

Action Plan

Grantee: Arizona

Grant: B-11-DN-04-0001

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 5,000,000.00

Funding Sources

No Funding Sources Found

Narratives

Summary of Distribution and Uses of NSP Funds:

ADOH will distribute its NSP3 funds in accordance with the requirements of Section 2301(c)(2) of HERA, as amended by the Recovery Act and the Dodd-Frank Act, so that NSP3 funds are distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the State as likely to face a significant rise in the rate of home foreclosures.

After analyzing the market data collected from the various data sources, ADOH identified the areas that have the best potential to be NSP target areas. ADOH analyzed the supply of single and/or multi-family eligible properties vs. demand to adequately understand the potential challenges of each identified area. For example, target areas that could substantially promote the State's goals of increasing property values, decreasing the number of dilapidated and/or vacant units, enhancing affordability of housing, increasing availability of rental housing and building capacity of local developers, were placed at the top of the list.

How Fund Use Addresses Market Conditions:

ADOH relied on the following data sources to identify a neighborhood or neighborhoods within the State as being areas of greatest need, assess market conditions and analyze market data:

1. HUD NSP3 Mapping Tool – used to determine the exact location of the States Target Neighborhoods. HUD provided the State of Arizona with a minimum threshold of 17 (www.hud.gov/nsp); therefore the State focused on identifying areas with an individual or average score of not less than 17.

2. www.realtytrac.com; www.trulia.com; and www.huduser.org/Datasets/nsp.html - used to review market characteristics for the State as a whole, as well as for the proposed target areas identified by the NSP3 Mapping Tool.

3. Department of Housing and Urban Development [Docket No. FR-5447-N-01] Notice of Formula Allocations and Program Requirements for Neighborhood Stabilization Program Formula Grants Attachment B HUDs Methodology for Allocating the Funds for NSP3 used to compare our findings to the needs of communities which received their own NSP allocation.



Ensuring Continued Affordability:

For NSP3 assisted rental units, the required period will be consistent with the requirements of the HOME program as described in Chapter 3 of the State Housing Fund Program Summary and Application Guide Page 32:

<http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

ACTIVITY	STATE INVESTMENT PER UNIT	MINIMUM PERIOD OF AFFORDABILITY
Acquisition and/or Rehabilitation	1. Less than \$15,000	5 years
	2. Between \$15,000 - \$40,000	10 years
	3. \$40,001 or Greater	15 years
New Construction or Acquisition	Regardless of Amount	20 years

of newly constructed units

ADOH will ensure continued affordability of multi-family units through recording of conditional property use restrictions with a term equal to at minimum, the affordability requirements of the HOME program the term of which is based on the amount funds invested per unit. HOME Program Standards can be found at 24 CFR 92.252(a), (c), (e), and (f), and 92.254.

Definition of Blighted Structure:

A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare.

The State of Arizona traditionally defers to the code enforcement standards of local government. For the purpose of this NSP3 Substantial Amendment, the State will modify the broadest definition used in the Federal Register/Vol.73, No. 194/Monday, October 6, 2008, Page 58331: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

Definition of Affordable Rents:

The definition of affordable rents will be consistent with the definition adopted for the State Housing Fund Program Summary and Application Guide Appendix D Rent Chart Page 67: <http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

Housing Rehabilitation/New Construction Standards:

The State of Arizona adheres to HUD Quality Standards (24 CFR, Subtitle B, Chapter IX, Part 982, Subpart I), and the Exhibit D Arizona Department of Housing (ADOH) Year 2011 Mandatory Design Guidelines for Multifamily Rental Housing. The appropriate standards are applied based on the type of construction activities to take place, be it single or multifamily construction. In addition, the State requires adherence to the State Rehabilitation Standards for Owner Occupied Housing Rehabilitation which were originally adopted in 1998. These standards have been accepted by HUD through the approval of the States FY2010-2014 Consolidated Plan.

The housing rehabilitation standards that will apply to NSP3 assisted activities will be consistent with those articulated in the adopted State Rehabilitation Standards : <http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

Additionally, the State will incorporate the following additions to its Housing Rehabilitation Standards:

1. All gut rehabilitation or new construction (i.e. general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
2. All gut rehabilitation or new construction of mid-or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
3. Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as, windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
4. Water efficient toilets, showers and faucets, such as those with the WaterSense label, must be installed.
5. Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Additionally, the State will encourage the adoption of energy efficient and environmentally friendly green elements to project design.



