

**CITY OF SURPRISE, ARIZONA**  
**Draft**  
**ANNUAL ACTION PLAN 2019-2020**  
**MAY 2019**



**Fifth Program Year Action Plan**

This Fifth Annual Action Plan (Program Year 2019) includes the SF 424 and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations.

ON REQUEST THIS DOCUMENT CAN BE MADE AVAILABLE IN ALTERNATE FORMATS



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## Narrative Responses

### AP-05 Executive Summary-91.200(c), 91.220 (b)

#### 1. *Introduction*

The Fifth Year Annual Action Plan 2019-2020 (AAP PY2019) implements the fifth year of activities that will address goals established in the City of Surprise Consolidated Plan 2015-19. The major focus of this Plan concentrates on creating suitable living environments and providing neighborhood improvement opportunities. The Fifth Year Annual Action Plan complies with regulations set by the U.S. Department of Housing and Urban Development (HUD). HUD requires entitlement communities, such as the City of Surprise, to consolidate its planning, application and reporting requirements for HUD programs, including the Community Development Block Grant (CDBG) and the HOME Investment Partnership Grant programs. An Annual Action Plan is prepared each year and is presented to the City of Surprise Planning and Zoning Commission and the Surprise City Council.

The needs of low- or moderate income persons, people in poverty and the community's aging neighborhoods and public infrastructure continue. The Fifth Year AAP PY2019 will focus on the allocation of CDBG and HOME funds for these services including housing and neighborhood improvement opportunities in order to attract new businesses and business retention. The term of this plan is from July 1, 2019, through June 30, 2020.

To the extent feasible, the narrative for this Annual Plan will attempt to not duplicate the narrative for the Consolidated Plan. However, the outlines for the five-year plan and the annual action plan are very similar, so some repetition is unavoidable. Programs and activities described in this plan are intended to primarily benefit low- or moderate income residents of City of Surprise, neighborhoods with high concentrations of low- or moderate income residents, and the city as a whole. The City of Surprise CDBG program has been allocated \$667,123 in funding for Program Year (PY) 2019.

## 2. ***Summarize the objectives and outcomes identified in the Plan***

**This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.**

This Fifth Year AAP PY 2019 identifies the year five activities that will address goals established in the City of Surprise Consolidated Plan 2015-19. Consistent with the established objectives, CDBG funds will be used in the following way:

- \$90,000 of the CDBG allotted funds (\$667,123) will be utilized for public service activities through City of Surprise departments or nonprofit organizations
- Twenty percent (\$133,424.60) will be used for grant administrative expenses
- \$428,698.40 will be utilized for Public Facility Improvements, Public Infrastructure Improvements, Affordable Housing Creating, and Housing Rehabilitation projects
- \$15,000 will be utilized for training opportunities for Surprise youth. (Summer Youth Employment Program – SYEP)

## 3. ***Evaluation of past performance***

**This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.**

The City of Surprise evaluates its past performance every year as part of the Consolidated Annual Performance and Evaluation Report (CAPER) as required by HUD. The CAPER provided an estimate of output measures in compliance with HUD's data system. The CAPER includes measures of performance to quantify longer-term goals by incorporating projected outcome measures. Quantifiable results-oriented goals for capital programs are tied to a unified framework for the benefit of low- and moderate-income residents.

- Preserve neighborhoods through infrastructure improvements in the targeted low-income area(s)
- Provide public service activities to city's youth, seniors, special needs persons, veterans, persons and families in crisis, and disabled persons through nonprofit agencies or other city departments
- Preserve neighborhoods through housing rehabilitation assistance to qualified homeowners
- Preserve habitability of owner-occupied housing through emergency home repair assistance
- Preserve affordability of quality rental housing through the Housing Choice Voucher program

**4. Summary of Citizen Participation Process and consultation process. Summary from citizen participation section of plan.**

The City of Surprise recognizes the importance of citizen participation in the development and implementation of any plan or program. The Fifth Year AAP PY2019 was discussed at two separate meetings; the City of Surprise Planning & Zoning Commission March 7, 2019 and a public hearing at the Surprise City Council meeting April 16, 2019. The Planning and Zoning Commission held a public hearing meeting February 7, 2019 to hear agency presentations for the Fifth Annual Action Plan Public Service Funding 2019-2020.

