

City of Phoenix Housing Department
2012/2013 Annual Agency Plan
Draft Version
January 5, 2012

DRAFT



PHA 5-Year and Annual Plan	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
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1.0	PHA Information PHA Name: <u>City of Phoenix Housing Department</u> PHA Code: <u>AZ001</u> PHA Type: <input type="checkbox"/> Small <input type="checkbox"/> High Performing <input checked="" type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: (MM/YYYY): <u>07/2012</u>				
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: <u>2,335</u> Number of HCV units: <u>6,096</u>				
3.0	Submission Type <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only				
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)				
	Participating PHAs	PHA Code	Program(s) Included in the Consortia	Programs Not in the Consortia	No. of Units in Each Program
					PH HCV
	PHA 1:				
	PHA 2:				
	PHA 3:				
5.0	5-Year Plan. Complete items 5.1 and 5.2 only at 5-Year Plan update. NOT APPLICABLE				
5.1	Mission. State the PHA’s Mission for serving the needs of low-income, very low-income, and extremely low income families in the PHA’s jurisdiction for the next five years: NOT APPLICABLE				
5.2	Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income and very low-income, and extremely low-income families for the next five years. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. NOT APPLICABLE				
6.0	PHA Plan Update (a) Identify all PHA Plan elements that have been revised by the PHA since its last Annual Plan submission: <u>Financial Resources</u> See Attachment 6.0. <u>Waiting Lists</u> As an Asset Management Project adjustment, the Housing Department has instituted site-based waiting lists at all public housing, mixed finance and HOPE VI properties. Pre-applications to secure a spot on the waitlist				

may be submitted at each site. Pre-applications for sites owned and managed by the city of Phoenix may also be mailed or delivered to the Applications and Information Office at 830 E. Jefferson or submitted online via www.phoenix.gov/housing. Strict adherence to preferences (see preferences section) and time/date stamping at the delivery point ensure compliance with Fair Housing laws and regulations. Public housing waitlists are open for all public housing, mixed finance and HOPE VI properties.

Marcos de Niza

A site-based waiting list has been established for the public housing units at Marcos de Niza. A new site-based waiting list with new applicants will be established for the project-based Section 8 units at Marcos de Niza after all applicants on the tenant-based Section 8 waiting list have been offered a space on the site or the option to get on the Marcos de Niza site-based waiting list. Applications can be submitted at the site, 305 W. Pima, and/or at the Applications and Information Office, 830 E. Jefferson.

The section 8 Housing Choice Voucher waitlist is closed except under very limited circumstances and is not expected to open during 2012/2013.

At this time all other wait lists are open and are not expected to close during 2012/2013.

Reviewed and reaffirmed this year - applicants may be on multiple wait lists.

Preferences

Two new preferences have been added this year, one to public housing and one to the section 8 Housing Choice Voucher preferences. The following new public housing preference has been added as a tier two preference, adding a tier to the public housing preferences. This will align the public housing preferences more closely with the Section 8 Housing Choice Voucher preferences. (See full preference list later in this section).

In the Section 8 Housing Choice Voucher program, a tier 2 preference has been added that will be effective for FY 2012-2013 only. (New preferences are in bold, italicized font.)

Public Housing Preferences

A. The following are the highest ranked preferences and are equally weighted. If an applicant qualifies for one of these preferences, they will be housed before other applicants.

- 1) Families referred by a law enforcement agency for witness protection or other safety concern.
- 1) Families displaced by city of Phoenix action.

B. Families that qualify for the following preference are housed after the highest ranked preferences.

- 2) The city of Phoenix Housing Department operates a number of programs which serve special populations, special needs or which were designed for special purposes. For these populations and programs, preference will be given to applicants that are referred from various community organizations or divisions of local government which are under a Memorandum of Understanding (MOU), Memorandum of Agreement, or a Contract with the Housing Department in accordance with program regulations.***

C. Families that qualify for the following equally weighted preferences are housed after the highest ranked preferences, but before applicants with no preference.

- 3) Residents of the city of Phoenix: Families who live, work or have been hired to work in the city of Phoenix will qualify for this preference.

- 3) **Working Families:** Families with at least one adult who is employed. This preference is extended equally to elderly families or families whose head or spouse is receiving income based on their inability to work.

Applicants with one or more local preferences will be housed before other applicants. Date and time of application will be used to determine the sequence of tenant selection after applying the above prescribed preferences.

Section 8 Housing Choice Voucher Preferences

The Housing Department will select applicants based on the following ranked “local preferences:”

A. The following are the highest ranked preferences and are equally weighted. If an applicant qualifies for one of these preferences, they will be housed before other applicants.

- 1) Families referred by a law enforcement agency for witness protection or other safety concern.
- 1) Families displaced by city of Phoenix action.

B. Families that qualify for one of the following preferences are housed after the highest ranked preferences.

- 2) The city of Phoenix Housing Department operates a number of programs which serve special populations, special needs or which were designed for special purposes. For these populations and programs, preference will be given to applicants that are referred from various community organizations or divisions of local government which are under a Memorandum of Understanding (MOU), Memorandum of Agreement, or a Contract with the Housing Department in accordance with program regulations.

2) Residents of Marcos de Niza who applied for Project Based Housing prior to December 31, 2011 will be given a preference for a Project Based Housing unit at Marcos de Niza when construction is completed and/or as vacancies occur.

C. Families that qualify for the following equally weighted preferences are housed after the second highest ranked preference, but before applicant with no preference.

- 3) Residents of the city of Phoenix: Families, who live, work or have been hired to work in the city of Phoenix will qualify for this preference.
- 3) **Working Families:** Families with at least one adult who is employed. This preference is extended equally to elderly families or families whose head or spouse is receiving income based on their inability to work.

Applicants with one or more local preference will be housed before other applicants. Date and time of application will be used to determine the sequence of tenant selection after applying the above prescribed preferences.

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

The city of Phoenix Annual Agency Plan is available at:

- The Housing Department’s main office: 251 W. Washington, 4th Floor, Phoenix, AZ, 85003
- All property management offices
- On the internet at www.phoenix.gov/housing

Rent Determination

No change to the minimum rent for public housing or section 8 Housing Choice Voucher programs.

A market study is being developed to review flat rents for public housing.

The Section 8 Division reviewed the payment standard when HUD published the Fair Market Rents effective October 1, 2011. Based on rent reasonable comparisons and landlord feedback, Section 8 Division determined to leave the payment standard the same which remains within the 90%-110% of the HUD Fair Market Rents.

Designation

On December 21, 2011, HUD approved the Department's most recent designation plan. The plan now designates 52 of the 60 units as elderly only for the Frank Luke Addition Senior Building, phase 1 of the Housing Department's most recent HOPE VI award. Fifty-two units at Pine Towers were undesignated.

How the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements.

No changes.

Safety and Crime Prevention.

As with the general population, public housing residents are concerned about the safety of where they live.