Vicinity Hiring:

In order to carry out this Activity, ADOH, to the maximum extent feasible, will provide for the hiring of employees who reside in the vicinity of the NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of any such project. ADOH will look to information on existing local ordinances to address these requirements.

Procedures for Preferences for Affordable Rental Dev.:

Total low-income set-aside percentage (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$1,250,000.00

ADOH will allocate at least 25 percent of its NSP3 funding allocation to housing for individuals and families with incomes at or below 50 percent of the area median income. To specifically address local housing market conditions, ADOH may rehabilitate or redevelop abandoned or foreclosed residential property, and vacant or demolished residential or nonresidential property, to meet its low-income targeting goals.

Grantee Contact Information:

Kathy Blodgett, CD&R Programs Administrator

kathy.blodgett@azhousing.gov

602-771-1021

1110 W. Washington St., Suite 310, Phoenix, AZ 85007

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
B-11-DN-04-0001-A	Multi Family	B-11-DN-04-0001-A1	209 W. Jackson - acquisition
		B-11-DN-04-0001-A2	209 W. Jackson - Rehab
		B-11-DN-04-0001-B	29 Palms Apts - Acquisition
B-11-DN-04-0001-C	Administration	B-11-DN-04-0001-B2	29 Palms Apts - Rehabilitation
		B-11-DN-04-0001-C	Administration



Activities

Project # / Title: B-11-DN-04-0001-A / Multi Family

Grantee Activity Number: B-11-DN-04-0001-A1
Activity Title: 209 W. Jackson - acquisition

Activity Type:
Acquisition - general

Project Number:
B-11-DN-04-0001-A

Projected Start Date:
08/01/2011

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

National Objective:
LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:
EXEMPT

Benefit Report Type:
Direct (Households)

Activity Status:
Completed

Project Title:
Multi Family

Projected End Date:
03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,248,816.11
Other Funds: \$ 0.00
Total Funds: \$ 1,248,816.11

Proposed Beneficiaries

Renter Households

of Households

Total	Low	Mod	Low/Mod%
			0.0
			0.0

Proposed Accomplishments

of Multifamily Units

of Housing Units

Total acquisition compensation to owners

of Parcels acquired voluntarily

of Parcels acquired by admin settlement

of Parcels acquired by condemnation

of buildings (non-residential)

of Properties

Total

2425500

1

1



Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Arizona Housing, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Arizona Department of Housing	State	\$ 0.00
Arizona Housing, Inc.	Non-Profit	\$ 1,248,816.11
Campaige Place	Non-Profit	\$ 0.00

Location Description:

209 W. Jackson formerly known as Campaige Place is a foreclosed multi-family property located at 209 W. Jackson, Phoenix Arizona 85003-4562 and is in an area with a Foreclosure and Abandonment Risk Score (FARS) of 17. Campaige Place consists of one 4-Story building on one parcel. Parcel No. APN 112-22-104

>

Activity Description:

Acquisition of foreclosed multi-family affordable housing project called 209 W. Jackson (formerly known as Campaige Place) located in downtown Phoenix Arizona at 209 W. Jackson Street. Campaige place consists of 1 parcel with one 4-story building containing a total of 304 apartment units of which 100 units will be NSP3 set aside for persons or households at or below 50% AMI. 209 W. Jackson will undergo rehabilitation for the affordable rental units under a seperate NSP3 Activity. The 209 W. Jackson project will help to stabilize the market, revitalize its neighborhood, preserve rental affordability, reduce vacancies and build inclusive communities.

In order to carry out this Activity, ADOH, to the maximum extent feasible, will provide for the hiring of employees who reside in the vicinity of the NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of any such project. ADOH will look to information on existing local ordinances to address these requirements. All beneficiary data will be collected and reported on activity B-11-DN-04-0001-A2 which is the activity covering the rehabilitation of this property.