These meetings are open to the public in order to encourage individuals and organizations to facilitate a public discussion and provide a means whereby, the public can actively participate in the planning and development of the city's CDBG Program. Citizens were encouraged to submit new project proposals and comments on past and proposed CDBG programs and projects. All dates and times for Commission public meetings were published on the city's website and in the Daily News-Sun local newspaper. The proposed projects and budgets selected by the City Council for CDBG funding were published in the local newspaper for citizen review along with meeting time information.

**5. This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.**

The City of Surprise provided its residents many opportunities to provide input on the decision making process.

**Table 1: Public Input Timeline**

Time	Activity
March 7, 2019	Planning and Zoning Commission Meeting on Annual Action Plan 5 Priorities and Public Hearing
March 11-April 11, 2019	30 day comment period on Annual Action Plan and Consolidated Plan
April 16, 2019	City Council Public Hearing and action
May 15, 2019	Submission to HUD

**6. Summary of comments or views not accepted and the reasons for not accepting them.**

Public comment period runs from March 11, 2019 to April 11, 2019.

## 7. *Summary*

The Fifth Year AAP PY2019 represents the vision and goals for the public facility improvements, public infrastructure improvements, youth activities and housing activities and the available resources and a strategic plan for meeting those needs. The Fifth Year AAP PY2019 also identifies any funds to be used as a leverage to address goals and priorities in the plan through partnerships with local non-profit organizations.

DRAFT

## PR-05 Lead & Responsible Agencies - 91.200(b)

- Agency/entity responsible for preparing/administering the Consolidated Plan. The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.**

**Table 2. Agency Information**

Agency Role	Name	Department/Agency
CDBG Administrator	SURPRISE	Human Service and Community Vitality

### Narrative

The lead agency for preparing the Program Year 2019 Annual Action was the City of Surprise Human Service and Community Vitality Department – Neighborhood Services Division (NSD). The Department is responsible for the administration of the Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and the Neighborhood Stabilization Program (NSP) grant programs.

### Consolidated Plan Public Contact Information

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## AP-10 Consultation - 91.100, 91.200(b), 91.215(I)

### 1. *Introduction*

The City of Surprise is committed to obtaining input from citizens, city staff, non-profit agencies, non-profit developers, private developers, governmental agencies, and the Regional Continuum of Care as part of the Consolidated and Annual Action Plan processes. The PY2019 Fifth Year AAP consultation included a combination of public meetings with community stakeholders, two community input hearings, newspaper advertisements, website announcements and placement of hard copies of the plan at two libraries, the local senior center, city hall and the Housing Authority of Maricopa County (HAMC) – Surprise location to solicit comments on the draft Annual Action Plan. Citizen participation was strongly encouraged throughout the processes of short and long range departmental planning, plan implementation, and assessment of plan effectiveness.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).**

As members of the Maricopa HOME Consortium, the City of Surprise regularly coordinates with private industry, businesses and developers to foster the production of affordable housing and projects for special needs/homeless populations. The consortium also works closely with the real estate, construction and finance industries to implement other ongoing HOME and CDBG supported housing rehabilitation and production activities. The consortium may pursue the receipt of Low Income Housing Tax Credit (LIHTC) resources and associated private mortgage financing support for construction and permanent loans, as well as tax-exempt bond financing where bonds are purchased by both institutional and retail investors. Surprise also allocates a portion of its CDBG allocation for public services each year.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

As members of the Maricopa HOME Consortium we are committed to addressing the needs of homeless persons and persons at risk of experiencing homelessness. We participate in a regional Continuum of Care plan in collaboration with the all other jurisdictions in Maricopa County. The Maricopa Association of Governments (MAG) plans and administers the Continuum of Care. Jurisdictions work together with the U.S. Department of Housing and Urban Development in support of programming that assists the county homeless and at risk population. The city participates annually in the Point in Time Count.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

As an active member of the Maricopa County HOME Consortium we regularly consult with Maricopa Association of Governments (MAG), the lead agency for the Maricopa Regional Continuum of Care structure. Through consultation efforts with MAG and the Continuum of Care we align our priorities of the County's homeless strategies with Continuum-wide priorities for homelessness. The Maricopa HOME Consortium continues to actively participate in the Continuum of Care and contribute by determining its priorities for homeless persons and those at risk of experiencing homelessness

