



EXTRAORDINARY SKIES.
UNCOMMON GROUND.

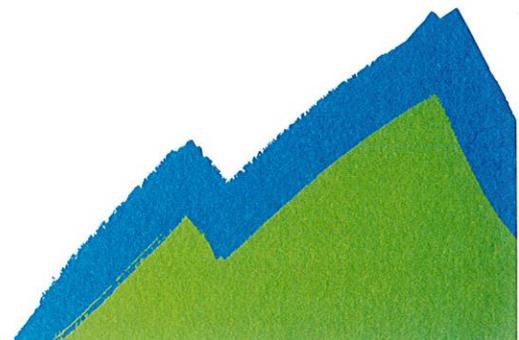
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Based on
Five-Year Consolidated Plan
(July 2014 - June 2019)

PROGRAM YEAR 1 Second Year Report

CITY OF SIERRA VISTA
1011 North Coronado Drive
Sierra Vista AZ 85635
520-458-3315
www.SierraVistaAZ.gov



**COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM**

**CONSOLIDATED ANNUAL PERFORMANCE
AND EVALUATION REPORT
(CAPER)**

Based on
**Five-Year Consolidated Plan
(July 2014 - June 2019)**

**PROGRAM YEAR 1
Second Year Report**

**The City of Sierra Vista's 2014, second year,
Community Development Block Grant (CDBG)
Consolidated Annual Performance and Evaluation Report (CAPER)**

**For more information on the report contact:
(Si necesita esta informació en español, llame al:)**

**Jenifer Thornton
Management Analyst / CDBG Administrator
Department of Community Development
City of Sierra Vista
1011 N. Coronado Drive
Sierra Vista, AZ 85635**

520.439.2200



TABLE OF CONTENTS

Acronyms4
Introduction5
Area Background.....6
Sierra Vista Becomes a HUD Entitlement Community..... 11
2014 Annual Action Plan (AAP) - Goals and Outcomes 13
2014 Funds Received and Expended 15
Meeting National and Local Goals and Objectives 16
Racial and Ethnic Composition of Families Assisted 18
Resources and Investments 20
Affordable Housing..... 22
Homelessness and Other Special Needs 24
Other Actions 27
Monitoring 32
CDBG..... 34

DRAFT

ACRONYMS

AAP	Annual Action Plan
ADOH	Arizona Department of Housing
AI	Analysis of Impediments to Fair Housing Choice
CAPER	Consolidated Annual Performance and Evaluation Report
CDBG	Community Development Block Grant
City	City of Sierra Vista Municipal Government
ConPlan	Five Year Consolidated Plan (for 2014-2019)
CofC	Continuum of Care
CPP	Citizen Participation Plan
HUD	U.S. Department of Housing and Urban Development
LIHTC	Low-Income Housing Tax Credits
P&P	Policy and Procedure Manual
MSA	Metropolitan Statistical Area
RBHA	Regional Behavior Health Authority
SEAGO	SouthEastern Arizona Governments Organization
SVCC	City of Sierra Vista City Council
VMP	Veterans Memorial Park

DRAFT

INTRODUCTION

This Consolidated Annual Performance and Evaluation Report (CAPER) describes the activities undertaken for the 2014 Annual Action Plan (AAP) during the program year beginning July 1, 2015, and ending June 30, 2016, using Federal funds allotted to the City of Sierra Vista (City) by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) program. Activities and accomplishments described in this report primarily benefit low- to moderate-income individuals/residents of the City.

A draft of this report was available for public review and comment for a 15-day period beginning September 2, 2016, culminating with a Public Hearing before the Sierra Vista City Council (SVCC) on September 22, 2016. The City advertised the availability of the report as required by the provisions of the City's Consolidated Plan Citizen Participation Plan. The draft was available to the public on the City's website and in print form at the offices of the City Clerk, the City Community Development Department, and the Sierra Vista Public Library.

CDBG Public Notice Summary

Type of Document	Public Hearing	Hearing Notice	Public Comment Period	Notices in Public Areas
Annual Performance Report/CAPER	1	Run a display notice in newspapers at least 14 calendar days prior to the hearing or at the beginning of the public comment period whichever is first	15-day public comment period ending upon SVCC approval of the item	Post the notice identifying purpose of hearing, comment period, and location of drafts for public review and comment. The City posts at the City Hall, Oscar Yrun Community Center, and the Sierra Vista Public Library.

* Sierra Vista Five-Year Consolidated Plan 2015-2019

AREA BACKGROUND

Sierra Vista is located 70 miles southeast of Tucson, Arizona, and serves as the retail hub of Cochise County and northern Sonora, Mexico. With the construction of the new Canyon Vista Regional Hospital and the expansions of Cochise College and the University of Arizona South, the City has also solidified its role as the regional center for health care and education. Fort Huachuca United States Military Institution is the largest employer in the County and City; however, they have recently undergone staff reductions.

POPULATION GROWTH				
	2015	2014	Change	% Change
Arizona	6,758,251	6,667,241	91,010	1.4
Cochise County	129,112	129,628	-516	-0.4
Sierra Vista	44,183	44,286	-103	-0.2

Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research

Since the CDBG entitlement program allocates annual grants to develop viable communities by providing decent housing, a suitable living environment, and to expand economic opportunities, principally for low- and moderate-income persons, the following statistics, from the Cochise College, Center for Economic Research, provides the following relevant information on the City's low- to moderate-income population.

According to recent U.S. Census Bureau data, Cochise County's poverty rate over the five-year period from 2010 through 2014 was 17.5 percent; statistically lower than the statewide rate of 18.2 percent, but higher than the national rate of 15.6 percent. Within Cochise County, poverty rates vary widely—Sierra Vista had a poverty rate of 12.6 percent which is the lowest rate in Cochise County—considerably below state and national levels.

INDIVIDUALS IN POVERTY		
	2000	2010-2014
United States	12.4%	15.6%
Arizona	13.9%	18.2%
Cochise County	17.7%	17.5%
Sierra Vista	10.5%	12.6%

Three factors stand out as primary influences over whether one will live below the poverty line: family structure, age, and education. In Cochise County, families led by single moms are nearly three times as likely to live in poverty as married-couple families with children. From 2010 through 2014, more than 40 percent of Cochise County households headed by single mothers lived in poverty. The situation is even worse for single-mother families with small children (those under 5 years old), where nearly 60 percent lived in poverty. For married-couple families with children, the poverty rate in Cochise County is 14.3 percent; for married couples with small children it is only 9.1 percent. Countywide, 24.8 percent of all children live in poverty compared to 25.9 percent statewide and 21.9 percent nationwide—Sierra Vista has the lowest

childhood poverty rate at 16.2 percent. Sierra Vista and Willcox are the only cities to have childhood poverty rates below the countywide average.