Grantee Activity Number: B-11-DN-04-0001-A2
Activity Title: 209 W. Jackson - Rehab

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 B-11-DN-04-0001-A

Projected Start Date:
 08/01/2011

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:
 COMPLETED

Benefit Report Type:
 Direct (Households)

Activity Status:
 Completed

Project Title:
 Multi Family

Projected End Date:
 03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,215,752.45
Other Funds: \$ 0.00
Total Funds: \$ 1,215,752.45

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	297	297		100.00
# of Households	297	297		100.00

Proposed Accomplishments	Total
# of Multifamily Units	297
# of Housing Units	297
# ELI Households (0-30% AMI)	98
#Refrigerators replaced	297
#Light fixtures (outdoors) replaced	297
#Light Fixtures (indoors) replaced	297
#Replaced thermostats	297
#Efficient AC added/replaced	297
#Additional Attic/Roof Insulation	297
# of Properties	1



Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Arizona Housing, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Arizona Housing, Inc.	Non-Profit	\$ 1,215,752.45

Location Description:

209 W. Jackson formerly known as Campaigne Place is a foreclosed multi-family property located at 209 W. Jackson, Phoenix Arizona 85003-4562 and is in an area with a Foreclosure and Abandonment Risk Score (FARS) of 17. 209 W. Jackson consists of one 4-Story building on one parcel. Parcel No. APN 112-22-104

Activity Description:

Rehabilitation of foreclosed multi-family affordable housing project called 209 W. Jackson formerly known as Campaigne Place located in downtown Phoenix Arizona at 209 W. Jackson Street. 209 W. Jackson consists of 1 parcel with one 4-story building containing a total of 299 apartment units of which 297 units will be reserved for NSP3 set aside for persons or households at or below 50% AMI. 2 units will be offices for leasing/management staff and service providers for homeless services. 209 W. Jackson will undergo rehabilitation of the affordable rental units to include such items are HVAC replacement and upgrades, appliance replacement and upgrade to energy star rated and assorted carpentry and other rehab as needed. The 209 W. Jackson project will help to stabilize the market, revitalize its neighborhood, preserve rental affordability, reduce vacancies and build inclusive communities.



Grantee Activity Number: B-11-DN-04-0001-B
Activity Title: 29 Palms Apts - Acquisition

Activity Type:
 Acquisition - general

Project Number:
 B-11-DN-04-0001-A

Projected Start Date:
 03/09/2011

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:
 COMPLETED

Benefit Report Type:
 NA

Activity Status:
 Completed

Project Title:
 Multi Family

Projected End Date:
 03/09/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 868,742.50
Other Funds: \$ 0.00
Total Funds: \$ 868,742.50

Proposed Accomplishments

Total acquisition compensation to owners
of Parcels acquired voluntarily
of Properties

Total
 866250
 1
 1

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:
 Foundation for Senior Living - Real Estate Services, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization
 Foundation for Senior Living - Real Estate Services, Inc.

Organization Type **Proposed**
 Non-Profit \$ 868,742.50

Location Description:

Multi-family project known as 29 Palms Apartments is located at 4901 E. Holly Street, Phoenix, AZ 85008-3314. Cross streets are 48th Street and McDowell in Central Phoenix Arizona. Project conveniently located near Loop 202, State route 143 and



Interstate 10.

Activity Description:

Acquisition of foreclosed multi-family property known as 29 Palms Apartments for the purpose of rehabilitation of the 21 unit complex that will be a multi-generational supportive housing project serving persons at or below 50%AMI. All beneficiary data will be reported under rehab activity B-11-DN-0001-B2



Grantee Activity Number: B-11-DN-04-0001-B2
Activity Title: 29 Palms Apts - Rehabilitation

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 B-11-DN-04-0001-A

Projected Start Date:
 02/28/2013

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:
 COMPLETED

Benefit Report Type:
 Direct (Households)

Activity Status:
 Completed

Project Title:
 Multi Family

Projected End Date:
 03/01/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,540,788.94
Other Funds: \$ 0.00
Total Funds: \$ 1,540,788.94

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	20	20		100.00
# of Households	20	20		100.00

Proposed Accomplishments	Total
# of Multifamily Units	20
# of Housing Units	20
#Sites re-used	1
#Units exceeding Energy Star	20
#Units with bus/rail access	20
#Low flow showerheads	20
#Low flow toilets	20
#Dishwashers replaced	20
#Refrigerators replaced	20
#Light fixtures (outdoors) replaced	20
#Replaced hot water heaters	20
#Efficient AC added/replaced	20
#Additional Attic/Roof Insulation	20
#Energy Star Replacement Windows	20
# of Properties	1