**2. Agencies, groups, organizations and others who participated in the process and consultations**

**Table 3 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Housing Authority of Maricopa County (HAMC)
	<b>Agency/Group/Organization Type</b>	Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Housing Authority of Maricopa County (HAMC) administers the public housing and Section 8 subsidized housing program within the City of Surprise. Surprise housing activities are planned and reported through the Maricopa Consortium Plan. <i>The HAMC recently broke ground on a new project which will provide 100 new affordable housing units located at 15832 N. Hollyhock Street known as the Heritage District within the target area of Surprise.</i>
2	<b>Agency/Group/Organization</b>	CENTRAL ARIZONA SHELTER SERVICES
	<b>Agency/Group/Organization Type</b>	Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The city enters into a sub recipient agreement through the CDBG public service set aside. The agency has been awarded funding for Program Years 2014-2018. The agency has been recommended funding for this program year
3	<b>Agency/Group/Organization</b>	SURPRISE RESOURCE CENTER
	<b>Agency/Group/Organization Type</b>	Services-Children Services-Elderly Persons Services-Victims of Domestic Violence/Human Trafficking. Services-Health Services-Education Services-Employment Regional organization Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Families with children Anti-poverty Strategy/ <i>Financial Literacy</i> . Public Services
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Surprise Resource Center is a division within the Human Service and Community Vitality Department. The Resource Center staff provided data to support the need of public services and the lack thereof. The Center offers a variety of services including veteran employment services, job training, veteran job club, domestic violence and support groups & counseling, health education, WIC nutrition program and enrollment services for health insurance programs. The Resource Center also offers financial fitness workshops, credit counseling workshops and tax preparation at no cost to poverty level families and seniors
4	<b>Agency/Group/Organization</b>	Maricopa County – Arizona@Work
	<b>Agency/Group/Organization Type</b>	Services-Employment
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development Anti-poverty Strategy

<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Surprise entered into partnership with Maricopa County "Arizona@Work" program. The "Arizona@Work" program provided employment workshops and career fairs to Surprise residents
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### Identify any Agency Types not consulted and provide rationale for not consulting

N/A

### Other local/regional/state/federal planning efforts considered when preparing the Plan

**Table 4 - Other local / regional / federal planning efforts**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Maricopa Association of Governments	The city's needs and activities are planned and reported through the Maricopa Consortium Plan. See the Consolidated Plan for the Maricopa HOME Consortium for a complete description of these activities
City of Surprise Community Policing	Surprise Police Department	The police department in coordination with the Human Service and Community Vitality Department has taken the lead for the homeless point in time count for the last four years. They have helped to identify chronically homeless individuals and locations of abandoned properties where known homeless tend to seek shelter

### **Narrative**

The Maricopa Association of Governments Continuum of Care Subcommittee (MAG Continuum of Care) is the regional body that manages the collaborative efforts of communities and agencies in Maricopa County to plan for the needs of the homeless and access federal funding on behalf of agencies organized to address those needs. The 'Unsheltered Point in Time Count' led by MAG CoC in January 2019 reported that there are tentatively 38 homeless persons in the city which has not changed over the previous year's data. The city will do a periodic assessment of any new homeless person cases in the city and will act accordingly to mitigate the problem by assisting with resource referrals.

All communities participate in the unsheltered homeless count conducted during the last week of January. Numbers for all communities with the exception of Phoenix are a direct census of individuals interviewed by volunteers, law enforcement, and outreach workers. The City of Phoenix conducts a survey using an extrapolation method by which

areas are designated “high density” or “low density” areas. Direct counts in those areas are then extrapolated to estimate the number of individuals experiencing homelessness in unsheltered situations within the City of Phoenix geographic boundaries.

**Table 5. Unsheltered Street County by Municipality (2015-2019)**

Municipality	2019	2018	2017	2016	2015
Surprise	38 tentatively	39	16	6	7
	2014	2013			
	0	0			

**Source: 2013-2017 POINT IN TIME COUNT | Maricopa Regional Continuum of Care**

### **AP-12 Participation - 91.401, 91.105, 91.200(c)**

- 1. Summary of citizen participation process/efforts made to broaden citizen participation. Summarize citizen participation process and how it impacted goal-setting.**

The City of Surprise is committed to obtaining input from citizens, staff, non-profit agencies, non-profit developers and other government agencies. The AAP5 citizen participation included a combination of meetings, two public meetings with hearings to solicit comments on the draft plan, which included a 30day review period. The draft plan was placed at five central locations: Two libraries, senior center, city hall and the Housing Authority of Maricopa County (HAMC) – Surprise location. The AAP PY2019 draft was also placed on the city website during the 30-day comment period.