Due to social insurance programs such as Social Security and Medicare, seniors tend to have lower poverty rates than the general population. Nevertheless, from 2010 to 2014, Cochise County had a 10.9 percent rate for ages 65 and up living below the poverty line; in Sierra Vista, the percentage was 8.2 percent. However, the countywide senior poverty rate was higher than the statewide (8.6 percent) and nationwide (9.4 percent), but Sierra Vista fared better than the County, State, and nationwide rates.

Sierra Vista has a high school graduation rate of 93 percent in the adult population of 25 years old and this is the highest in the county, as is the bachelor's degree or higher rate at 31.4 percent. Sierra Vista has the second largest share of college or graduate school enrollees at 31.4 percent.

By most measures of economic wellbeing, individuals and households in Cochise County were worse off in 2014 than in 2013, and were worse off than they were in 2007—the year before the nationwide Great Recession began.

According to recent U.S. Census Bureau data, median household income in Cochise County was \$45,688 in 2014—down 3.6 percent from 2013 after adjusting for inflation. After the inflation adjustment, the county's median household income in 2014 was down more than 10 percent from 2007. Other measures of income saw similar trends. Median family income, which was \$54,167 in 2014, was down 6.3 percent from 2013 and 11.2 percent from 2007, after adjusting for inflation. Per capita income countywide in 2014 was \$23,507, down 4 percent from 2013 and 6.1 percent from 2007.

UNEMPLOYMENT RATE (%)				
	Sierra Vista	Cochise County	Arizona	United States
2011	7.9	9.8	9.5	8.9
2012	7.7	9.0	8.3	8.1
2013	7.7	9.0	7.5	7.4
2014	7.1	8.4	6.8	6.2
2015	6.3	7.4	6.1	5.3
2015 (Dec)	5.7	6.8	5.8	5.0

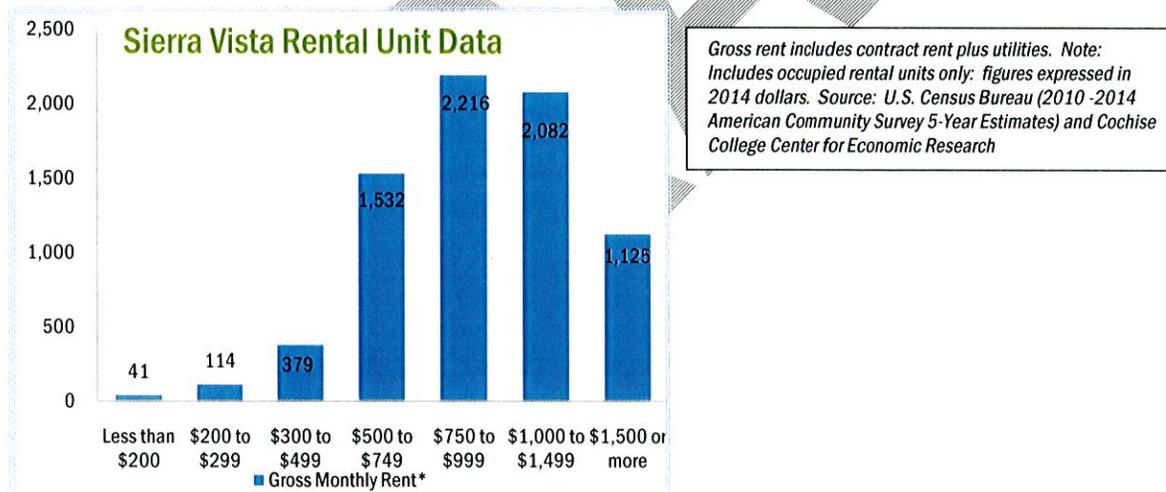
In 2014, 3.4 percent of Cochise County households received cash public assistance income, up from 3.3 percent in 2013 and 2 percent in 2007. Of Cochise County households, 15.2 percent received food stamp assistance in 2014, up marginally from 15.1 percent in 2013, but up significantly from 9.3 percent in 2007. In Cochise County, 10.3 percent of the population was without health insurance in 2014. That was down from 12.2 percent in 2013, but up from 9.9 percent in 2009, the first year of published data. The uninsured rate for children in Cochise County was 7.7 percent in 2013, down from 11.1 percent in 2013, but up from 6.3 percent in 2009.

One of the signs of financial success and hallmarks of the American Dream is home ownership, which has been on the decline in Cochise County. The homeownership rate countywide in 2014 was 67.1 percent, down from 70.4 percent in 2013 and 69.8 percent in 2007.

The median value of owner-occupied homes in Cochise County in 2014 was \$144,800, down from \$150,000 in 2013 and \$156,100 in 2007—before the housing market crash.

SIERRA VISTA HOUSING STATISTICS	
Total Housing Units	19,756
Occupied Housing Units (%)	85.6
Owner-Occupied (%)	53.7
Renter-Occupied (%)	46.3
Homeowner Vacancy Rate (%)	4.2
Rental Vacancy Rate (%)	14.3
Median Monthly Owner Cost (2014 dollars)*	1,377
Homeowners Paying 30% or More of Income for Housing (%)	24.7
Median Monthly Gross Rent (2014 dollars)	939
Renters Paying 30% or More of Income for Housing (%)	42.5
*Includes only homes with a mortgage. Source: US Census Bureau (2010-2014 American Community Survey 5-Year Estimates).	

On the cost side, housing constitutes the largest share of costs for most households. Housing that costs more than 30 percent of gross household income is generally regarded as unaffordable. About 29.7 percent of homeowners with a mortgage in Cochise County paid 30 percent or more of their income toward housing costs in 2014, up from 27.7 percent of homeowners in 2013.



Housing costs affect renters even more. Nearly 47 percent of renters countywide paid 30 percent or more of their income toward housing costs in 2014, which was down, however, from 52 percent the year prior due to lower rental rates. The median monthly rent in Cochise County in 2014 was \$783, which includes utilities—that was down from \$802 in 2013.

