)
 2. Increase Shelter Beds/Units (15 beds/units)
- **Support the development, accessibility, and preservation of decent affordable housing including:**
 1. Rehabilitation of owner and/or renter households/units (20 units)
 2. Development of owner and/or renter affordable housing units (3 units)
 3. Housing Assistance for owner and/or renter households (50 households)



CDBG 2024 Annual Action Plan

- **1st Public Meeting**
January 18, 2024
- **2nd Public Meeting & CDBG NOFA Release**
January 24, 2024
- **3rd Public Meeting (Review of Proposals)**
February 29, 2024
- **Ranking Committee**
March 20, 2024
- **Housing Commission**
March 28, 2024
- **City Council Meetings**
April 9 & April 16, 2024

The image shows three overlapping promotional posters for CDBG public hearings and community input meetings. The top poster is titled "CDBG PUBLIC HEARING" and features a photograph of a group of people standing in a line. The text on this poster includes "Review and provide input on the 2024 Program Year's proposals!" and "FEBRUARY 29 CITY COUNCIL CHAMBERS IN FLAGSTAFF CITY HALL 12.00 - 1.00 PM". The middle poster is titled "COMMUNITY INPUT MEETING" and features a photograph of a building with a mural. The text on this poster includes "How can we improve your neighborhood?" and "JANUARY 18 HAL JENSEN RECREATION CENTER 03.00 - 5.00 PM". The bottom poster is titled "CDBG PUBLIC HEARING" and features a photograph of a building. The text on this poster includes "Review and provide input on the 2024 Program Year's proposals!" and "FEBRUARY 29 CITY COUNCIL CHAMBERS IN FLAGSTAFF CITY HALL 12.00 - 1.00 PM". All posters include the City of Flagstaff logo and the Housing Flagstaff logo.



CDBG Funding Available

| | |
|---|---------------------|
| <u>Estimated</u> Entitlement Allocation | \$535,000.00 |
| <i>Program Income</i> | <i>\$142,000.00</i> |
| <i>Reallocated Funds</i> | <i>\$45,313.00</i> |
| <u>Estimated</u> Total Available PY 2024 | \$722,313.00 |
| <i>Administration and Indirect (20%)</i> | <i>\$126,062.00</i> |
| <i>Public Services (15%)</i> | <i>\$94,546.95</i> |





CDBG Proposals Received

| Agency | Project/Program | Beneficiaries | Requested Funds |
|--|--|---|---------------------|
| Housing/Public Facility Improvements | | | |
| Community Action Teams of Flagstaff | Acquisition of Real Property for a Homeless Resource Center in Sunnyside | 500 Individuals Experiencing Homelessness | \$200,000.00 |
| Public Services | | | |
| Coconino County Health and Human Services | Senior Nutrition Program Meals on Wheels | 25 Elderly Individuals | \$44,200.00 |
| Community Action Teams of Flagstaff | Mobile Resource and Outreach Bus | 500 Individuals Experiencing Homelessness | \$50,000.00 |
| Boys and Girls Club of Flagstaff | Childcare and School Break Camps | 75 LMI Youth – ages 6-18 | \$75,000.00 |
| Pearl Transit Corp. | Oral Health Outreach and Services | 2,600 Homeless and LMI Individuals | \$60,000.00 |

Total Funding Requested \$429,200.00



Coconino County Health and Human Services



- **Project:** Operational Assistance for Senior Nutrition Program/ Meals on Wheels
- **Beneficiaries:** 120-150 elderly individuals daily
- **Amount Requested:** \$44,200.00
- **Project Description:** Coconino County Health and Human Service's Senior Nutrition Program provides **nutritious meals to 120 to 155 seniors each day.**
- **Additional Info:** CDBG funds will cover the **salaries of a part-time driver and a part-time nutritional aid.** Due to the expiration of ARPA funding, 32% of seniors receiving home delivered meals will lose services placing them in jeopardy of malnutrition, isolation, and housing instability.



Community Assistance Teams (CATS)



- **Project:** Operational Assistance for Mobile Resource and Outreach Bus
- **Beneficiaries:** 500 individuals experiencing homelessness, annually
- **Amount Requested:** \$50,000.00
- **Project Description:** CATS of Flagstaff operates an outreach bus **providing free showers and services to people experiencing homelessness.** Individuals served can acquire clean clothing, hygiene supplies, food, first aid, PPE and referrals to local agencies.
- **Additional Info:** CDBG funds will be used to **support payroll, program supplies and bus maintenance expenses** incurred throughout the program year.



