

Arizona Housing Assistance and Homeless Prevention Funding Program Summary

Program Overview

A number of state agencies and other entities in Arizona receive federal and/or state funding for housing assistance and homeless prevention programs (*see attachment*). In FY 2018, 6 state agencies received \$187 million in state and/or federal funding for housing assistance and homeless prevention programs. The Arizona Department of Housing's (DOH) primary function involves the administration of federal funds to create and preserve affordable housing. The remaining state agencies listed in the attachment provide direct housing assistance services as a supplemental component to their overall agency mission.

Non-state agencies also serve in a 'pass-through' capacity to facilitate the transfer of available funding from the funding provider to local entities who directly provide homeless prevention and housing assistance services. In FY 2018, the estimated level of funding was \$27 million. This analysis does not attempt to provide an exhaustive list of all local entities in the state which distribute funding for homeless prevention and housing assistance programs.

Background

The Arizona Department of Housing administers programs for housing partners who apply to the department for funding. The majority of the department's programs are federally funded by the U.S. Department of Housing and Urban Development (HUD). DOH directly administers over \$100 million annually in federal and non-appropriated state housing and community development funds through a variety of housing and community improvement programs. DOH does not own or build housing but rather manages funding for the programs through for-profit and non-profit developers, faith-based organizations, service organizations, and state, county, and city entities who apply for funding and meet criteria developed by state and federal law. Typically, the department does not receive funding from the State General Fund. DOH houses the Arizona Home Foreclosure Prevention Funding Corporation and the Office of Manufactured Housing.

DOH also operates the Pathway to Purchase Program, which provides Arizona residents impacted by foreclosures in designated areas with 30-year fixed-rate mortgages along with a second down payment assistance mortgage. The down payment assistance mortgage is provided by the Arizona Industrial Development Authority (AzIDA), which partners with DOH. The AzIDA is a non-profit corporation and political subdivision of the State of Arizona housed within the Arizona Commerce Authority. In addition to partnering with DOH to administer the Pathway to Purchase Program, AzIDA also operates 2 programs which provided financing assistance totaling \$107 million to both home buyers and developers of multi-family housing in 2018.

FY 2020 One-Time State Funding

The FY 2020 General Appropriation Act included a one-time \$15.0 million appropriation from the State General Fund to DOH to deposit into the department's Housing Trust Fund (HTF). An accompanying footnote requires \$3.5 million of that amount to be spent on constructing or renovating facilities and on housing assistance, including support services, for persons who have been determined to be seriously mentally ill and to be chronically resistant to treatment. The remaining \$11.5 million may be used in accordance with the general purposes of the HTF as defined by A.R.S. § 41-3955 to develop projects and programs connected with providing housing opportunities for low- and moderate-income households and for housing affordability.

State Agencies

Arizona Department of Corrections			
<u>Program</u>	<u>Description</u>	<u>Source</u>	<u>FY 18 Funding</u>
Community Corrections	Reentry Centers in Maricopa and Pima County provide services to recently-released inmates including temporary housing (up to 90 days) for released inmates who would otherwise be homeless.	General Fund	\$4,289,400
		<u>Alcohol Abuse Treatment Fund</u>	<u>8,900</u>
		Department Total	\$4,298,300
Arizona Department of Economic Security			
<u>Program</u>	<u>Description</u>	<u>Source</u>	<u>FY 18 Actuals</u>
Coordinated Homeless Services	Provides emergency shelter services to 9,500 individuals, rapid re-housing services to 1,600 individuals, and homeless prevention services to 60 individuals.	General Fund	\$873,100
		Arizona State Lottery Fund	1,000,000
		Emergency Solutions Grant	12,979,000
		Temporary Assistance for Needy Families	
		<u>Block Grant</u>	<u>1,649,500</u>
	<i>Program Subtotal</i>	<i>\$16,501,600</i>	
Domestic Violence Prevention	Serves approximately 6,100 women and children in emergency shelters, 300 adults and children in transitional housing.	General Fund	\$3,283,000
		Domestic Violence Services Fund	1,265,300
		Temporary Assistance for Needy Families	
		<u>Block Grant</u>	<u>6,620,700</u>
		<i>Program Subtotal</i>	<i>\$11,169,000</i>
	Department Total	\$27,670,600	
Arizona Health Care Cost Containment System (AHCCCS)			
<u>Program</u>	<u>Description</u>	<u>Source</u>	<u>FY 18 Actuals</u>
AHCCCS Supported Housing	Provides subsidizes rent, management fees, security deposits, utilities, and other housing expenses for persons diagnosed with a serious mental illness (SMI). Amounts displayed exclude costs associated with Medicaid-financed support services (case management, employment support, prescription medications, etc.) to individuals receiving housing services from AHCCCS, which are funded as part of lump-sum capitation payments distributed to the Regional Behavioral Health Authorities (RBHAs).	General Fund	\$27,627,300
		Federal Mental Health Block Grant	324,500
		<u>SMI Housing Trust Fund</u>	<u>407,700</u>
		<i>Program Subtotal</i>	<i>\$28,359,500</i>
Projects for Assistance in Transition from Homelessness (PATH)	Provides support services to individuals who are suffering from serious mental illness and/or substance abuse and are homeless or at risk of becoming homeless.	Federal - U.S. Department of Health and Human Services	\$1,372,800
		Department Total	\$29,732,300