Sierra Vista has two project-based Section 8 apartment complexes and seven Low Income Housing Tax Credit project complexes:

APARTMENT COMPLEXES FOR LOW- TO MODERATE INCOME PERSONS IN SIERRA VISTA		
NAME	UNITS	BEDROOMS
Project-Based Section 8 Complexes		
Bonita Vista Senior Apartments	99	1
Mountain View Apartments	80	2, 3, & 4
Low-Income Housing Tax Credit Complexes		
Casa Del Sol Senior Apartments	88	1 & 2
Crossing Point Villas	60	2, 3, & 4
Crystal Creek Townhomes	77	2 & 3
Las Palomas Village	88	3 & 4
Santa Fe Springs	48	3 & 4
San Pedro Apartment	63	2 & 3
Sun Crest Apartments	79	2 & 3

One final statistic on the economy of Sierra Vista is the area's cost of living

SIERRA VISTA/DOUGLAS MSA AREA COST OF LIVING							
	Composite Index	Grocery Items	Housing	Utilities	Transportation	Health Care	Misc. Goods & Services
2011	99.6	95.6	99.6	92.0	108.8	98.0	100.9
2012	102.5	97.8	102.8	103.4	106.6	99.5	102.7
2013	98.0	91.3	95.4	99.2	101.1	97.4	101.4
2014	97.3	94.7	93.6	102.8	102.6	96.5	98.1
2015	95.3	94.3	93.7	103.8	99.3	94.7	93.2

Note: The Sierra Vista/Douglas MSA (Metropolitan Statistical Area) is a statistical area designation for all of Cochise County. Source: Council for Community and Economic Research (2ER), Cost of Living Index

The City has experienced declining revenues and that has directly affected how it spends infrastructure funding in low- to moderate-income neighborhoods.

REVENUES (Includes Governmental and Business-type Activities)				
	2012	2013	2014	2015
Charges for services	\$16,214,184	\$15,724,566	\$16,205,521	\$14,254,900
Operating Grants and Contributions	\$1,522,872	\$1,282,624	\$1,783,822	\$2,010,368
Capital Grants and Contributions	\$4,778,676	\$1,201,037	\$5,364,746	\$2,147,475
Property Taxes	\$400,517	\$397,349	\$390,759	\$371,634
Sales Taxes	\$16,757,320	\$16,192,020	\$16,650,008	\$17,555,028
Franchise Fees	\$620,157	\$0*	\$0*	\$0*
State Shared Revenues	\$11,712,579	\$12,775,428	\$13,494,847	\$14,369,609
Other Revenues	\$1,154,004	\$789,674	\$648,058	\$990,238
Investment Income	\$14,763	\$35,631	\$21,877	\$15,870
Total revenues	\$53,175,072	\$48,398,329	\$54,559,638	\$51,715,122
Sales tax was increased in November 1, 2015 from 1.75 percent to 1.95 percent State Share Revenues increased because the state had increased revenues *Franchise Fees were wrapped into the Charges for services.				

DRAFT

SIERRA VISTA BECOMES A HUD ENTITLEMENT COMMUNITY

In May 2013, HUD offered the City the opportunity to become a CDBG entitlement community, which was unusual since the City had not reached the standard *entitlement community population threshold* of 50,000. City Management and SVCC deliberated and decided that it was, in fact, in the City's best interest to receive CDBG funding directly from HUD. Prior to 2014, the City received CDBG funds through the Arizona Department of Housing (ADOH) which then filtered down through the SouthEastern Arizona Governments Organization (SEAGO) before disbursement to Cochise County and incorporated communities. Funding was only available to The City every two years. By The City going entitlement, the City receives CDBG funding on an annual basis. Currently, HUD limits the City's program grant funding to just CDBG.

The City hired a consultant to write the (1) Five-Year Consolidated Plan (ConPlan) (valid from 2014 to 2019), (2) Analysis of Impediments for Fair Housing Choices (AI), (3) Citizen Participation Plan (CPP), and (4) Policy and Procedure Manual (P&P); these are all requirements to receive CDBG funding. The first year's Annual Action Plan (AAP) is also part of the initial ConPlan.

Extensive public participation is required to complete a ConPlan. The City held three focus groups (Government, Social Service Providers, and Business and Financial Institutions), one public meeting, two public hearings, a survey, opened a 30-day public document review, and offered an interactive web-based program for a community discussion to collect comments. For further information, please refer to the ConPlan on the City's website at www.SierraVistaAZ.gov.

The ConPlan's *Summary Of The Objectives And Outcomes Identified In The Plan Needs Assessment Overview*, was written using the information received during the Public Participation Process.

The needs in the target areas are numerous and varied. The principal needs are: 1) housing rehabilitation for both owner and renter units, 2) public improvements to improve/revitalize neighborhoods, 3) rental assistance for extremely low-income households threatened with homelessness, 4) programs for youth and the elderly, and 5) assisting the homeless.

Public Improvements and Infrastructure receive a HIGH ranking here because they are a means to make significant improvements in the quality of life in the distressed neighborhoods. With proper planning and coordination, the City can leverage CDBG funds with both the State and other federal programs to provide the funds needed for these projects.

The City believes that rehabilitation of both rental- and owner-housing units is a High priority, as these efforts keep people in affordable housing and, especially for extremely low-income and elderly homeowners may serve to prevent homelessness. The City will focus on multiple efforts including rental assistance and homeowner repair to provide affordable housing and in many instances prevent homelessness.

While the City supports programs for affordable homeownership, the opportunities for homeownership among the City's low-income residents are limited by the poor economy, job uncertainty, strict lending criteria, and significant down payment requirements.

Because of the difficult economic situation in parts of the City, the provision of Public Service Programs receives a High priority rank. The need for a wide range of services, including programs for seniors and youth, feeding programs, and childcare is present in each of these areas. However, the City must develop the necessary policies, procedures, and capacity to receive applications, make selections, and monitor activities before undertaking projects in this area.

PRIORITY NEEDS AS IDENTIFIED DURING THE PUBLIC PARTICIPATION PROCESS			
Priority Need Name	Priority Level	Population	Goals Addressing
Public Improvements/Infrastructure	High	Extremely low, very low, and low-income neighborhoods	Neighborhood Revitalization Improve Quality of Life ADA Compliance
Provide Affordable Housing Opportunities, including Rental Assistance, Homeowner Rehabilitation	High	Extremely low-income, Elderly, Families, Chronic Homeless, Disabled persons	Affordable Housing Homeless Prevention
Homeless Activities, including Homeless Prevention, Emergency Shelters, and Transitional Housing	Medium	Chronic Homeless, Persons threatened with homelessness, Families with children, Elderly, Youth, the Disabled, Mentally Ill, Persons with HIV/AIDS, Victims of domestic violence, persons with Alcohol or other addictions	Affordable housing Homeless prevention Services for at-risk populations Improved quality of life
Public Service Programs, especially for the Elderly, and for Healthcare	Medium	Extremely low, very low, and low-income, Families with children, Elderly, Youth, the Disabled, Mentally Ill, Persons with HIV/AIDS, Victims of domestic violence, Persons with Alcohol or other addictions	Quality of Life Provide Services
Rental Acquisition and Rehabilitation; New Rental Construction	Low	Extremely low-income, Elderly, Families, Chronic Homeless, Disabled persons, Persons with HIV/AIDS	Affordable Housing Homeless Prevention And Housing Neighborhood Revitalization Lead based Paint abatement
Economic Development, including job training	Low	Extremely low, very low, and low-income, Youth	Increase employment opportunities Strengthen local economy Develop new businesses
Public Facilities	Low	Extremely low, very low, and low-income, Elderly, Youth	Neighborhood Revitalization Improve Quality of Life Means to provide services
Fair Housing	Low	All residents	Fair Housing