Table 6. Citizen Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	2 public meetings with hearings were held on 3/7/19 and 4/16/19 to further solicit input	No public comments were submitted yet at public hearings as of yet	N/A	
2	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p>	Public notices announcing the public hearings and the draft FAAP were placed in 2 newspapers of record in the City of Surprise. (Daily News-Sun and Surprise Today)	No comments received yet	N/A	

3	Internet Outreach	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Draft fifth Year AAP was made available on the city's internet site for a 30 day public comment period from 3/11-4/11/19</p>	<p>No comments received as of yet</p>	<p>N/A</p>	<p><a href="http://www.surpriseaz.gov/2475/Consolidated-Plan">http://www.surpriseaz.gov/2475/Consolidated-Plan</a></p>
4	Public viewing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Draft hard copies were placed in a central, public location for public viewing. Locations included city hall, 2 libraries, Senior Center and the local Housing Authority of Maricopa County (HAMC) – Surprise Office</p> <p>Placed on City website</p>	<p>No Comments received yet</p>	<p>N/A</p>	



## AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

### Introduction

Anticipated resources available includes cash match in the amount of approximately \$394,311 for the HOME program match requirement. Also any anticipated program income will be used towards CDBG eligible projects.

**Table 7 - Expected Resources – Priority Table**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public - Federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	667,123	20,000	0	\$687,123	0	Estimated allocation of \$667,123. Prior year rollover of approximately \$

### Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

No matching funds are required for the CDBG program, however the city will leverage with staff time and the technical oversight provided in the form of project management. There is cash match available for the HOME program in the amount of approximately \$394,311 which is utilized as leverage. The Program Year 2019-2020 HOME Allocation is estimated to be \$193,749 based on previous year's allocation. The City of Surprise is a member of the Maricopa County HOME Consortium which administers the HOME grant funds and acts as a pass-through agency.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City of Surprise owns the public right of way to include streets, sidewalks, parks and public facilities such as the Surprise Senior Center and the Surprise Resource Center within the Surprise Heritage District.

***Discussion***

The primary objective of the City of Surprise CDBG program is to foster the development, revitalization and preservation of neighborhoods to provide decent housing, a suitable living environment and neighborhood improvement opportunities. Surprise' commitment to Neighborhood Improvements are part of the City's overall Capital Improvement Plan managed out of the Engineering Department. The City recognizes the importance and impact of utilizing cash match and any program income as a leverage to eligible projects within the Surprise Heritage District. Surprise is further committed to revitalization efforts by transferring Neighborhood Stabilization Program Income into the CDBG program in the amount of \$206,373. These funds will be utilized for neighborhood improvements and housing opportunities *for the Heritage at Surprise Housing Authority of Maricopa County project located at 15832 N. Hollyhock Street.*

## AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

### Table 8 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Program Administration	2015	2020	Administration	Heritage District	Administration	CDBG: \$133,424	CDBG related administrative duties.
2	Public Services	2015	2020	Public Service	City Wide	Public Services	CDBG: \$90,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
3	Public Facility Improvements	2016	2020	Public Facility Improvement	Heritage District	Neighborhood Improvements	CDBG: \$200,000	Park Improvements Activities other than Low/Moderate Benefit: 200 Persons Assisted
4	Public Infrastructure Improvements	2019	2020	Planning/ Capacity Building	Heritage District	Design cost	CDBG \$50,000	Capacity Building for Water Infrastructure/ Low/Moderate Income Area Benefit
5	Summer Youth Employment Program	2019	2020	Job Training	City Wide	Training Opportunities	CDBG \$15,000	Youth training opportunities
6	Housing Rehabilitation	2015	2020	Affordable Housing	City Wide	Owner Occupied Housing Rehabilitation	CDBG: \$78,698	Homeowner Housing Rehabilitated: 8 Household Housing Unit
7	Affordable Housing Creation	2019	2020	Affordable Housing	City Wide	Affordable Housing	CDBG: \$100,000	Creation of affordable single-family homes: 4 LMI households assisted