Activity is being carried out by Grantee:

No

Activity is being carried out through:**Organization carrying out Activity:**

Foundation for Senior Living - Real Estate Services, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
Foundation for Senior Living - Real Estate Services, Inc.	Non-Profit	\$ 1,540,788.94

Location Description:

Multi-family project known as 29 Palms Apartments is located at 4901 E. Holly Street, Phoenix, AZ 85008-3314. Cross streets are 48th Street and McDowell in Central Phoenix Arizona. Project conveniently located near Loop 202, State route 143 and Interstate 10.

Activity Description:

Acquisition of foreclosed multi-family property known as 29 Palms Apartments for the purpose of rehabilitation of the 21 unit complex that will be a multi-generational supportive housing project. 20 units will be serving persons at or below 50%AMI and 1 unit will be set aside as a Managers unit.

Project # / Title: B-11-DN-04-0001-C / Administration

Grantee Activity Number:	B-11-DN-04-0001-C
Activity Title:	Administration

Activity Type:

Administration

Activity Status:

Completed

Project Number:

B-11-DN-04-0001-C

Project Title:

Administration

Projected Start Date:

03/09/2011

Projected End Date:

03/09/2014

Project Draw Block by HUD:

Not Blocked

Project Draw Block Date by HUD:**Activity Draw Block by HUD:**

Not Blocked

Activity Draw Block Date by HUD:**Block Drawdown By Grantee:**

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Total Budget:

\$ 125,900.00

Other Funds

\$ 0.00

Total Funds

\$ 125,900.00



Environmental Assessment:

EXEMPT

Benefit Report Type:

NA

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Arizona Department of Housing

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Arizona Department of Housing

Organization Type

State

Proposed

\$ 125,900.00

Location Description:

ARIZONA DEPARTMENT OF HOUSING
1110 W. WASHINGTON ST., SUITE 310
PHOENIX, AZ 85007

Activity Description:

PLANNING AND PROGRAM ADMINISTRATION.

Action Plan Comments:

Reviewer - AP reviewed and approved with comment.

When State inputs accomplishment data, do not duplicate # count for Campaign Place Acquisition and Rehab Activity. Upon grant close out/completion, aggregate total for both activities should be 100 (not 200) actual unit accomplishment. Decide which activity to record accomplishments and make a note in the narrative of the other activity that the accomplishments are being recorded in the other (name) activity.



Reviewer - AP is approved. Grantee made administrative adjustments to activity data.

Reviewer - AP reviewed and approved.

Activity B-11-DN-04-0001-B has been revised to indicate that this activity is not yet awarded. Further information will be provided once actual project is selected thru competitive process.

Activities A1 and A2 for 209 W. Jackson have been revised for proposed unit correction and for information regarding capture and reporting of beneficiary data under Activity A2.

Reviewer - AP approved. State adjusted activity budgets.

Reviewer - AP reviewed and approved. Revised activity B-11-DN-04-0001-B to reflect commitment of \$868,742.50 in acquisition funding for 29 Palms Apartments. Added activity B-11-DN-04-0001-B2 for the funding of \$1,500,526.37 for the rehabilitation of 29 Palms Aparments consisting of 21 multi-generational supportive housing units for persons at or below 50%AMI.

Reviewer - Plan approved - minor comment.

Reviewer - 1/23/15 AP approved with comments sent to Grantee via separate email from DRGR.

Action Plan History

Version	Date
B-11-DN-04-0001 AP#1	01/23/2015
B-11-DN-04-0001 AP#2	09/30/2014
B-11-DN-04-0001 AP#3	07/18/2014
B-11-DN-04-0001 AP#4	04/16/2014
B-11-DN-04-0001 AP#5	02/28/2014
B-11-DN-04-0001 AP#6	02/15/2013
B-11-DN-04-0001 AP#7	11/07/2012
B-11-DN-04-0001 AP#8	07/26/2012
B-11-DN-04-0001 AP#9	05/14/2012
B-11-DN-04-0001 AP#10	09/23/2011