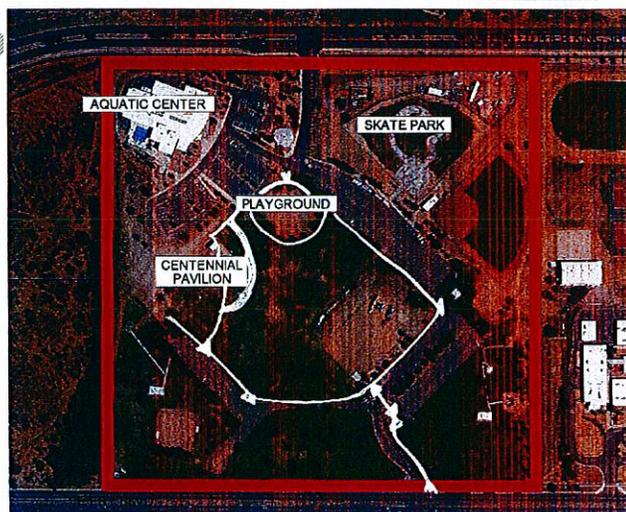
2014 ANNUAL ACTION PLAN (AAP) - GOALS AND OUTCOMES

The ConPlan identified only one goal that the City was to meet in 2014–infrastructure improvements. HUD requested that we limit our project to one infrastructure project due to the learning complexity of the HUD system.

GOALS SUMMARY INFORMATION (as identified in ConPlan)								
Sort Order	Goal Name	Start Year	End Year	Category	Geo-graphic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Infrastructure Improvements	2014	2019	Public Improvements, ADA Improvements, and Infrastructure	Low/Mod Areas	Improve Quality of Life	CDBG	Number of Street/Sidewalk Improvements, Accessibility Improvements
2	Owner Housing Rehabilitation, Emergency Repairs, Rental Assistance	2015	2019	Housing Rehabilitation, Rental Assistance, Homeownership	Low/Mod Areas	Affordable Housing, Homeless Prevention	CDBG	Number of Households Assisted
3	Provision of Needed Services Primarily for Youth and Elderly	2016	2019	Community Services Special Needs Homeless Services	Low/Mod Areas	Improve Quality of Life	CDBG	Number of Persons Served

The AAP identified two projects (1) ADA accessible playground including pathways at Veterans Memorial Park (VPM) and (2) ADA Sidewalk Ramps; these projects have a *citywide target area* & address *Improved Quality of Life* issues. VMP is the City's main and largest park, offers the most community events, and has the highest daily park visits of all City parks. Other than sidewalk ramps associated with the VMP construction, there were no additional ADA sidewalk ramps built with the 2014 funding.

While the project was in the design phase, Leisure Services was able to secure a 50 percent discount on the accessible playground equipment if the equipment was purchase by a set date. The City could not receive the grant funding by the required deadline, so it purchased the equipment. As an additional note, the ADA accessible playground equipment, while serving the disabled, was for children, who do not automatically qualify as low- to moderate-income programs.



The City used the entire construction portion of the grant to ensure the accessibility of all the pathways around this main section of VMP. The City constructed a .4-mile, 5-ft pathway around this segment of the park, which also included a pathway to encircle the playground and a pathway from the main entrance to the park. The City also constructed a 10-ft wide pathway in front of the Centennial Pavilion, the outdoor stage area where free music, movies, and other programs draw large crowds. By constructing the 10-ft wide pathway, the pathway is not only accessible, but there is space for wheelchair seating in front of the stage. The changes ensured the entire section of VMP is ADA accessible including the playground.

Notices for bids for the project construction published on October 25, 26, 27, and 28, 2015. Bids were due to the City on November 10, 2015, and the successful bidder was KE&G. Construction began on November 28, 2015, and completed on February 6, 2016. The City was also able to reimburse some staff time used for oversight of the project; however, the City chose to pay for the advertising.

There was one amendment to the contract; the City extended the accessible pathway to VPM's main entrance. The construction completed in 2016.

DRAFT

2014 FUNDS RECEIVED AND EXPENDED

In 2014, the City received \$206,330 in CDBG funding. HUD allows 20 percent of the funding, or \$41,266, for Grant Administration use. The City opted to use 19 percent, or \$39,203. The remaining funding, \$167,127, was spent on the construction.

2014 CDBG FUNDING		
Total 2014 Funding	Construction Budget	Administration Budget
\$206,330	\$167,127	\$39,203

ADMINISTRATION COSTS SUBMITTED FOR 2014 PROJECT		
When	Amount	For
April 2014 - November 2014	\$30,928.48	Consultant costs for writing and gaining HUD approval of ConPlan, AI, P&P Manuel, CP Plan, and 2014 AAP. Held public meetings, hearings, meetings with SVCC, etc.
June 2014	\$823.48	Staff costs for attending meetings and hearings, preparation work on publications and notices.
July 2014 - June 2015	\$1,209.08	Misc admin work for ConPlan, AAP
July 2015 - June 2016	\$6,241.96*	Misc admin work and CAPER, Environmental Review Report, Bid Documents, payroll audits, filings, and Davis/Bacon Wage Training
Total	\$39,203	
*Actual billing was \$7,144.34		

CONSTRUCTION COSTS SUBMITTED FOR 2014 PROJECT		
When	Amount	Examples of Costs
November 2015	\$20,098.89	Concrete - \$13,132.80, Subgrade Preparation - \$4,462.17, Survey - \$3,081.16
December 2015	\$80,284.04	Concrete - \$51,899.24, Concrete Scupper with handrail - \$6,398.16, Subgrade Preparation - \$8,924.34, SWPPP - \$2,804.57, Survey - \$3,851.44
January 2016	\$42,247.42	Concrete - \$10,523.90, Subgrade, ABC, Repair Landscape \$26,604.81
January 2016	\$15,847.84	Retainage
October 2015 - February 2016	\$8,648.81*	City staff working on Project including KE&G employee interviews, construction management, and site oversight.
Total	\$167,127	
*Actual billing was \$14,803.46		

MEETING NATIONAL AND LOCAL GOALS AND OBJECTIVES

HUD has three National Objectives

- **Low Mod Area Benefit (LMI)**. *The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51 percent of the residents are LMI persons. Also included in the LMI category are Low Mod Limited Clientele (LMC). Activities in LMC provide benefits to a specific group of persons rather than everyone in an area. Examples of LMC include abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers.*
- **Slum Blight Area Basis (SBA)**. *This category covers activities that aid in the prevention or elimination of slums or blight in a designated area. Examples of activities that qualify when they are located within the slum or blighted area include rehabilitation of substandard housing located in a designated blighted area when the housing is brought to standard condition, infrastructure improvements in a deteriorated area, and economic development assistance in the form of a low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.*
- **Urgent Need**. *Use of the urgent need national objective category is rare. It is designed only for activities that alleviate emergency conditions.*

HUD Definition of Severely Disabled

Persons are considered severely disabled if they:

- If they use a wheelchair or another special aid for 6 months or longer;
- Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking);
- Need assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone);
- Are prevented from working at a job or doing housework;
- Have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia or mental retardation ;
- Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).