Table 9 - Goal Descriptions

1	<b>Goal Name</b>	Program Administration
	<b>Goal Description</b>	20% of annual allocation of \$667,123 is to be set aside for administration duties to carry forth the CDBG program
2	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	\$90,000 will be allocated to public service activities through nonprofits agencies who serve those with special needs
3	<b>Goal Name</b>	Neighborhood Infrastructure Improvements
	<b>Goal Description</b>	Neighborhood Improvements will include right of way improvements and/or park amenities. This project will create an area benefit by creating safe, healthy and decent neighborhoods within the Original Town site of Surprise, a CDBG area-benefit eligible neighborhood
4	<b>Goal Name</b>	Planning/Capacity Building
	<b>Goal Description</b>	Design cost for water infrastructure improvements located in the Heritage District.
5	<b>Goal Name</b>	Summer Youth Employment Program (SYEP)
	<b>Goal Description</b>	The SYEP will provide training opportunities to five (5) low/moderate income youth from Surprise.
6	<b>Goal Name</b>	Housing Rehabilitation
	<b>Goal Description</b>	The Housing Repair Project will provide 8 emergency repair grants to address health and safety issues to owner-occupied homes who meet the income guideline of 80% or below median income within the City of Surprise.
7	<b>Goal Name</b>	Affordable Housing Creation
	<b>Goal Description</b>	The City's Affordable Housing Creation project will give LMI households access to affordable single-family homes through acquisition/rehabilitation of existing single-family homes, down payment and closing cost assistance, and acquisition of new single-family home parcels for new home construction. 4 families 80% or below area median income will benefit from this project.

## AP-35 Projects - 91.420, 91.220(d)

### *Introduction*

This section specifically identifies the projects that will take place during PY 2019 with CDBG and HOME funding to address the priority needs and specific objectives as identified in the Consolidated Plan Strategic Plan section.

- **CDBG Funds:** PY 2019 CDBG estimated Allocation is **\$667,123**
- **HOME Funds:** PY 2019 HOME estimated Allocation is **\$193,749**

Any program income received during the program year will be retained and reported by the City of Surprise and used on CDBG and HOME eligible activities.

**Table 10 – Project Information**

#	Project Name
1	CDBG Administration
2	2019 Public Services
3	Public Facility Improvements
4	Public Infrastructure Improvements
5	2019 Summer Youth Employment Program
6	2019 Housing Rehabilitation
7	Affordable Housing Creation

For additional project information, please see Table 11 on the next page.

### **Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

The Surprise Heritage District area targeted for HOME/CDBG investment is the lowest income Census Tract in the City of Surprise. Neighborhood improvements will occur in this targeted area.

## AP-38 Project Summary

**Table 11. Project Details**

1	<b>Project Name</b>	CDBG Administration
	<b>Target Area</b>	Surprise
	<b>Goals Supported</b>	Program Administration
	<b>Needs Addressed</b>	Administration
	<b>Funding</b>	CDBG: \$133,424
	<b>Description</b>	20% of annual allocation set aside for CDBG program administrative duties
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	
2	<b>Project Name</b>	2019 Public Services
	<b>Target Area</b>	Surprise
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	CDBG: \$90,000
	<b>Description</b>	Public service activities through nonprofit agencies
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	200
	<b>Location Description</b>	Throughout Surprise
	<b>Planned Activities</b>	Provide public service benefits to youth, seniors, veterans, homeless and special needs population
3	<b>Project Name</b>	Public Facility Improvements
	<b>Target Area</b>	Heritage District
	<b>Goals Supported</b>	Neighborhood Improvements
	<b>Needs Addressed</b>	Neighborhood Improvements
	<b>Funding</b>	CDBG: \$200,000
	<b>Description</b>	Facility Improvements within the Surprise Heritage District
	<b>Target Date</b>	6/30/2020

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	120
	<b>Location Description</b>	Heritage District
	<b>Planned Activities</b>	Park improvements, public facility rehabilitation/repairs
4	<b>Project Name</b>	Public Infrastructure Improvements
	<b>Target Area</b>	Heritage District
	<b>Goals Supported</b>	Design services for Water Infrastructure Improvements. Neighborhood Improvements
	<b>Needs Addressed</b>	Water Infrastructure Improvements, accessibility
	<b>Funding</b>	CDBG: \$50,000
	<b>Description</b>	Design services for water infrastructure, right-of way improvements
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	120
	<b>Location Description</b>	Heritage District
	<b>Planned Activities</b>	Provide design and architectural design for water infrastructure, make improvements and repairs within the public right-of-way
5	<b>Project Name</b>	Summer Youth Employment Program
	<b>Target Area</b>	Surprise
	<b>Goals Supported</b>	5 Youth
	<b>Needs Addressed</b>	Training Opportunities
	<b>Funding</b>	CDBG: \$15,000
	<b>Description</b>	Training for 5 Surprise youth who meet median family income guidelines
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	5 low/moderate income persons
	<b>Location Description</b>	City of Surprise city limits
	<b>Planned Activities</b>	Provide training opportunities to eligible youth
6	<b>Project Name</b>	2019 Housing Rehabilitation
	<b>Target Area</b>	Surprise
	<b>Goals Supported</b>	Owner-Occupied Housing Rehabilitation
	<b>Needs Addressed</b>	Housing Rehabilitation
	<b>Funding</b>	CDBG: \$78,698