Residents of all public housing neighborhoods are encouraged to participate in Block Watch and other citizen watch programs for the betterment of their community.

Additionally, each site is certified as a multi-family crime free property. As part of the certification process, staff is required to take periodic training, a property assessment is conducted, and annual educational events are held to ensure that residents know the most effective measures to take to ensure their physical and financial safety.

The city of Phoenix Housing Department works closely with the Police Department to ensure the safety of residents in all public housing programs. This includes frequent contact with the officers assigned to the family public housing communities, agreements with the Police Department to provide information regarding "call outs" to all public housing properties, including scattered site housing.

The Housing Department also employs an investigator who researches and investigates resident, staff and other complaints and issues. The investigator coordinates efforts with the police to ensure efficiency.

Pets

No changes.

Community Service and Self-Sufficiency

The Housing Department offers a number of services to residents of public housing to improve resident self-sufficiency. These include employment and training programs, teen programs, educational programs and Neighborhood Network Centers.

To enhance service provision, the Housing Department partners with many agencies including the Phoenix Workforce Connection and Head Start. There are over 40 partners that are part of the Coalition of Service Providers. With the development of the last HOPE VI grant, an Early Childhood Advisory Team to address the health and educational needs of young children and their parents.

The Family Self Sufficiency program is available to residents of public and assisted housing. The FSS Action Plan has been (or will be) revised to allow for 80 slots for public housing families. The city of Phoenix is part of the Valley FSS Program Coordinating Committee.

Case management and other services are offered to all public housing residents impacted by HOPE VI developments.

All residents of public housing and Section 8 New Construction senior/disabled sites continue to receive services provided by service coordinators who coordinate information and referrals. Special activities are planned to enhance independent living including transportation to nearby grocery stores. These sites also have mini computer labs with internet access available for resident use.

Two family public housing sites are benefitting from the availability of service coordinators on-site thanks to the receipt of a ROSS Service Coordinator grant.

The HOPE VI Community and Supportive Services and the Department's Economic Initiatives programs work together to ensure that residents receive the training necessary to participate in Section 3 employment opportunities with special efforts toward "green" jobs. A text blast system was recently implemented to provide residents and other low income persons with up-to-date information about potential Section 3 jobs.

Operations and Management

Bedbugs

The Housing Department far exceeds the requirements of law with regard to bedbugs. Residents of all family and senior public housing and Section 8 New Construction facilities that are owned and managed by the city of Phoenix are required to report bedbugs to management. Once bedbugs are reported and confirmed, the Housing Department initiates a series of 3 weekly treatments. Residents are provided with a brochure that explains what they must do to prepare for treatment. Provided the resident complies with the preparation as outlined in the brochure, the Housing Department pays for the treatment.

Participants in the Scattered Sites program must still report bedbugs to management. The Housing Department will arrange for treatment; however, the Scattered Site family must pay for their bedbug treatment as they are expected to take on additional responsibility in preparation for possible homeownership.

Call System in Senior Housing Facilities

To provide support for residents of our senior housing communities owned and operated by the city of Phoenix, a new emergency response system will be installed in each apartment. The system will be monitored by an outside vendor rather than the city of Phoenix. This will be an exceptional value for residents as the Housing Department will pay for the monthly monitoring fees. The charge for false alarms, however, will be the residents' responsibility. Prior to instituting the false alarm fee, the change in the Schedule of Charges will be posted for the required 30 day comment period. In addition, the Housing Department will hold meetings at each site to instruct residents on how to use the system,

explain what constitutes a false alarm and educate on how to prevent false alarms.

Asset Management

The Phoenix Housing Department is carrying out its asset management functions by funding, budgeting and accounting at the AMP level for its properties. Property management is also performed at the AMP level, with most staff assigned to a single AMP and others shared between AMPs. Each AMP is individually monitored and its performance is regularly assessed to quickly identify problems and opportunities for change. The department's computerized business system is designed to support these management functions, and the city of Phoenix financial system also supports them.

Cost-saving efficiencies are being implemented for non-performing properties, and a new Energy Performance Contract will also help in this regard by lowering utility costs. Newer properties, such as the Matthew Henson/HOPE VI-grant funded properties, are constructed to a much higher standard of energy efficiency.

The department has recently completed a Capital Investment Strategy (CIS) for its properties with the help of a consultant. As a result, the department now has updated Capital Needs Assessment information for each facility, including capital reserve needs and recommendations for property rehabilitation, and appropriate funding mechanisms have been identified. Six properties are currently undergoing major rehabilitation, with two more properties undergoing ARRA-funded rehabilitation. Additional study is underway to determine whether any properties should be disposed of in the near future.

VAWA

The city of Phoenix Housing Department

- Has implemented policies and procedures that will enable us to address the needs of all victims of domestic violence, dating violence, sexual assault or stalking.
- All assisted housing program participants are advised of their rights under VAWA at the application stage, in the move-in packets and at all recertifications.
- The Housing Department does not terminate tenancy of a tenant victim due to actual or threatened domestic violence, dating violence, sexual assault or stalking against the tenant or an immediate family member of the tenant. The Housing Department will request that the tenant complete a certification.
- The Housing Department may take other actions to ensure the safety of the tenant victim, other residents, and employees. These may include, but are not limited to, bifurcation of a family's lease to evict a household member who is the perpetrator of domestic violence; honoring court orders which may limit a tenant perpetrator's access to the unit or property; and, evicting the tenant victim if the Housing Department can demonstrate an actual and imminent threat to the immediate housing community or staff.
- All information provided to the Housing Department by a participating family regarding VAWA certification, including the tenant's status as a victim, is confidential. The exceptions to confidentiality are: tenant authorization to release and/or use information; when required by law; or when needed for eviction proceedings.
- Has provided training to staff regarding VAWA and the Department's policies and procedures that pertain to VAWA.
- To ensure that landlords are aware of participant rights under VAWA, all landlords are provided with a copy of VAWA in the [RFTA packet](#). It is also in the [HAP contract](#).
- Current and potential landlords are kept abreast of VAWA issues via the landlord outreach