State Agencies (Continued)

Arizona Department of Housing			
Program	Description	Source	FY 18 Actuals
Community Development Program, (HUD)	To develop urban communities by providing housing, a suitable living environment, and expanding economic opportunities, principally for persons of low- and moderate-income.	Federal - HUD Community Development Block Grants	\$10,140,600
Disabled Veterans' Outreach Program (DVOP)	Provides services to meet the employment needs of disabled and other eligible veterans including homeless individuals and individuals with barriers to employment.	Federal - U.S. Department of Labor Grant	\$2,834,100
Education for Homeless Children and Youth	To establish an Office of Coordinator for Education of Homeless Children and Youths and carry out a state plan for the education of homeless children and make subgrants to local educational agencies (LEAs) to support the education of those children.	Federal - U.S. Department of Education Grant	\$1,081,900
Emergency Shelter Operations	Provides short-term accommodation for people who are homeless or experiencing a housing crisis.	Federal - Continuum of Care Program Grant Federal - Housing Opportunities for Persons with AIDS (HOPWA) <u>Housing Trust Fund</u> <i>Program Subtotal</i>	\$5,005,000 648,700 <u>389,800</u> <i>\$6,043,500</i>
Emergency Solutions Grant Program	Provides funding to engage homeless individuals and families living on the street, improve the number and quality of emergency shelters for homeless individuals and families, and to assist in operating those shelters.	Federal – U.S Department of Labor	\$12,979,000
Eviction Prevention	Assists low and moderate-income tenants who are facing an immediate eviction.	Federal - HOPWA	\$77,700
Foreclosure Mitigation Counseling Program	To provide extensive one-on-one counseling to assist low-income homeowners facing foreclosure.	Federal - HUD National Foreclosure Mitigation Counseling Program	\$129,200
Foreclosure Prevention	Provides counseling on foreclosure and foreclosure prevention as well as services such as resource networking and temporary monthly financial assistance.	Federal - U.S. Department of Treasury, Hardest Hit Fund	\$5,709,000
Housing Counseling	Provides counseling on preventing foreclosure, buying a home, rental guidance, and other housing issue related to low-income housing.	Federal Foreclosure Program <u>Federal - Hardest Hit Fund</u> <i>Program Subtotal</i>	\$108,400 <u>803,800</u> <i>\$912,200</i>
Home Investment Partnerships Program	To expand the supply of affordable housing, particularly rental housing units for very low-income individuals.	Federal - HUD Home Investment Grant	\$4,404,300

State Agencies (Continued)

Arizona Department of Housing (Continued)			
Program	Description	Source	FY 18 Actuals
Housing Opportunities for Persons with AIDS (HOPWA)	To provide housing assistance and supportive services to low-income persons living with HIV/AIDS who are or at risk of being homeless.	Federal - U.S. Housing and Urban Development HOPWA Grant	\$204,300
Pathway to Purchase	Provides down payment assistance to Arizona residents impacted by foreclosures located in specific Arizona communities (DOH works in partnership with AzIDA).	Federal - U.S. Department of Treasury, Hardest Hit Fund	\$15,000,000
Permanent Supportive Housing Development	Provides community-based housing and support services for those experiencing chronic homelessness (with a preference for veterans), 6 family projects, 2 of which will be located on tribal land, and 6 projects for seniors.	Federal - Project-Based Section 8	\$56,096,900
Rapid Re-Housing Assistance	Provides rental security deposits and monthly rental subsidies to help re-establish formerly homeless individuals and families rental unit.	Federal - HUD Rehousing Funding	\$4,634,000
Rental Assistance for formerly Homeless	Provides rental assistance to approximately 9,500 low-income Arizonans to cover the monthly cost of rental units.	Federal - Continuum of Care Program	\$3,984,300
Section 8 Housing Choice Vouchers	To aid very low-income families in obtaining safe and sanitary rental housing.	Federal - HUD Section 8 Housing Choice Voucher Grant	\$1,305,100
Tax Credit Assistance Program (TCAP)	To provide additional funding for capital investment in low-income housing tax credit projects.	Federal - HUD Tax Credit Assistance Grant	\$108,200
Department Total			\$125,644,300
Arizona Department of Veterans' Services			
Program	Description	Source	FY 18 Actuals
VA Homeless Providers Grant and Per Diem Program	To assist public and nonprofit entities in establishing new programs and service centers to furnish supportive services and supportive housing for homeless veterans through grants.	Federal - U.S. Department of Veterans Affairs	\$97,500
State Agency Total			\$187,433,000