	<b>Description</b>	Provide emergency repair assistance to 8 families who meet income qualifications
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	8 families will be assisted
	<b>Location Description</b>	Throughout the City of Surprise
	<b>Planned Activities</b>	Provide emergency home repair in order to correct health and safety issues for low- or moderate income residents. Staff service delivery for HOME funded projects
7	<b>Project Name</b>	Affordable Housing Creation
	<b>Target Area</b>	City Limits
	<b>Goals Supported</b>	Affordable Housing Creation
	<b>Needs Addressed</b>	Access to decent affordable housing.
	<b>Funding</b>	CDBG: \$100,000 HOME: \$193,749 estimated
	<b>Description</b>	Creation of affordable housing through acquisition/rehab and direct homeowner assistance.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	4 families will benefit from improved access to affordable housing.
	<b>Location Description</b>	Throughout Surprise
	<b>Planned Activities</b>	Acquisition and rehabilitation of existing single-family homes, down payment and closing cost assistance, acquisition of property for new home construction.



## **Rationale for the priorities for allocating investments geographically**

All area benefit activities included in the 5 Year Strategic Plan will take place in the Original Town Site aka Surprise Heritage District area. The city has a Council appointed resident group - the Planning and Zoning Commission, which monitor the implementation of the Specific Plan for the Revitalization of the Surprise Heritage District. Resources recommended by this commission include CDBG funds and general funds used for the revitalization of the Surprise Heritage District

### ***Discussion***

Although the City of Surprise Heritage District has had higher concentration of low-or moderate income residents, our services are income based therefore eligibility can be city wide as long as the income limits are met.

## **AP-75 Barriers to affordable housing -91.420, 91.220(j)**

### **Introduction**

Barriers to affordable housing have been identified through the Maricopa HOME Consortium and the City of Surprise. Plans to take to remove or ameliorate the negative effects of public policies will be to affirmatively market fair housing and overcome identified barriers to affordable housing. These efforts in collaboration with the Consortium have resulted in the creation of a Fair Housing Plan. The plan includes development of specific goals and objectives to overcome barriers to affordable housing. The Consortium is in the process of updating the Maricopa County Regional Analysis of Impediments to Fair Housing Choice through consultants further documenting impediments to fair housing choices including lack of accessible housing and housing discrimination against persons with disabilities, lack of awareness of fair housing laws, the cost of affordable housing limiting housing choice, poor financial history of potential homebuyers, lack of transportation options in rural unincorporated Maricopa County, and distribution of resources.

**Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.**

During the PY 2019, the following actions will contribute to the removal of barriers to affordable housing:

1. Surprise will dedicate resources to preservation and development. Surprise has newly created a specific zoning district to further delineate specific zoning districts in the original town site (OTS) to enhance preservation and development. This district is

known as the “Surprise Heritage District” (SHD). The intent of this district is to enhance and protect the historic character of the area. Two overlay districts, “residential neighborhood overlay” and the “art & entertainment district” is to support the residents to preserve and protect their neighborhood and to promote the local arts and culture business opportunities.

2. Surprise has formalized an agreement with the Housing Authority of Maricopa County (HAMC) in 2018 to build 100 units of affordable housing located in the Heritage District. Surprise has programmed Program Income from the Neighborhood Stabilization Program (NSP) to assist with off-site improvements for the project known as “Heritage in Surprise”.

3. The City’s allocation of HOME funds to major rehabilitation. Surprise also utilizes general funds on HOME eligible rehabilitation projects to match HOME expenditures for housing rehabilitation. The city maintains a match log and match is applied at the time of requests for reimbursement from Maricopa County Community Development.