	<p>listserv.</p> <ul style="list-style-type: none"> • Invites police, advocacy organizations, and other programs that may assist victims based on the definitions in VAWA to make periodic presentations throughout the various housing communities and programs. • May refer victims affected by VAWA to appropriate agencies including domestic violence shelters, victim services programs and the city of Phoenix Family Advocacy Center. Families in crisis are referred to the police and/or to the Magellan Crisis Hotline. • The Section 8 Administrative Plan has been revised to include the HUD Final Rule, 24 CFR Parts 5, 91, 880, et. al. related to the protections under Violence Against Women Act (VAWA). <p><u>Audit Findings</u></p> <p>See Attachment 6.0 – Audit Findings</p> <p><u>Miscellaneous</u></p> <p>Smoke-free Housing</p> <p>The Frank Luke Addition Senior Building, the first phase of the Housing Department’s most recent HOPE VI award, will be a smoke-free building. Housing staff is assessing other multi-family properties to determine if portions of the properties can be made smoke free.</p> <p>Former Frank Luke Addition residents who smoke, have the right to return, and want to move into the FLA Senior Building will be offered Smoking Cessation assistance through case managers. Community and Supportive Services staff have been trained as smoking cessations specialists.</p> <p>Reasonable Accommodation for Medical Marijuana</p> <p>Reasonable accommodations will not be approved if they are a violation of federal law. Thus, the city of Phoenix Housing Department does not permit the use of medical marijuana as a reasonable accommodation in any of its subsidized or assisted housing programs. <i>(HUD General Counsel Opinion on Medical Marijuana, 1/20/2011)</i></p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. <i>Include statements related to these programs as applicable.</i></p> <p><u>HOPE VI</u></p> <p>The Housing Department’s 2001 HOPE VI grant is complete with the exception of the homeownership phase which has been modified. The revised plan for Phase V offers down payment and closing cost assistance to 62 low-income, first time homebuyers who purchase a new home within the city of Phoenix. This funding can be used in conjunction with homeownership assistance offered by the Neighborhood Stabilization Program (NSP) or the HOME Investment Partnerships Program.</p> <p>Symphony, an 83 unit complex, was built in part with a 2007 HOPE VI grant awarded to the city of Phoenix. Although the development is not fully leased, the buildings are essentially complete and apartments are in the process of being rented.</p> <p>The Housing Department applied for and received a 2010 HOPE VI Revitalization Grant for the demolition</p>

of the 138-unit Frank Luke Addition family public housing community and the construction of a 250-unit mixed-income community on the same site plus an additional off-site component at the Summit apartment community. All residents have been relocated; demolition is complete; and construction has begun on the 60 unit senior housing building.

If funding is available for HOPE VI, the Choice Neighborhoods Initiative or another successor program, the Housing Department will consider applying for portions of the East AMP, AZ001000003.

Mixed Finance

The Department worked with a consultant to explore possible options regarding the future of Ozanam Manor, a current 49 bed transitional housing facility for single adults who are disabled and/or 55 year of age or older. Ozanam Manor is co-located with the Sidney P. Osborn Homes public housing complex. The facility is owned by the city of Phoenix and has been leased to St. Vincent de Paul for the past 25 years. Several options were considered and results indicated that redevelopment of Ozanam Manor at the existing site within the next 5- 7 years would be the most realistic option.

The Housing Department has met the obligation and 60% expenditure deadlines for the Capital Fund Recovery Competition (CFRC) funds as part of a Mixed-Finance (Subpart F) project for the rehabilitation of the Marcos de Niza development including, green, energy efficient retrofits. The department has also closed on the tax-exempt bonds for the transaction, which are to be used as part of the construction financing. The mixed-finance closing will occur in the first quarter of 2012. Other sources of funding for this project include Capital Funds, Low Income Housing Tax Credits, and other sources.

Demolition/Disposition

One or more demolition and or disposition applications may be submitted to HUD for the Frank Luke Homes portion of the East AMP, AZ001000003, during the 2012/2013 fiscal year.

A section 18 disposition application may be submitted for all or a portion of the scattered sites homes owned by the city of Phoenix. All scattered sites homes are part of AMP AZ001000008. Houses chosen to remain a part of the scattered sites rental program will be generally outside of the downtown core, will not be in low-income census tracts, and will include most or all large bedroom size homes currently in the program.

Some homes that are currently in the section 32 homeownership program may be removed from the program and included on the section 18 application. Other homes may be added to the section 32 homeownership program.

Public Housing Homeownership Program (Section 32)

The Housing Department has an approved Section 32 program which allows the Housing Department to sell 50 homes identified in the Department's Section 32 Plan. To date 10 homes have been sold or are in the process of being sold.

The Section 32 "for sale" homes are in Asset Management Project (AMP) number, AZ001000008.

As identified previously, some homes may be removed from the section 32 program and others may be added.

The proceeds from the sale of scattered sites homes through the section 32 program and all previous

public housing homeownership programs are used to maintain and develop affordable housing opportunities for low- to moderate- income families throughout the city.

Project-Based Vouchers

Updated Admin Plan because of Marcos de Niza (will attach). The following are the PBV that is current and new:

- Sunrise Vista- 48 HCV
- Marcos de Niza- 93 HCV
- Encanto Pointe- 44 HCV and 10 VASH
- Madison Pointe- 15 VASH
- Collins Court- 10 VASH
- Victory Place III- 15

Procedures for selecting PBV proposals.

Before selecting a PBV proposal, the Department will determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing under PBV regulations, that it complies with the cap on the number of PBV units per building, and meets PBV site selection standards.

As allowed by PBV regulations, the Department may select PBV proposals from time to time by either of the following two methods.

(1) Request for PBV Proposals. The Department may from time to time issue a request for PBV proposals. The Department will not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites. When The Department selects proposals for PBV assistance under this method, The Department will employ procedures that provide broad public notice of the opportunity to offer PBV proposals for consideration. The public notice procedures are described further below.

(2) Selection of a proposal for housing assisted under a federal, state, or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded Low-Income Housing Tax Credits [LIHTCs] or funds such as Capital Fund Recovery Competition (CFRC) have been allocated). The Department may provide PBV assistance to owners whose housing has been selected in accordance with such programs' competitive selection requirements within three years of the PBV proposal selection date, provided that the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

Special Provisions Regarding so-called "PHA-owned" Units

1) In any instances where the Department or its officers, employees, or agents hold a direct or indirect interest in any building in which a unit receiving PBV assistance is located, including an interest as titleholder or lessee, or as a stockholder, member or general or limited partner, or member of a limited liability corporation, or an entity that holds any such direct or indirect interest, this instance will be handled in accordance with HUD regulations regarding "*public housing agency (PHA)-owned units.*" Units meeting the above definition may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that such units were appropriately selected based on the selection procedures specified in this Administrative Plan. Under no