The 2014 CDBG project meets HUD goal number 1, Low to Mod Area Benefit, Limited Clientele (particularly the elderly and severely disabled).

The ConPlan, Section NA-45, Non-Homeless Special Needs Assessment, under Disabled Persons states, *in 2012 the City had a disability ratio of 14.2 percent of population, or 5,774 persons. The 14.2 percent is above the national average of 12 percent. As for the physically disabled, the number of persons ages 18-64 with disabilities was 2,767 or 11.9 percent of the*

population. The number of disabled persons ages 65+ is 2,657 or 39.8 percent of that age group. The population of citizens between the ages of 60-85 yrs + is 9,394, or 20.9 percent of the City's total population (46,365) which is 2 percent higher than the US National Average.

By using the above numbers, and realizing that some of the categories overlap, a fair estimate of 10,000 people can fall into the disability and elderly categories. All changes made to Veterans Memorial Park are available to 100 percent of the persons with disabilities and or the elderly.

DRAFT

RACIAL AND ETHNIC COMPOSITION IN SIERRA VISTA		
	Estimates	Percent
White	33,755	74.4
Black or African American	3,378	7.4
American Indian and Alaska Native	653	1.4
Asian	1,671	3.7
Native Hawaiian & Other Pacific Islander	178	0.4
Some Other Race	2,118	4.7
Two or more races	3,612	8.0
Total	45,365	100.0
Hispanic or Latino	9,997	22.0
Not Hispanic or Latino	35,368	78.0
*2010-2014 ACS 5-Year Estimates		

Extrapolating data from several different Census tables, the VMP project has the following race and ethnic population calculations.

SIERRA VISTA'S PERCENTAGE OF RACE AND ETHNIC POPULATIONS IN SENIOR POPULATIONS											
	Pop of Senior Residents in Sierra Vista	% of City's Pop	White Pop - 74.4%	Black or African American - 7.4%	American Indian & Alaska Native - 1.4%	Asian - 3.7%	Native Hawaiian & Other Pacific Islander - .4%	Some Other Race - 4.7%	Two or more races - 8.0%	Hispanic or Latino - 22.0%	Not Hispanic or Latino - 78%
Ages 55-59	1,163	2.56%	865.3	86.1	16.3	43.0	4.7	54.7	93.0	255.9	907.1
Ages 60-61	451	0.99%	335.5	33.4	6.3	16.7	1.8	21.2	36.1	99.2	351.8
Ages 62-64	678	1.49%	504.4	50.2	9.5	25.1	2.7	31.9	54.2	149.2	528.8
Ages 65-66	415	0.91%	308.8	30.7	5.8	15.4	1.7	19.5	33.2	91.3	323.7
Ages 67-69	656	1.45%	488.1	48.5	9.2	24.3	2.6	30.8	52.5	144.3	511.7
Ages 70-74	829	1.83%	616.8	61.3	11.6	30.7	3.3	39.0	66.3	182.4	646.6
Ages 75-79	605	1.33%	450.1	44.8	8.5	22.4	2.4	28.4	48.4	133.1	471.9
Ages 80-84	477	1.05%	354.9	35.3	6.7	17.6	1.9	22.4	38.2	104.9	372.1
Ages 85+	417	0.92%	310.2	30.9	5.8	15.4	1.7	19.6	33.4	91.7	325.3
Total of	5,691	12.54%	4,234.1	421.1	79.7	210.6	22.8	267.5	455.3	1,252.0	4,439.0

ESTIMATED NUMBER OF DISABILITIES BASED ON NATIONAL AVERAGE BY RACE AND THE SIERRA VISTA POPULATION

	National Average			Adapted for Sierra Vista		
	White Alone, Not Hispanic	Black Alone, Not Hispanic	Hispanic or Latino	White Alone, Not Hispanic	Black Alone, Not Hispanic	Hispanic or Latino
Disability	22.1	24.3	15.8	7,459.9	820.9	1,579.5

*Universal Age-Adjusted and unadjusted Specific Measure of Disability by Race and Hispanic Origin: 2010

DRAFT

The City received \$206,330 for its first entitlement CDBG funding. When developing the ConPlan, the City estimated it would continue receiving annual funding at approximately \$200,000 or \$1,000,000 during the five years of the ConPlan.

The Anticipated Resources chart below does not have amounts for CDBG housing or Public Services because the City did not have any history on which to base the estimates.

ANTICIPATED RESOURCES FROM 2014 AAP AND ACTUAL EXPENSES								
Program	Source of funds	Uses of Funds	Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	2014 CDBG Final Totals	Expected Amount Available Remainder of ConPlan \$
CDBG Program Administration	Federal	Administration	\$41,266	\$0	\$0	\$41,266	\$39,203	\$165,064
CDBG Public Improvements, Infrastructure	Federal	Public Improvements, Infrastructure	\$165,064	\$0	\$0	\$165,064	\$167,127	\$660,256
CDBG Housing	Federal	Housing Rehabilitation, Rental Assistance, Homeownership	TBD	\$0	\$0	TBD	\$0	TBD
CDBG Public Services	Federal	Community services, Special Needs Homeless Services	TBD	\$0	\$0	TBD	\$0	TBD

The 2014 AAP benefitted low- to moderate-income persons in the Limited Clientele category. The ConPlan discussed the *primary objective* of the non-housing community development is providing *suitable living environments and provisions of services for low- and moderate-income persons*, and as such, the project is considered a citywide benefit.

Leveraging funding:

For the VMP Project, the City invested over \$200,000 to purchase the accessible playground equipment and tot turf. CDBG funding built the new infrastructure (pathways).

The City does not use grant funding for its Fair Housing program. The City furthers fair housing by offering educational seminars, ensuring literature is available to the public, televises the SVCC Resolution vote on an annual basis, and publically, again televised, read a proclamation declaring April as Fair Housing Month. In 2015, the Executive Director of the Southwest Fair Housing Council received the Proclamation and made a short, informational speech regarding Fair Housing.