Boys and Girls Club of Flagstaff

- **Project:** Operational Assistance for Childcare and School Break Camps
- **Beneficiaries:** 75 youth from Low and Moderate-Income Households
- **Amount Requested:** \$75,000.00
- **Project Description:** BGCF will provide a year-round Fee Waiver Program, aimed at providing **comprehensive access to Club programming for youth from low and moderate-income households** in the Flagstaff community.
- **Additional Info:** CDBG funds will be used to cover **childcare and summer camp fees** for eligible households. These funds will support general operating costs, including program supplies and materials as well as direct staffing costs.



Community Assistance Teams (CATS)

- **Project:** Property Acquisition for Homeless Resource and Day Center
- **Beneficiaries:** 500 individuals
- **Amount Requested:** \$200,000.00
- **Project Description:** CATS of Flagstaff will **acquire an existing building for a homeless resource and day center**, located at 2109 E Cedar Ave. The resource and day center will offer clothing, food, supplies, mailbox service, personal lockers, a day room, and facilities for showers and laundry. Office space will be provided to other agencies for direct client services.
- **Additional Info:** CDBG funds will be used for a **downpayment for acquisition of the property** through a seller-carried loan. CDBG funds will be a silent second loan, repayable if the property is sold or no longer used for a CDBG eligible program.



Staff Request for Funding

- **Project:** Safety Improvements at **The Lantern / Flagstaff Shelter Services**
- **Beneficiaries:** 400 individuals experiencing homelessness, annually and the creation of 103 shelter beds/units
- **Amount Requested:** \$200,000 - \$300,000
- **Project Description:** FSS acquired a 103-room motel to be used for non-congregate, emergency shelter. The agency intended to request CDBG funds for renovations at The Lantern in PY 2025. After the PY 2024 proposal deadline, **urgent and crucial safety-improvements** were identified.
- **Additional Info:** CDBG funds will primarily be used for the **installation of an interior fire sprinkler system** in compliance with City Code. Other updates include **ADA compliance and other safety requirements**.



Ranking Committee & Staff Recommendations



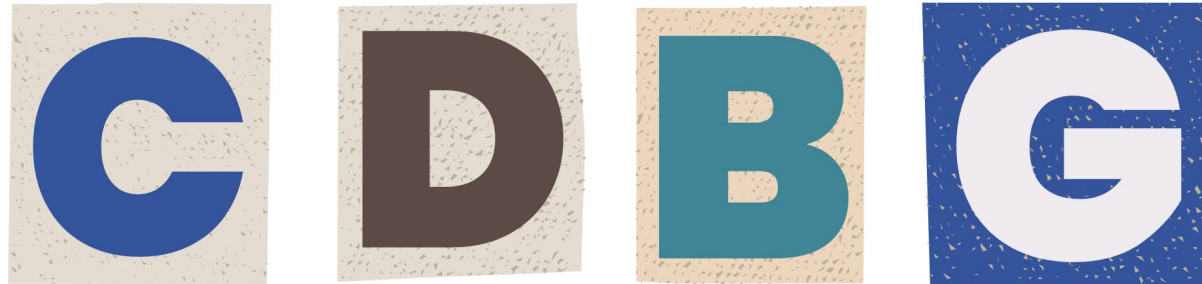
| Organization | Project/Program | Average Score | Funding Requested | Recommendation |
|--|--|---------------|-------------------|---------------------|
| Housing/ Public Facility Improvements | | | | |
| Community Action Teams of Flagstaff | Acquisition of Real Property for a Homeless Resource Center in Sunnyside | 111.6 | \$200,000.00 | \$200,000.00 |
| Flagstaff Shelter Services | Safety Improvements at The Lantern | N/A | N/A | \$302,113.00 |
| | | | Total | \$502,050.40 |
| Public Services (15% Maximum) | | | | |
| Coconino County Health and Human Services | Senior Nutrition Program Meals on Wheels | 125.6 | \$44,200.00 | \$44,200.00 |
| Community Action Teams of Flagstaff | Mobile Resource and Outreach Bus | 125.5 | \$50,000.00 | \$50,000.00 |
| Boys and Girls Club of Flagstaff | Childcare and School Break Camps | 107.9 | \$75,000.00 | \$0.00 |
| | | | Total | \$94,200.00 |
| Administration and Indirect (20% Maximum) | | | | |
| City of Flagstaff | Admin/Indirect | N/A | N/A | \$126,000.00 |
| | | | Total | \$722,313.00 |



Next Steps and Questions

Seeking Council Direction for PY 2024 CDBG Allocations

- April 16, 2024 - Resolution for Council Consideration authorizing submission of the PY 2024 Annual Action Plan
- May 15, 2024 – Annual Action Plan due to HUD



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