	<p>circumstances will the Department provide PBV assistance to a public housing unit. 2) In the case of PHA-owned units, the following program services may not be performed by the PHA, but must be performed instead by an independent entity approved by HUD: a) <u>Determination of rent to owner for the PHA-owned units.</u> Rent to owner for PHA-owned units is determined pursuant to §§983.301 through 983.305 in accordance with the same requirements as for other units, except that the independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser; and b) <u>Inspection of PHA-owned units as required by §983.103(f).</u></p> <p>The independent entity that performs these program services must be a HUD-approved public or private independent entity. The Department will only compensate the independent entity and appraiser from its ongoing administrative fee income (including amounts credited to the administrative fee reserve). The Department will not use other program receipts to compensate the independent entity and appraiser for their services. Neither the Department nor the independent entity or appraiser may charge the family any fee for the appraisal or the services provided by the independent entity.</p> <p>Potential Project Based Voucher during 2012-2013</p> <ul style="list-style-type: none"> • A Request for Proposals will be published in early 2012 to project base HCV vouchers for permanent supportive housing projects. It is estimated that up to 30 HCV vouchers will be used for this RFP to be utilized in 2012-2013. <p><u>Conversion</u></p> <p>The Housing Department will explore the possibility of voluntarily converting one or more of its public housing sites to Section 8 Housing Choice Vouchers.</p> <p>Items the Department will use to evaluate voluntary conversion may include:</p> <ul style="list-style-type: none"> • Resident input. • A cost analysis which compares the cost of providing Section 8 voucher assistance with the cost of continuing to operate the property as public housing. • The market value of the development “as is” and after rehabilitation. • An appraisal of the property. • An analysis of rental market conditions of the area which will include the success rates of using vouchers in the community and characteristics of the public housing residents that may be affected. • An analysis of the impact of the conversion on the affordability of housing in the neighborhood, the impact on deconcentration of poverty and any other substantial impacts of the conversion. • A general plan for the future use of the development.
8.0	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing.</p> <p>See Attachment 8.1.</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period).</p>

	<p>Large capital items must be included in the Five-Year Action Plan.</p> <p>See Attachment 8.2.</p>
<p>8.3</p>	<p>Capital Fund Financing Program (CFFP). <input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements.</p> <p>A fundamental tool is HUD’s Capital Fund Financing Program (CFFP), which would allow PHD to borrow against future Capital Funds by devoting a significant portion of its annual Capital Funds grants and Replacement Housing Factor funds to debt service.</p> <p>CFFP loan proceeds can be structured as collateral on tax-exempt debt that in turn triggers non-competitive 4% Low-Income Housing Tax Credits.</p> <p>In its capital planning process, PHD has anticipated that a portion of its annual Capital Funds and Replacement Housing Factor funds will be devoted to servicing a 20-year CFFP loan earmarked for such development purposes.</p> <p>The city of Phoenix Housing Department may consider using CFFP for part of the Marcos de Niza ARRA project. The city of Phoenix Housing Department will use its regular Capital Fund Program funds as the source of a loan that would be part of the total funding for the Marcos de Niza ARRA project.</p>
<p>9.0</p>	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>See Attachment 9.0.</p>
<p>9.1</p>	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p>

10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA’s progress in meeting the mission and goals described in the 5- Year Plan.</p> <p>See Attachment 10a.</p> <p>(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA’s definition of “significant amendment” and “substantial deviation/modification”</p> <p>See Attachment 10b.</p>
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11.0	<p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <p>The following items are not completed until immediately prior to submission.</p> <p>(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)</p> <p>See Attachment 11a.</p> <p>(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)</p> <p>See Attachment 11b.</p> <p>(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)</p> <p>See Attachment 11c.</p> <p>(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)</p> <p>See Attachment 11d.</p> <p>(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)</p> <p>Not Applicable.</p> <p>(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.</p> <p>See Attachment 11f.</p>
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(g) Challenged Elements

See Attachment 11g.

(h) Form HUD-50075.1, *Capital Fund Program Annual Statement/Performance and Evaluation Report*
(PHAs receiving CFP grants only)

See Attachment 8.1.

(i) Form HUD-50075.2, *Capital Fund Program Five-Year Action Plan* (PHAs receiving CFP grants only)

See Attachment 8.2

Attachment 6.0 – Financial Resources

Completed once relevant budget information has been provided.

Draft

Attachment 6.0 – Audit Findings

**CITY OF PHOENIX, ARIZONA
 Corrective Action Plan (CAP)
 Year ended June 30, 2010**

<u>Federal Grantor/Pass- Through Grantor Program Title/CFDA Number</u>	<u>Finding and Recommendation</u>	<u>Questioned Cost</u>	<u>Corrective Action</u>
<p>2010-01 Schedule of Expenditures of Federal Awards. Significant Deficiency</p>	<p>Condition: The draft Schedule of Expenditures of Federal Awards (SEFA) was not initially prepared with all the correct amounts. Although the SAP system reflected the correct amounts, we identified two amounts provided by two departments for two programs (EDS Baggage Handling and NSP) that were incorrect and resulted in two material adjustments to the draft SEFA.</p> <p>Criteria: The City’s existing policies and procedures did not identify the errors.</p> <p>Effect: The Schedule of Expenditures of Federal Awards was not initially prepared on the accrual basis of accounting.</p> <p>Cause: The City’s existing policies and procedures did not identify the errors.</p> <p>Recommendation: We recommend that the City implement/enforce procedures to ensure that the Schedule of Expenditures of Federal Awards is completed on an accrual basis of accounting.</p>	<p>None</p>	<p>The City of Phoenix concurs with this observation.</p> <p>Corrective Action: The two departments have developed procedures and a review process to ensure expenditures, accruals and reversals posted in SAP are accurately reported in the SEFA. The Finance Department will also provide information to departments regarding accrual entries made at fiscal year end.</p> <p>Contact: Brent Cagle, Deputy Aviation Director, (602) 273-3363. Veronica Gonzalez, Accountant IV, Neighborhood Services Department, (602) 262-4723.</p>

<u>Federal Grantor/Pass- Through Grantor Program Title/CFDA Number</u>	<u>Finding and Recommendation</u>	<u>Questioned Cost</u>	<u>Corrective Action</u>
<p>2010-02. Workforce Investment Act (WIA), Department of Labor (CFDA No. 17.258, 17.259, 17.260) Significant Deficiency</p>	<p>Condition: Of the 40 WIA participant files reviewed, 8 did not have a second sign off indicating the file had been reviewed. Of those same 40 participant files, 2 files did not have any documentation noting that eligibility requirements had been met.</p> <p>Criteria: General procedures of the City states that the second review of participant eligibility should be documented. Department of Labor guidelines state that the participant must be unable to obtain grant assistance from other sources before being eligible for WIA funds.</p> <p>Effect: Participants may be given federal aid when they are not eligible.</p> <p>Cause: Supervisors at the subrecipient level are not reviewing participant files on a timely basis.</p> <p>Recommendation: The City should implement/enforce procedures to ensure that participant files are reviewed on a timely basis and prior to aid being given out.</p>	<p>None</p>	<p>The City of Phoenix Community and Economic Department concurs with this observation.</p> <p>Corrective Action: The Adult and Dislocated Worker program intends to enforce the policy in place that requires local supervisors to review 100% of new files with 10 working days of the established date of participation. The review is completed via the use of a checklist, which the supervisor then initials and dates once completed.</p> <p>The second part as noted above is that other forms of aid must be sought prior to using WIA funds. The Adult and Dislocated Worker program and the Youth Program intend to enforce the policy in place that requires all WIA participants to apply for federal financial aid to qualify for WIA training funds. A copy of the Pell Award notification or denial is to be retained in the hard copy file.</p> <p>Contact: Stan Flowers, Workforce Development Supervisor, (602) 534-3915.</p>