4. City general revenues for beautification. Surprise Days of Service activities generally happen monthly and are paid for with General Funds.

5. Program Income from the Neighborhood Stabilization Program (NSP) funding has been reprogrammed into the CDBG program. This will assist in neighborhood improvements, potential tax credit projects within the Surprise Heritage District and program administration for community development and revitalization efforts located within the Surprise Heritage District-Original Town Site.

6. The City will allocate CDBG and new HOME funds towards the creation of affordable housing through acquisition and rehabilitation of single-family homes, providing down payment and closing cost assistance, and acquisition of land for new single-family home construction. These activities will give LMI households access to affordable housing located within City limits.

### ***Discussion***

In furthering the discussion of actions that will be undertaken to remove the barriers of affordable housing, city council adopted the Surprise Heritage District (zoning overlay) in June 2016. This district will allow the flexibility of the type of structures allowed in the new zoning districts to include cottage industries, which allow small individual owned business in a residential area and permit manufactured homes within the neighborhood as another option for diversified housing opportunities in the target area. The adoption of the "SHD" will also offer development incentives such as reduction in setback requirements and 100% waiver of development impact fees. This action will further support Surprise's intent to ameliorate public policies which are barriers to affordable housing. Surprise has also programmed NSP program income to assist the Maricopa County Housing Authority with off-site improvements such as right of way and street improvements.

## **AP-85 Other Actions - 91.420, 91.220(k)**

### ***Introduction***

The primary categories of needs to be addressed in the plan are community development needs to include public facility improvements, public infrastructure improvements, housing rehabilitation, and public services to eligible populations.

### **Actions planned to address obstacles to meeting underserved needs**

One of the main obstacles to meeting community needs is inadequate resources for programs. The decline in resources across sectors, including government agencies and foundations, due to high demand has negatively impacted the quantity and quality of housing and community development services. Although federal stimulus funding helped mitigate this trend to some extent, resources for these programs are limited.

The City of Surprise has partnered with various social service agencies which are housed at the Surprise Resource Center located in the Surprise Heritage District. The services offered are veteran employment services, veteran job training club, employment workshops, career fairs, services for domestic violence and sexual abuse, Women, Infant and Children (W.I.C) nutrition program, enrollment services for health insurance, programs, access to food and nutrition resource (SNAP, TANF, AHCCCS) and navigation of the Affordable Care Act. The Resource Center also offers financial fitness workshops, tax preparation to poverty level families and credit counseling workshops.

### **Actions planned to foster and maintain affordable housing**

The City of Surprise has an active strategy to promote homeownership and the preservation and management of existing residential property. To offset the increasing cost of housing in the private market, the city has undertaken a number of strategies to preserve and develop new affordable housing. These strategies include:

1. The use of general funds and HOME funds for the preservation of existing affordable owner-occupied housing.
2. Support of for-profit and nonprofit developers in the construction of Tax Credit assisted rental housing for families and seniors.
3. Development of Original Town Site (also known as the Surprise Heritage District) Revitalization Plan which has already resulted in public investment in community facilities, infill construction of mixed income owner-occupied homes and specific zoning districts.
4. The City will provide down and closing cost assistance to LMI households to increase access to affordable housing.
5. The City will utilize CDBG and HOME funds to create affordable housing through acquisition of existing single-family homes and acquisition of land for

new single-family homes. These homes will be purchased and occupied by LMI households.

Housing units assisted under any and all programs covered under this Consolidated Plan are inspected and/or tested prior to assistance as follows:

- a. The Housing Authority of Maricopa County inspects all rental units prior to occupancy by households who have Housing Choice Vouchers. For units built before 1978, chipped or peeling paint must be removed prior to occupancy.
- b. For units built before 1978, chipped or peeling paint must be removed prior to occupancy. Renter and owner-occupied units built before 1978 that are being rehabilitated with CDBG or HOME funds must be professionally assessed and remediated as part of the assistance contract.
- c. Lead-based paint is not allowed or sold for residential construction after 1978. Newly constructed single-family or multifamily residences assisted with funding from the covered grants will be free of lead paint hazards.

### **Actions planned to reduce the number of poverty-level families**

The Housing Authority of Maricopa County (HAMC) has two public housing developments in Surprise and administers Housing Choice Vouchers in the private rental market. The operations of HAMC in Surprise have not been formalized since Surprise incorporated as a city and an intergovernmental agreement would be beneficial.