The City also uses its own professional staff for the design, administration, construction oversight, etc. While the City charges some of these associated costs to the Grant, it still pays a majority of employee salary hours through general fund dollars. The City's goal is to ensure the majority of the funds go to the projects

DRAFT

Year one in the ConPlan and in the approved 2014 AAP, housing was not a consideration. Therefore, the City met Year One's Affordable Housing Goal.

HOUSEHOLDS ASSISTED		
	One-Year Goal	Actual
Number of <i>homeless</i> households to be provided affordable housing units	0	0
Number of <i>non-homeless</i> households to be provided affordable housing units	0	0
Number of <i>special-needs</i> households to be provided affordable housing units	0	0
Total	0	0
HOUSEHOLDS SUPPORTED		
Number of households support through <i>rental assistance</i>	0	0
Number of households supported through the production of <i>new units</i>	0	0
Number of households supported through <i>rehab of existing units</i>	0	0
Number of households supported through <i>acquisition of existing units</i>	0	0
Total	0	0

The last Housing Assessment and Strategic Plan (2008) (The Drachman Institute and Arizona Department of Housing) listed six recommendations for Affordable Housing.

Based on the information collected and the findings derived from the data, the following set of recommendations for improving the availability, quality, and access to affordable and attainable housing in Sierra Vista is provided:

- *Reinvest in, and rehabilitate, existing poor condition housing stock*
- *Facilitate additions and expansions to existing housing stock in identified target areas to support reinvestment improvement goals*
- *Encourage the development of a vibrant West End with pedestrian-oriented shopping integrated with workplaces and affordable residential uses*
- *Enhance the physical context of older, deteriorated neighborhoods with streetscape improvements to maintain health, safety, and welfare standards*
- *Seek USDA funding in conjunction with Cochise County Housing Authority for the unincorporated county enclaves*
- *Annex county enclaves*
- *Encourage the creation of neighborhood organization "*

During 2015/2016, this reporting year, the City annexed the Sulger Subdivision, one of two target areas identified in the Plan. This is the neighborhood that several years ago the City secured a grant to construct sewers in both the City and the County sections of the neighborhood.

This year the Carmichael Neighborhood Association formed in the northwest part of the City. The City is an active participant and supports the Association.

Goal No. 2 in the Goals and Strategies of the Housing Assessment states: Increase Affordable Housing Stock.

1. Create an overlay zone allowing mixed-use development
2. Give meaningful incentives for infill development and redevelopment
3. Utilize available sources of funding in the development of additional affordable housing

While, again, this is several years old, the City adopted an Infill incentive Policy. The Policy offers advantages, for example 50 percent of the Processing Review Fees, expedited permitting, and relief from Code issues not identified.

DRAFT

HOMELESSNESS AND OTHER SPECIAL NEEDS - CR-25 - 91.220(d), 91.32(d,e), 91.520(c)

(The following information is requested by HUD)

- *Reaching out to persons experiencing homelessness (especially unsheltered persons) and assessing their individual needs.*

HUD created the requirement for entities to have Continuum of Care Programs (CoC). The purpose and *design of the CoC is to assist all individuals, including unaccompanied youth and families, experiencing homelessness and to provide the services needed to help such individuals more into transitional and permanent housing with the goal of long-term stability.*

There was an active Cochise County CoC several years ago, but disbanded when ADOH began conducting regional quarterly meetings around the balance of state counties. Many participants and nonparticipants of the regional meetings, acknowledged that there was a lack of cohesiveness between agencies, particularly with the change in Regional Behavior Health Authority in the County, and asked that the Cochise County CoC be reestablished. The City has been instrumental in reconvening the local CoC.

GNA provides a number of services to assist the homeless.

- Guest Coaches, who work with guests to identify what they require to transition out of homelessness, provides referrals for services, physical and mental healthcare, education, and employment.
 - PATH (Projects for Assistance in Transition from Homelessness) funded by SAMHSA (Substance Abuse and Mental Health Services Administration). The PATH team identifies chronically homeless individuals and helps them engage in mental healthcare with the goal of stabilizing them and get them into housing.
 - Emergency Solutions Grant (ESG) provides financial assistance, case managing to get people re-housed and prevent homelessness in sustainable housing (HUD and Department of Economic Security (DES) program).
 - Arizona Department of Veterans Funding to assist veterans with re-housing and homeless prevention.
- *Addressing the emergency shelter and transitional housing needs of persons experiencing homelessness.*

The City has used several State CDBG funding cycles in assisting the Good Neighbor Alliance (GNA), the local Emergency Shelter. Funding provided to GNA includes (1) purchasing a modular building to be used as a services annex to free up space for additional beds in the shelter building, the Samaritan Station, (2) funded a volunteer coordinator for one-year, and (3) site improvements of the campus including wrought

iron fencing, new parking lot, and landscaping. GNA did not ask for funding during the 2014 AAP public process.

- *Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from public 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); and, receiving assistance from public or provide agencies that address housing, health, social services, employment, education, or youth needs.*

As was earlier stated there was an active Cochise County CoC several years ago but disbanded when ADOH began conducting regional quarterly meetings around the balance of state counties. Many participants and nonparticipants of the regional meetings, acknowledged that there was a lack of cohesiveness between agencies, particularly with the change in Regional Behavior Health Authority (RBHA) in the County, and requested the reestablishment of a Cochise County CoC. The City has been instrumental in reconvening the local CoC. Many of the regular agencies that participate in the CoC work directly in assisting individuals who fall into special needs and at risk categories. Many positives changes have occurred during the 2016, including a second City Police Officer has begun participating in the CoC monthly meetings and the Cochise County Sheriff has agreed to have the Jail Commander come to the monthly CofC meetings. Having law enforcement participate in the meetings is new for the Cochise County CoC.

Due to funding reductions for the ESG program, DES made a hard decision to eliminate funding to any Cochise County agencies. During the past year, GNA worked on a proposal to present for private funding for rental assistance.

- *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 experiencing homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals families who were recently homeless from becoming homeless again.*

Again, the City is instrumental in reconvening the Cochise County CoC. Since the City does not have a Housing Authority, Public Housing, owns or runs any social service agencies or housing agencies, or because of federal law, is allowed to financially support the agencies with general fund monies, it is limited to providing administrative

support, acting as a clearinghouse for information, and providing grant funding it receives.

The City has sponsored a full-day mini-summit with the Arizona Coalition for Military Families. The mini-summit had 50 attendees most of whom are service providers in the mental health industry and military-based organizations (Sierra Vista is home to Fort Huachuca, a United State Military Institution). The Arizona Coalition provides training for navigator training to help at risk individuals navigate through the systems.