<u>Federal Grantor/Pass- Through Grantor Program Title/CFDA Number</u>	<u>Finding and Recommendation</u>	<u>Questioned Cost</u>	<u>Corrective Action</u>
<p>2010-03. HOPE VI, Department of Housing and Urban Development (CFDA No. 14.866)</p>	<p>Condition: Some expenditures recognized in the City’s SAP system are reported to HUD in succeeding quarters. Due to these timing differences and the required verification of the reporting line items, certain expenditures had not been reported to HUD during fiscal 2010.</p> <p>Criteria: A standardized format is required to report the financial status of federal awards to HUD.</p> <p>Effect: Reports could contain inaccurate amounts or amounts that have been previously reported.</p> <p>Cause: The City’s process to ensure that all reports have supporting documentation showing what expenditures were reported and how they reconcile to the general ledger has been transitioned to the Housing Department mid way through the grant.</p> <p>Recommendation: We recommend that the City implement policies and procedures to ensure that the quarterly financial reports have supporting documentation and all allowable expenditures are reported to HUD.</p>	<p>None</p>	<p>The City of Phoenix Housing Department concurs with this observation.</p> <p>Corrective Action: A reconciliation process will be developed in order to ensure that expenditures reported in HUD’s quarterly reporting system are tracked and monitored for timeliness.</p> <p>Contact: Rebecca Velarde, Management Assistant II, (602) 262-6943</p>

<u>Federal Grantor/Pass- Through Grantor Program Title/CFDA Number</u>	<u>Finding and Recommendation</u>	<u>Questioned Cost</u>	<u>Corrective Action</u>
<p>2010-04. Headstart, Department of Health and Human Services (CFDA No. 93.600 and 93.708)</p>	<p>Condition: Of the 40 participant files tested there was one instance where required documentation was not in the participant’s file.</p> <p>Criteria: All students enrolled in the Headstart program are required to complete the DECA assessment within the first 45 days from their enrollment date, and the form maintained in their file.</p> <p>Effect: The City of Phoenix was not in compliance with special contract requirements for one participant file.</p> <p>Cause: There is no standard procedure in place to ensure that the City is in compliance with special contract documentation requirements. The City of Phoenix Delegate Agencies were given access to the Case Management System (CMS). CMS is a database that tracks information regarding each child enrolled in Headstart. Allowing the Delegate Agencies access to CMS has automated many of the previously developed tracking tools and has improved program functioning and monitoring.</p> <p>Recommendation: We recommend that the Headstart Department verify that the DECA forms have been completed and maintained in participant files on a timely basis.</p>	<p>None.</p> <p>19</p>	<p>The City of Phoenix Human Services Department concurs with this observation.</p> <p>Corrective Action: In March 2010, the City of Phoenix Human Services Department gave access to the automated Case Management System (CMS) to the City of Phoenix Delegate Agencies. CMS is a database that tracks information regarding each child enrolled in Headstart. Allowing the Delegate Agencies access to CMS has automated many of the tracking tools they had developed, including the DECA. In addition, the Grantee staff monitor CMS and the DECA database to ensure screenings are completed in a timely manner.</p> <p>Contact: Moise S. Gallegos, Deputy Human Services Director, (602) 262-4042.</p>

Attachment 8.1 - Capital Fund Program Annual Statement/Performance and Evaluation Report

Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

Part I: Summary		
PHA Name: City of Phoenix	Grant Type and Number Capital Fund Program Grant No: AZ20P00150112 Replacement Housing Factor Grant No: Date of CFFP:	FFY of Grant: 2012 FFY of Grant Approval:

Type of Grant
 Original Annual Statement **Reserve for Disasters/Emergencies** **Revised Annual Statement (revision no:)**
 Performance and Evaluation Report for Period Ending: **Final Performance and Evaluation Report**

Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
1	Total non-CFP Funds				
2	1406 Operations (may not exceed 20% of line 20) ³	\$508,851			
3	1408 Management Improvements	\$50,000			
4	1410 Administration (may not exceed 10% of line 20)	\$254,425			
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$80,000			
8	1440 Site Acquisition				
9	1450 Site Improvement				
10	1460 Dwelling Structures	\$1,615,000			
11	1465.1 Dwelling Equipment—Nonexpendable				
12	1470 Non-dwelling Structures				
13	1475 Non-dwelling Equipment				
14	1485 Demolition				
15	1492 Moving to Work Demonstration				
16	1495.1 Relocation Costs				
17	1499 Development Activities ⁴				

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part I: Summary					
PHA Name: City of Phoenix		Grant Type and Number Capital Fund Program Grant No: AZ20P00150112 Replacement Housing Factor Grant No: Date of CFFP:		FFY of Grant:2012 FFY of Grant Approval:	
Type of Grant					
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement (revision no:)	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:			<input type="checkbox"/> Final Performance and Evaluation Report		
Line	Summary by Development Account	Total Estimated Cost		Total Actual Cost ¹	
		Original	Revised ²	Obligated	Expended
18a	1501 Collateralization or Debt Service paid by the PHA				
18ba	9000 Collateralization or Debt Service paid Via System of Direct Payment				
19	1502 Contingency (may not exceed 8% of line 20)	\$35,979			
20	Amount of Annual Grant:: (sum of lines 2 - 19)	\$2,544,255			
21	Amount of line 20 Related to LBP Activities				
22	Amount of line 20 Related to Section 504 Activities				
23	Amount of line 20 Related to Security - Soft Costs				
24	Amount of line 20 Related to Security - Hard Costs				
25	Amount of line 20 Related to Energy Conservation Measures				
Signature of Executive Director		Date		Signature of Public Housing Director	
				Date	

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

Part II: Supporting Pages								
PHA Name: City of Phoenix			Grant Type and Number Capital Fund Program Grant No: AZ20P00150112 CFFP (Yes/ No): No Replacement Housing Factor Grant No:			Federal FFY of Grant: 2012		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
AZ001000003 AMP 3 East Complexes	Exterior and security door replacement	1460	202	\$282,000				
AZ001000004 AMP 4	Interior remodeling including the use of force labor	1460	200	\$250,000				
Foothills Village Apts.	Repair patio covers	1460	200	\$100,000				
AZ001000005 AMP5 Maryvale Parkway	Remodel Bathrooms	1460	108	\$324,000				
AZ001000006 AMP 6 Washington Manor	Window replacement	1460	112	\$103,000				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Part II: Supporting Pages								
PHA Name: City of Phoenix			Grant Type and Number Capital Fund Program Grant No: AZ20P00150112 CFFP (Yes/ No): Replacement Housing Factor Grant No:			Federal FFY of Grant: 2012		
Development Number Name/PHA-Wide Activities	General Description of Major Work Categories	Development Account No.	Quantity	Total Estimated Cost		Total Actual Cost		Status of Work
				Original	Revised ¹	Funds Obligated ²	Funds Expended ²	
AZ001000007 AMP7 Pine Towers Apts.	Balcony remodel	1460	157	\$156,000				
AZ001000008 AMP8 Scattered Sites	Exterior Painting, roof replacement, interior remodeling, electrical upgrades HVAC repair/replacement, including the use of force labor	1460	429	\$400,000				
PHA - Wide	Operations	1406		\$508,851				
	Economic Initiatives	1408		\$50,000				
	Administration	1410		\$254,425				
	Architecture/Engineering/Consultant Fees including lead and asbestos activities	1430		\$80,000				
	Relocation Costs	1495.1						
	Contingency	1502		\$35,979				
TOTAL				\$2,544,255				