The City of Surprise has partnered with various social service agencies which are housed at the Resource Center located in Surprise Heritage District. The services offered are veteran employment services, veteran job training club, services for domestic violence and sexual abuse, Women, Infant and children (W.I.C) nutrition program, enrollment services for health insurance, programs, access to food and nutrition resource (SNAP, TANF, AHCCCS and navigation of the Affordable Care Act. The Resource Center also offers financial fitness workshops, tax preparation to poverty level families and credit counseling workshops.

### **Actions planned to develop institutional structure**

The City of Surprise is the clearinghouse and facilitator for the activities as described by the Consolidated Plan. The Neighborhood Services Division of the Human Service and Community Vitality Development Department oversees the administration of all CDBG and HOME entitlement programs. The department is responsible for:

- Program management and oversight.
- Program evaluation
- Consolidated Plan preparation, monitoring and evaluation  
Required reporting to HUD

Divisions within the Human Service and Community Vitality Department include the Resource Center which provides a one-stop-shop for social services. (see above action plan to reduce number of poverty-level families) Other departments and private agencies that participate in the implementation of federal, state and county-funded grants include:

- City Council - formal approving body for policy making and release of funds.
- The Public Works Department - has experience in administering the procurement and Labor Standards requirements of federally funded projects.
- Financial management will be appropriately separated between the Finance Department and Human Service and Community Vitality Department

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The City of Surprise has partnered with various social service agencies which are housed at the Resource Center located in the Surprise Heritage District. The services offered are veteran employment services, veteran job training club, services for domestic violence and sexual abuse, Women, Infant and children (W.I.C) nutrition program, enrollment services for health insurance, programs, access to food and nutrition resource (SNAP, TANF, AHCCCS and navigation of the Affordable Care Act. The Resource Center also offers financial fitness workshops, tax preparation to poverty level families and seniors and credit counseling workshops.

The city is also carrying out public service activities under the CDBG program through an open application process. The city utilizes CDBG and HOME funds for emergency home repair and owner-occupied housing rehabilitation. The city has formalized an agreement with the Housing Authority of Maricopa County to create more affordable housing units within the Surprise Heritage District. The project location is 15832 N. Hollyhock St. Surprise, Az. The project will create 100 units of affordable housing.

### ***Discussion***

The city is committed to preserving neighborhoods through neighborhood improvements in the target area. The commitment is evident is the amount of funds allocated to projects located within the Surprise.

## **AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)**

### ***Introduction***

At the beginning of Program Year 2019 we do not anticipate any program income, however we will budget approximately \$20,000.

### **Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

### **Other CDBG Requirements**

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

### ***Discussion***

Due to program requirements, we foresee 100% of CDBG funds being used for low- to moderate income residents. All activities are deemed eligible for funding and have met environmental clearance in the projects requiring said clearance.

## APPENDIX 1 - Public Notice

APPENDIX 1 - PUBLIC NOTICE - CONT



## APPENDIX 3 – Spending Conditions

### SPENDING CONDITIONS:

### CDBG Program Year 2019

- 1) All program income generated from any client, project, or activity receiving CDBG assistance must be reported.
- 2) NSD staff may make adjustments between the Housing Rehab and Public Infrastructure projects up to 25 percent of the original allocation to accommodate funding needs.
- 3) NSD staff may make adjustments between the Housing Rehab and the Public Facility Improvement projects up to 25 percent of the original allocations to accommodate funding needs.
- 4) NSD staff may make adjustments between the Housing Rehab and the Affordable Housing Creation projects up to 25 percent of the original allocation to accommodate funding needs.
- 5) At project completion or year end, staff will reallocate any unused subrecipient project funds to the Housing Rehab or Public Infrastructure activities, depending on funding needs, unless through the action plan amendment process.
- 6) If there is an increase in funding of 25 percent or less when the final allocation amount is known, the same projects will be funded, with the Housing Rehab or Public Infrastructure projects receiving the increase. If the increase is greater than 25 percent, the significant amendment process will be followed.
- 7) If there is a decrease in funding from the anticipated allocation, the following reductions will be made in the PY2019 program year in this order and to the dollar amount necessary: **1) Public Infrastructure 2) Public Facility Improvement.** Any decrease requiring deeper cuts will be made through the significant amendment process.
- 8) The City or sub-grantees may incur pre-award costs per 2 CFR 200.458