Lori's Place, a family advocacy center funded primarily through private funding, opened in a County enclave section of the City. Additionally, Catholic Community Services operates the domestic violence shelter in Sierra Vista. The County's only youth-oriented shelter closed several years ago because of funding cuts; however, through the generosity of a local business-owner is reopening in late 2016.

The Wellness Connection, Southeastern Arizona Behavior Health Systems (SEABHS), and Cenpatico, the local RBHA, have housing or housing funds available to their clients. There must be a Serious Mental Illness (SMI) diagnosis to be eligible.

P.R.A.I.S.E. Ministries is active in Cochise County and in 2016 they opened homes for women and men in the area.

DRAFT

(The following information is requested by HUD)

- *Actions taken 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.*

The City does not have policies or codes that serve as barriers to affordable housing. It uses the 2015 ICC building codes, which are more restrictive in certain areas, but does not discriminate. Zoning codes do not restrict affordable housing and there is ample vacant multi-family zoning within the City limits. In addition, the City has a low property tax rate, charging only \$.1146 per \$100 of assessed value.

The City waives Processing Review Fees for bona fide affordable housing programs as is stated in the Processing Review Fee Schedule, "*All bona fide affordable housing projects, monitored by the government for a minimum of 15 years, will receive a 50 percent reduction in applicable Processing Review Fees.*" The City has historically waived 100 percent of the fees. The City cannot waive the Development (Impact) Fees by law is able to delay payment of fees until a later date.

The City has not enacted growth limitations; however, a pending private lawsuit against the Arizona Department of Water Resources and their ability to approve water resources for developments has curtailed residential construction in the City, including an infill project.

- *Actions taken to address obstacles to meeting underserved needs.*

According to the ConPlan, the prime impediment to affordable housing revolves around the lack of federal and state resources for affordable housing initiatives. The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor. The City actively works with developers who desire to build LIHTC projects in the City but the financial resources available through ADOH has diminished in the past few years.

There are new programs available in Arizona such as the Pathway to Purchase Down Payment Assistance Program, HUD Good Neighbor Next Door Sales Program, Housing Choice Voucher Homeownership Program, and the Home Plus Home Loan Program. The City does not discourage any of these programs; however because these type of

programs are administered through lending agency or public housing or a housing authority, the City has little control.

The City continues to have lists available for low-income (LIHTC and project-based section 8) apartment complexes. Additionally, the City refers to Habitat for Humanity and Real Wishes for more emergency and immediate needs.

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. The City can submit a competitive application to ADOH HOME grants as it did when it received \$300,000 HOME grant in 2012; the City rehabilitated six homes. The City is not entitled to HOME grants through HUD.

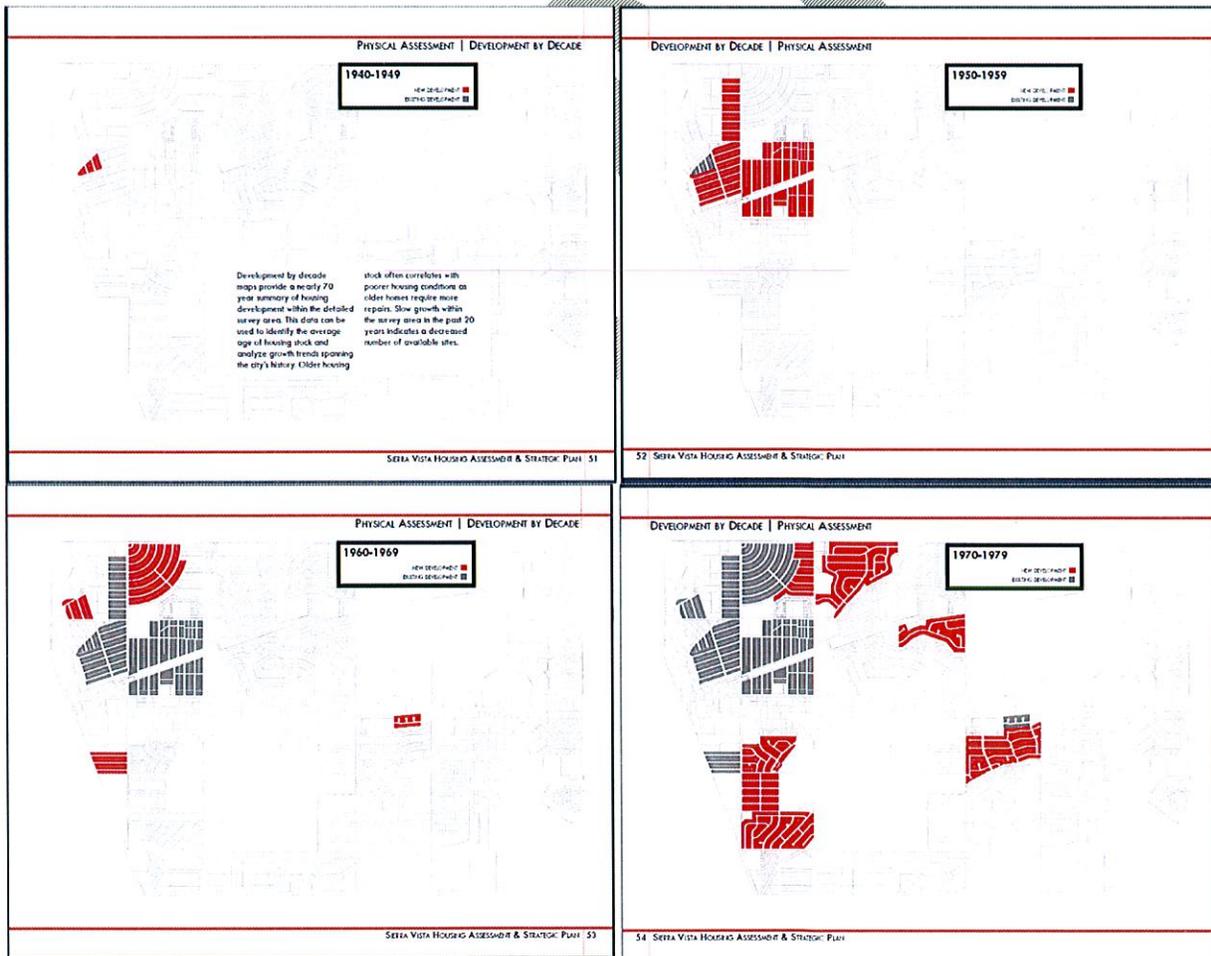
- *Actions taken to reduce lead-based paint hazards.*

HUD rules regarding lead-based paint hazards apply to all housing units assisted with CDBG funds, including single and multi-family units, whether publicly or privately owned. The requirements differ, however, depending on the activity - rehabilitation or acquisition.