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

Part III: Implementation Schedule for Capital Fund Financing Program					
PHA Name: City of Phoenix					Federal FFY of Grant: 2011
Development Number Name/PHA-Wide Activities	All Fund Obligated (Quarter Ending Date)		All Funds Expended (Quarter Ending Date)		Reasons for Revised Target Dates ¹
	Original Obligation End Date	Actual Obligation End Date	Original Expenditure End Date	Actual Expenditure End Date	
AZ20P001002	7/1/2014		7/1/2016		
AZ20P001003	7/1/2014		7/1/2016		
AZ20P001004	7/1/2014		7/1/2016		
AZ20P001005	7/1/2014		7/1/2016		
AZ20P001006	7/1/2014		7/1/2016		
AZ20P001007	7/1/2014		7/1/2016		
AZ20P001008	7/1/2014		7/1/2016		

¹ Obligation and expenditure end dated can only be revised with HUD approval pursuant to Section 9j of the U.S. Housing Act of 1937, as amended.

Attachment 8.2 - Capital Fund Program Five-Year Action Plan

Complete information is not available.

Draft

Attachment 9.0 - Housing Need

From the *City of Phoenix 2010-2014 Consolidated Plan* prepared by Crystal and Company

Extremely Low-Income Household Needs (Earning Less Than 30% of the Area Median)

It is estimated that a total of 57,840 households or 10 percent of all households in the city of Phoenix are comprised of extremely low-income persons (earning less than 30 percent of the median income) with housing problems of some sort. Of the 39,720 extremely low-income renter households projected to have housing problems in FY 2010, 13 percent are elderly (over the age of 62), 35 percent are comprised of small households (2-4 persons), 21 percent are comprised of large households (5 or more persons), and 31 percent are comprised of one-person households. Of those 18,350 extremely low-income owner households with problems in 2010, 35 percent are elderly, 25 percent are small households (2-4 persons), 21 percent are large households (5 or more persons) and 19 percent are one-person households.

By FY 2015, it is estimated that an additional 5,030 extremely low-income owner and renter households will have problems, representing an increase of 8.5 percent over FY 2010 levels and suggesting an annual addition of approximately 1,000 households. More accurate indicators of housing distress are derived from those households with problems and also severely cost burdened or paying more than 50% of their income for housing including utilities. Using these standards, note that 42,650 extremely low income households are in distress, with 68 percent comprised of renters and 32 percent owners. Of those 29,000 renters in distress, 14 percent are elderly, 34 percent are small households (2-4 persons), 16 percent are large households, and 36 percent are one person households. Of those 13,500 owner households in distress, 31 percent are elderly, 28 percent are small households (2-4 persons), 17 percent are large households (greater than 5 persons) and 24 percent are one-person households.

The distribution of persons and families with housing problems and or cost burdened in 2000 was presumed to remain the same for the five year period covered in this report. A review of 2000 CHAS data indicated that both Hispanics and Blacks were almost twice as likely to be earning under 30% of the median and rent, yet have the same incidence as Anglos to have housing problems. More families were distressed for minorities while more one person households were distressed for non-minorities. Conversely, minorities were much less likely to be owners in the income category and Hispanics were slightly more likely to have problems than either Anglos or other minorities.

Very Low-Income Household Needs (Earning from 31- 50% of the Area Median)

It is estimated that a total of 52,600 households or 10 percent of all households in the city of Phoenix are comprised of very low-income persons (earning from 31 to 50 percent of the median income) with housing problems of some sort. Of the 35,300 very low-income renter households projected to have housing problems in FY 2010, 10 percent are elderly (over the age of 62), 37 percent are small households (2-4 persons), 21 percent are large households (5 or more persons), and 32 percent are one-person households. Of those 17,500 very low-income owner households with problems in 2010, 25 percent are elderly, 33 percent are small households (2-4 persons), 28 percent are large households (5 or more persons) and 14 percent are one-person households.

By FY 2015, it is estimated that an additional 5,930 extremely low-income owner and renter households will have problems, representing an increase of 11 percent over FY 2010 levels and suggesting an annual addition of approximately 1,180 households. More accurate indicators of housing distress are derived from those households with problems and also severely cost burdened or paying more than 50% of their income for housing including utilities. Using these standards, note that 16,650 very low income households are in distress, with 47 percent comprised of renters and 53 percent owners. Of those 8,730 renters in distress, 20 percent are elderly, 28 percent are small households (2-4 persons), 5 percent are large households, and 47 percent are one person households. Of those 7,760 owner households in distress, 26 percent are elderly, 37 percent are small households (2-4 persons), 15 percent are large households (greater than 5 persons) and 22 percent are one-person households.

The distribution of persons and families with housing problems and or cost burdened in 2000 was presumed to remain the same for the five year period covered in this report. A review of 2000 CHAS data indicated that both Hispanics and Blacks were 35% more likely to be earning from 31-50% of the median and rent, yet have the same incidence as Anglos to have housing problems. Again, more renter families were distressed for minorities while more one person households were distressed for non-minorities. Hispanics were twice as likely to be owners in the income category and 35% more likely to be experiencing housing problems of one sort or another. Again, owner families were much more likely in the income category than Anglos, where elderly were much more apparent.

Other Low-Income Household Needs (Earning from 51- 80% of the Area Median)

It is estimated that a total of 59,300 households or 10 percent of all households in the city of Phoenix are comprised of other low-income persons (earning from 51 to 80 percent of the median income) with housing problems of some sort. Of the 30,100 other low-income renter households projected to have housing problems in FY 2010, 8 percent are elderly (over the age of 62), 35 percent are small households (2-4 persons), 25 percent are large households (5 or more persons), and 32 percent are one-person households. Of those 29,200 other low-income owner households with problems in 2010, 15 percent are elderly, 39 percent are small households (2-4 persons), 28 percent are large households (5 or more persons) and 18 percent are one person households.