The Arizona Industrial Development Authority (AzIDA)

<u>Program</u>	<u>Description</u>	<u>Source</u>	<u>FY 18 Actuals</u>
Down Payment Assistance	Provides 0% interest loans that are forgivable after 3 years to provide down payment assistance to homebuyers. The value of the loan can be for up to 5% of the value of the mortgage. The program is privately funded through a process in which participating private lenders originate mortgage loans for qualified homebuyers which are pooled together by AzIDA's investment bank, converts into mortgage-backed securities and sold on the capital market.	Private Funds from the net proceeds of the sale of mortgage-backed securities.	\$56,900,000
Tax Exempt Bond Financing	Provides multifamily housing projects access to tax-exempt bond financing to secure better interest rates. Expenditures of \$50 million reflect the total amount of bonds issued by developers which receive these better interest rates.	Private Funds	\$0 (\$50,000,000 in bonds)

Grant Funding (Non-State Agencies)

Community Compass Technical Assistance and Capacity Building Program			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Housing and Urban Development (HUD)	To help HUD customers develop skills to implement HUD programs by providing administrative and managerial oversight.	Kaibab Band of Paiute Indians	\$605,000
		Navajo Nation	463,100
		<u>Tohono O'odham KIKI Association</u>	<u>2,750,000</u>
		Grant Total	\$3,818,100
Family Unification Program			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Housing and Urban Development: Office of Public and Indian Housing	To provide housing assistance for youths aged 18 to 24 who left foster care who are homeless or experienced homelessness at age 16 or older.	City of Phoenix Housing Department	\$811,300
		City of Mesa	208,600
		Housing Authority of Maricopa County	260,000
		<u>City of Tempe Housing Services Division</u>	<u>299,000</u>
		Grant Total	\$1,578,900
Housing Opportunities for Persons with AIDS			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Housing and Urban Development: Office of HIV/AIDS Housing	To provide housing assistance and supportive services to low-income persons living with HIV/AIDS who are or at risk of being homeless.	HUD Office of Community Planning and Development (OCPD) Arizona statewide	\$309,500
		OCPD Phoenix	2,378,700
		<u>OCPD Tucson</u>	<u>589,400</u>
		Grant Total	\$3,277,600
Supportive Services for Veteran Families			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Veterans Affairs	To support the coordination and provision of supportive services to low-income veteran families who are homeless or residing in permanent housing and at risk of becoming homeless.	UMOM New Day Center	\$750,800
		National Community Health Partners	1,171,300
		Catholic Charities Community Services	1,154,100
		Primavera Foundation	1,508,300
		United States Veterans Initiative	1,375,700
		<u>Community Bridges, Inc.</u>	<u>2,205,500</u>
		Grant Total	\$8,165,700

Grant Funding (Non-State Agencies) (Continued)

Tribal HUD-Veterans Affairs Supportive Housing Program			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Housing and Urban Development: Office of Native American Programs	To provide permanent homes for native American veterans experiencing homelessness.	Navajo Housing Authority	\$268,800
		Hopi Housing Authority	210,400
		San Carlos Apache Tribe of San Carlos Reservation (Arizona)	<u>233,100</u>
		Grant Total	\$712,300
Transitional Housing Assistance Grant for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Justice: Office of Violence Against Women	To support projects that provide 6 to 24 months of transitional housing with support services for those who are homeless or in need of transitional housing as a result of a sexual assault and domestic violence.	Southern Arizona AIDS Foundation	\$515,200
		<u>Tucson Center for Women and Children</u>	<u>465,200</u>
		Grant Total	\$980,400
VA Awards Grants for Homeless and At-risk Veterans and Families			
<u>Grant Sponsor</u>	<u>Grant Purpose</u>	<u>FY 18 Recipients</u>	<u>Award Amount</u>
U.S. Department of Veterans Affairs	To support services to low-income veteran families residing in permanent housing who are or at risk of becoming homeless.	United Methodist Outreach	\$736,000
		Primavera Foundation	1,081,700
		American National Red - Southern AZ	1,149,300
		National Community Health Partners	1,148,300
		United States Veterans Initiative	999,600
		Catholic Charities Community Services, Inc.	1,131,500
		<u>Community Bridges, Inc</u>	<u>1,926,500</u>
		Grant Total	\$8,172,900

Total Grant Funding for Non-State Agencies \$26,705,900