PROPERTY EXCEPTIONS TO LEAD-BASED PAINT RULES
Properties built after January 1, 1978
Emergency work that is done to save the occupants or property from imminent danger (subsequent work is covered)
Existence of lead-based paint is unlikely - lead-based paint banned earlier than 1978 in the state, property already tested or treated
Human threat unlikely - unoccupied units to be demolished, not used as residence, rehab will not disturb paint
Child occupancy unlikely - zero bedroom units, elderly-only or special, single housing (except this exemption shall not apply if a child less than age 6 resides or is expected to reside in the dwelling unit)
Lead-based point requirements under CDBG and HOME

The Housing Authority of Cochise County (HACC) received a HUD grant strictly for the abatement of lead-based paint. HACC advertised in the City and abated all structures that applied and met the grant requirements. However, it is unknown how many homes could still qualify. Here are the statistics for the housing structures in Sierra Vista.

HOUSING STRUCTURES - YEAR BUILT	
Years Built	No. Units
Built 1939 or earlier	121
Built 1940 to 1949	90
Built 1950 to 1959	732
Built 1960 to 1969	1,288
Built 1970 to 1979	4,069
Built 1980 to 1989	4,591
Built 1990 to 1999	3,441
Built 2000 to 2009	4,982
Built 2010 or later	442
Total housing units	19,756
Total housing stock built prior to 1978	6,300
% of eligible housing stock	31.9
2010-2014 American Community Survey 5-Year Estimates	



In reviewing the 2010-2014 American Community Survey 5-Year Estimates, Selected Housing Characteristics, there are 953 households that moved into their units prior to 1979.

When the City had a HOME Grant from ADOH, the contractor tested all six homes, even though the unit occupants were in the exempt status, and there was no lead-based paint to abate.

- *Actions taken to reduce the number of poverty-level families.*

The local organizations in Sierra Vista addressing economic development include the City's Office of Economic Development, Arizona Regional Economic Development Foundation, Sierra Vista Industrial Development Authority, Sierra Vista Area Chamber of Commerce, Sierra Vista Metropolitan Planning Organization, Cochise College Center for Economic Research, Cochise College Small Business Development Center, SouthEastern Arizona Governments Organization, Arizona@Work, and Southeast Arizona Hospitality Association.

The City is closely monitoring the Vista Transit System because when the City became an MPO, funding sources for the small bus system changed. The City continues to subsidize the Transit System with general funding and prioritizes routes and times to be most beneficial for ridership. The City is aware that public transportation is a necessity for a number of low-income persons.

- *Actions taken to develop institutional structure.*

The City, along with the local homeless shelter, has reestablished the Cochise County CofC. The City for the past several years has participated in the Balance of State CofC that meets on a quarterly basis. However, the City and several of the not-for- and non-profit agencies saw a lack of coordination between agencies. All agencies, whether for homeless or not, have been invited to attend. The Cochise County CoC is actively working on the Gaps Analysis.

Prior to every AAP, the City extends an open invitation to all residents of Sierra Vista, social service agencies, educational institutions, governmental offices, etc., to conduct a *state of the City* type of public outreach meetings. The information gleaned from the meetings assist SVCC in assessing funding requests and choosing the projects.

- *Actions taken to enhance coordination between public and private housing and social service agencies.*

The City, along with the local homeless shelter has reestablished a local CoC. Since ADOH started the Balance of State CofC, the City has been an active participant.

- *Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice.*

The consultant hired to write the ConPlan, also wrote the Analysis of Impediments (AI) from interviews and comments at the public meetings he received. The consultant found no impediments to Fair Housing in the City.

Fair Housing Month is celebrated in the City with the SVCC passing an annual Resolution supporting Fair Housing and the proclaiming April as Fair Housing Month. The City televises all SVCC meetings. At that April 14, 2016, Council Meeting, the Southwest Fair Housing Council's Executive Director accepted the Proclamation and made a short speech regarding the Housing Council, education, and prevention. One City staff member is on the governing board for the Southwest Fair Housing.

The City has a kiosk in the City Hall's lobby stocked with literature, in English and Spanish, regarding Fair Housing.

Between July 2015 and June 2016, the City did not receive any Fair Housing complaints. If the City does receive a complaint, it refers the complainants directly to Southwest Fair Housing for investigation.

The City is still developing its monitoring standards and procedures. However, the City views its monitoring responsibilities as an ongoing process, involving continuing communication, evaluation, and follow-up. Since the overriding goal of monitoring is to identify deficiencies and promote corrections in order to improve and reinforce performance, the City will continue to hold meetings with stakeholders and gather information for bettering the program. It is also essential that the City assist smaller agencies (and businesses) to ensure that they have the capacity to be a sub-recipient or a contractor/subcontractor for projects.

The City will follow up monitoring activities and policies and procedures as outlined in the ConPlan, CPP, and P&P. The City has historically held more public meetings than required and will continue, if not expand, the trend.

The City documents any activities it undertakes in fulfilling the CDBG funding requirements.

- *Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.*

The SVCC adopted the CPP in June 2014.

DRAFT

CDBG Public Notice Summary

Type of Document	Public Hearing	Hearing Notice	Public Comment Period	Notices in Public Areas
Consolidated Plan and/or Annual Action Plan	1-2	Run a display notice in newspapers at least 14 calendar days prior to <u>each</u> hearing or at the beginning of the public comment whichever is first	30-day public comment period ending upon SVCC approval of the item	Post notice listing all meetings/hearings for the planning/adoption phase with enough detail for the public to recognize the purposes of the meetings, draft document locations, and dates for comment periods
Substantial Amendments to Consolidated Plan and/or Annual Action Plan	2 (Spring & Fall depending on the need)	Run a display notice in newspapers at least 14 calendar days prior to <u>each</u> hearing or at the beginning of the public comment whichever is first	30-day public comment period ending upon SVCC approval of the item	Post notice describing amendment items and location of drafts for public review & comment
Annual Performance Report/CAPER	1	Run a display notice in newspapers at least 14 calendar days prior to the hearing or at the beginning of the public comment whichever is first	15-day public comment period ending upon SVCC approval of the item	Post notice identifying purpose of hearing, comment period, and location of drafts for public review and comment
<ul style="list-style-type: none"> ▶ Display ads will be run in the adjudicated newspaper and/or in other key publications in the affected areas. ▶ Documents and drafts for public comment will be available on the Community Development Website, which will also provide updates to the process and links to other information. 				

A copy of the CPP can be found of the City's Website.

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City has not changed the program objectives.

DRAFT