By FY 2015, it is estimated that an additional 5,000 other low-income owner and renter households will have problems, representing an increase of 9 percent over FY 2010 levels and suggesting an annual addition of approximately 1,000 households. More accurate indicators of housing distress are derived from those households with problems and also severely cost burdened or paying more than 50% of their income for housing including utilities. Using these standards, note that 7,990 other low income households are in distress, with 29 percent comprised of renters and 71 percent owners.

Of those 1,140 renters in distress, 26 percent are elderly, 25 percent are small households (2-4 persons), 5 percent are large households, and 44 percent are one person households. Of those 5,730 owner households in distress, 22 percent are elderly, 42 percent are small households (2-4 persons), 11 percent are large households (greater than 5 persons) and 25 percent are one-person households. The distribution of persons and families with housing problems and or cost burdened in 2000 was presumed to remain the same for the five year period covered in this report.

A review of 2000 CHAS data indicated that minorities were equally likely to be earning from 51-80% of the median and rent as non-minorities, yet Hispanics were 20% more to have housing problems. Again, more renter families were distressed for minorities while more one person households were distressed for non-minorities. Hispanics were 65% more likely to be owners in the income category and 30% more likely to be experiencing housing problems of one sort or another. Again, owner families were much

Goal: Promote decent affordable housing.

- Apply for all financially feasible opportunities to increase the overall size of the Housing Choice Voucher program.

The city of Phoenix Housing Department

- Was invited to apply and awarded 150 HUD-VASH vouchers
- Applied and awarded 10 Project Based HUD-VASH vouchers
- Applied and received 128 HCV vouchers for the disposition of public housing project, Marcos de Niza
- Study the potential of including public housing as a part of the design and development of the Columbus property.

The city of Phoenix Housing Department has completed a preliminary design and development feasibility analysis for the Columbus property. The department will order a market study for the property in the near future.

- Improve the quality and long-term viability of the Housing Department's current public housing properties by considering alternative funding strategies such as an optional conversion to Housing Choice Vouchers, Low-Income Housing Tax Credit overlays, and project rehabilitation, or a combination of several strategies.

The Housing Department has applied for and been awarded 9% LIHTCs for the senior portion of Frank Luke Addition. Another 9% tax credit application will be submitted in March 2012 for one of the family phases of Frank Luke Addition.

The Housing Department has begun issuing 93 Project-Based Housing Choice Vouchers as units are rehabilitated at Marcos de Niza. To complete the Marcos project, the Housing Department received non-competitive 4% LIHTCs.

The Housing Department has 1,411 Affordable Housing units which serve Phoenix area residents at or below 60% AMI. With development and acquisition costs funded with General Obligation Bonds, the Department is able to offer rental rates that fall below average market rates in the Phoenix area.

- Strive to return all public housing properties to Public Housing Assessment System (PHAS) "High Performer" status.

A committee was formed to assist moving the Department towards operational excellence through identification of distinct, innovative, measurable opportunities to enhance operations and/or services within the fiscal year.

A REAC training team was formed and all maintenance personnel were trained in the proper REAC protocol. Modernization staff assisted each site in preparing for REAC inspections.

Some organizational structure changes were made to include a position to ensure quality control.

Although High Performer status was not achieved this fiscal year, the efforts continue.

- Continue to earn "High Performer" status for the Housing Choice Voucher program based on Section Eight Management Assessment Program (SEMAP).

The Housing Department completed self-assessment of SEMAP and earned the designation of "Standard Performer" for fiscal year ending June 30, 2011. The lower rating was due to losing points on rent determination, which has been addressed by increasing audits and quality control review of files.

Goal: Strengthen communities.

- Explore potential for HOPE VI grants or successive similar programs each year with emphasis on the East Asset Management Project (AMP), AZ001000003.

The city of Phoenix Housing Department was awarded a HOPE VI Revitalization grant for 138 units at Frank Luke Addition. All units have been demolished and construction has begun on a 60 unit senior/disabled building. A portion of this grant will also rehabilitate an off-site component, Summit Apartments.

- As opportunities arise, purchase or acquire suitable units to add to the affordable housing portfolio.

On December 17, 2009, PCCR Park Lee LLC, whose managing member is an instrumentality of the city of Phoenix, acquired the 523-unit Park Lee apartment community. The LLC is currently rehabilitating this property utilizing Neighborhood Stabilization Program (NSP). Additionally, the Housing Department has signed Contracts of Sale to acquire the Summit and Pine Crest apartment communities from the U.S. Department of Housing and Urban Development. Utilizing limited liability companies whose managing members are instrumentalities of the city, the Housing Department will acquire Summit on December 30, 2010 and expects to acquire Pine Crest in January 2011. Both properties will undergo extensive renovation using NSP funding.

- Construct or acquire facility to serve and house 50 chronically homeless individuals using a variety of funding sources to ensure sustainability.

The city of Phoenix has procured and selected a developer to construct the Encanto Pointe community for 54 chronically homeless individuals and has allocated a city General Obligation (GO) Bond loan to help fund the capital development as well as 10 project-based HUD-VASH and 44 project-based Section 8 Housing Choice Vouchers.

- Investigate the viability of project-basing 5 Veterans Affairs Supportive Housing (VASH) vouchers for homeless veterans with families.

The Housing Department will have two of the four project based voucher (PBV) properties on-line by June 30, 2011. The properties Victory Place III was awarded 15 PBV VASH vouchers (currently awaiting HUD approval but should have by 6/30) and Collins Court will have 10 PBV VASH vouchers on site. Both projects will provide on-site services tailored to Veterans.

The Housing Department has two Agreements to enter a HAP Contract with two new construction projects, Encanto Pointe (10 PBV VASH and 44 PBV HCV) and Madison Pointe (15 VASH PBV). The expected occupancy of these projects will be in late 2012.

- Consider the possibility of project-basing Family Unification Program vouchers.

It was determined that the FUP program is not well suited for project basing of these vouchers due to the low number authorized (100) and the fact that funding for supportive services is not available.

- Develop mixed income communities outside the downtown Phoenix core.

Through a limited liability company whose managing member is a city of Phoenix instrumentality, the Housing Department has acquired the 523-unit Park Lee apartment community, which is located at 1600 W. Highland Avenue, and will rehabilitate the complex to become an affordable and market-rate mixed-income community.

In a similar manner, the Housing Department is expected to acquire the 206-unit Summit apartment community, which is located at 12830 N. Paradise Village Parkway West, and will rehabilitate the complex to become a mixed-income community with market rate, affordable, and public housing.

- Increase the number of partnerships with agencies who serve populations affected by the Violence Against Women Act.

The Housing Department continues a strong partnership with the city of Phoenix Family Advocacy Center which helps families receive the assistance necessary to address any type of familial violence. In addition, the Housing Department has a continuing relationship with most of the domestic violence shelters in the Valley. A new partner, is the Area Agency on Aging DOVES program for late-life victims of domestic violence. The Department plans to renew its relationship with the Arizona Coalition Against Domestic Violence to gain further resources.

- Work with partners to increase services to improve participant employability.

Section 3 work opportunities provided employment for 70+ low and very low income individuals during FY 2011-2012.

A partnership with Phoenix Workforce Connection provides access to employment and training opportunities. There is Satellite One Stop Career Center located at the Emmett McLaughlin Community Training and Education Center in which participants can apply for jobs, write resumes and be provided job readiness assistance.

Due to a lack of funding for the Summer Youth Work Employment Program, the Housing Department worked with multiple community partners to provide a internship work opportunity for youth ages 14 – 18. Participants worked 20 hours a week and were provided classes in career development. Youth were paid a small stipend and gift card to purchase appropriate work apparel by the PRIDE Board.

- Coordinate partner efforts to increase independence for the elderly and persons with disabilities.

In an effort to address Food Desert concerns, the Housing Department has established a partnership with Gregory's Fresh Market which enables senior and disabled housing residents to purchase fresh fruits and vegetables on site at a reduced price.

The Housing Department has established partnerships with several organizations to assist senior and disabled residents with medically related issues including:

- MD24 House Call Services which provides limited medical care in group and one-on-one in home settings;
- Walgreens Pharmacy for on-site Flu and Pneumonia Shot clinics;
- Caremore which provides a monthly "Ask A Nurse" session; and
- Comprehensive Palliative Care provided by Hospice which provides medical resources for those with chronic illnesses.

The Housing Department has established a partnership with Safelink Services which provides free cellular phones to qualified elderly and disabled residents.

The Housing Department Community and Supportive Services Program partners with over 40 area agencies and partners to provide comprehensive services to both disabled and elderly residents living at HOPE VI sites. One of these partners

is the Arizona State University School of Social Work. Social work interns placed at Senior Living at Henson Village provide case management twice weekly and have coordinated ongoing art and exercise classes. The interns are trained to deliver the With Every Heartbeat Is Life Program, a 6 – 10 week heart healthy curriculum will be offered to residents during 2012-13.

As discussed in last year's update, the Housing Department partnered with Magellan Health Services to provide housing to approximately 23 persons with serious mentally illness. This was accomplished, and as a result of increased funding, we will be serving an additional 29 individuals with housing assistance.

Magellan is providing on-site training to staff on working and assisting persons with serious mental illness and assisting with housing residents that need increased services or interventions.

Section 8 staff is working with the city of Phoenix Mayor's Commission on Disability Issues to increase resources to existing residents and participants of the Housing Department programs. They are also developing criteria for potential partners to assist with future applications for non-elderly disabled vouchers.

Goal: Increase homeownership opportunities.

- Sell 50 Scattered Sites homes to participants in assisted housing programs.

To date, 10 homes have been sold or are in the process of being sold.

- Amend the Section 32 plan to include a broader eligible target population as potential homeowners.

The Section 32 plan is expected to be amended within the next 6 months and is somewhat dependent on the Phoenix housing market. Some homes are expected to be removed from the current list of 50 homes for sale while others may be added.

- Coordinate the availability of down payment assistance between the various homeownership programs offered by the city of Phoenix Housing Department.

The Housing Department's Development Division administers a down payment and closing cost assistance (DPA) program for low- and moderate-income first-time homebuyers funded with HOME Investment Partnerships Program funds, the Open Doors Initiative, launched in September 2010. Eligible families receive up to \$10,000 down payment assistance as due-on-sale, zero percent loan and must use the home as their primary residence during a ten-year period of affordability. Since program inception, five families have closed on their first home using Open Doors Initiative DPA funding.

- Ensure that all homeownership training classes offer education about avoiding predatory lending practices.

The Housing Department continues to require its homeownership training partners provide education about predatory lending practices.

Goal: Ensure equal opportunity in housing.

- Consider site-based waiting lists for all public housing properties.

The Housing Department completed this goal effective July 1, 2011.

- Offer information about Fair Housing to all assisted housing applicants and potential homeowners.

All applicants for assisted housing and all potential homeowners are provided a Fair Housing brochure. In addition, homeowners are instructed about their rights during the homeownership workshops.

- Ensure that all public housing properties meet minimum ADA requirements.

To identify any gaps in meeting ADA requirements, a self assessment of all public housing facilities will be conducted by May 2012.

- Consider universal design concepts and visitability standards when building or significantly renovating new public housing complexes.

The Housing Department participated in the construction of McCarty on Monroe a multi-story senior living complex with 69 apartments. The design was heavily influenced by the need for accessibility with an aged population and incorporated multiple concepts to enhance anyone's mobility of the entire site. All apartments and common areas are visitable with no steps, three foot door openings, levered hardware, grab bars or backing in the bathroom, and a five foot turning radius in the kitchens and bathrooms. All the units can be adapted into a completely accessible apartment with just minor changes in the kitchens.

The Housing Department incorporated universal design concepts and visitability standards in its Krohn West revitalization and HOPE VI application for revitalization at Frank Luke Addition.

The plans and specifications for the rehabilitation of Marcos de Niza include updating the current ADA units to meet current ADA standards. In addition, several units of the property will be rehabilitated to create new ADA units. The total number of ADA units on the property will be 19 after rehabilitation. Further, a majority of the units at Marcos de Niza are visitable.

Definition of Substantial Deviation and Significant Modification

Substantial Deviation from the 5-Year Plan

Any collective change to the 5-Year Plan which impacts and prevents implementation of the planned or actual use of federal funds for identified activities, and would prohibit or redirect the Housing Department's strategic goals of increasing the availability of decent, safe and affordable housing while promoting self-sufficiency and asset development of families and individuals.

Any single or collective change in the planned or actual use of federal funds as identified in the Five-year plan that exceeds 25% of the city of Phoenix's annual program budget for section 8 Housing Choice Voucher or public housing activities.

Significant Amendment or Modification to the Annual Plan

Changes of a sufficient nature to the rent or admissions policies, or the organization of the waiting list not required by federal regulatory requirements which would result in a change to the Annual Agency Plan, unless the change is a result of a circumstance identified by HUD for special intervention.

Any change in the planned or use of replacement reserve funds under the Capital Fund that exceeds 25% of the city of Phoenix's annual budget.

Changes to the Housing Department's plans effecting the demolition or disposition of public housing, designation of senior or disabled housing, any homeownership program, and a plan to convert public housing units to other than assisted housing.

City of Phoenix Housing Department

Annual Agency Plan –Draft version

January 5, 2012

Attachment 11a - *PHA Certifications of Compliance with the PHA Plans and Related Regulations*

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft

City of Phoenix Housing Department

Annual Agency Plan –Draft version

January 5, 2012

Attachment 11b - *Certification for a Drug-Free Workplace* (PHAs receiving CFP grants only)

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft

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Annual Agency Plan –Draft version
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Attachment 11f - Resident Advisory Board (RAB) comments.

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft

Completed after 2012/2013 Agency Plan Finalized and Approved

Draft