



City of Apache Junction

Development Services Department



2025-2026 Community Development Block Grant (CDBG) Projects

Background

The City of Apache Junction participates annually in the Community Development Block Grant ("CDBG") program, which provides funding to meet the needs of low-and moderate-income residents, eliminate slum and blight, and address urgent community needs.

There are two CDBG funding categories:

- 1) Regional Account ("RA"); and
- 2) State Special Projects ("SSP") Account.

The RA funds are distributed to cities and towns on a non-competitive basis based on council of government formulas with a low and moderate population factor. Such uses can include planning, housing rehabilitation, public improvements and facilities, all of which typically have a long-term multi-use duration.

The SSP funds are awarded through competitive state-wide applications with an Arizona Department of Housing scoring and ranking process. Success is based on "shovel-ready" eligibility meaning they can begin quickly without any land ownership, planning, design, permitting, or environmental challenges.

Two public hearings are required as part of the CDBG process. The first hearing, held on September 2, 2025, allowed the public and council to review and discuss potential projects. The second public hearing, scheduled for October 7, 2025, provides city council the opportunity to consider staff recommendations, public input, and make final determinations on which projects will be submitted for both the RA and SSP funding.

For FY 2025-26, the City is anticipated to receive approximately \$156,800 in RA funds (non-competitive, guaranteed) and may apply for an additional amount of up to \$750,000 in SSP funds.

RA Projects

- **Nuisance Abatement Program (Staff Recommendation)**– Identify and remediate properties to address health, safety, and blight risks/conditions.



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- **AC Unit Loaner Program** – Portable air conditioning units for vulnerable residents during extreme heat.
- **Housing Emergency Rehab Micro-Grants** – Urgent home repair assistance for low to moderate income households.

Staff Recommendation:

Staff recommends the **Nuisance Abatement Program** project for submission as the RA project. This program directly addresses slum and blight, a key CDBG national objective, and provides visible, citywide improvements to property conditions and public safety. It is also well-scaled to the guaranteed RA allocation, can be implemented quickly, and is expected to fully utilize the available funding.

The **AC Unit Loaner Program**, while addressing a critical health need, is not feasible as a stand-alone project due to limited cost, questions about eligibility, and its inability to fully utilize RA funding.

The **Housing Emergency Rehab Micro-Grants** program could provide meaningful support to individual households by addressing urgent home repair needs, however, it was not recommended because implementing the program would require additional funding beyond the guaranteed RA allocation and would involve significant administrative complexity.

SSP Projects

- **Apache Villa Subdivision Pedestrian Rehabilitation (Staff Recommendation)** – Install ADA-compliant sidewalk and ramp upgrades to improve accessibility and pedestrian safety.
- **Palm Springs Drainage Improvements** – Install drainage infrastructure upgrades in the Palm Springs neighborhood.

Staff Recommendation:

Staff recommends the **Apache Villa Subdivision Pedestrian Rehabilitation** project for submission as the SSP application. This project is shovel-ready, aligns strongly with CDBG priorities of accessibility and neighborhood revitalization, and provides clear benefits to a low to moderate income community. It will significantly improve mobility and safety for seniors



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and residents with disabilities and will strengthen the city's competitive position for SSP funding.

The Palm Springs Drainage Improvements project addresses a legitimate infrastructure, however, its anticipated costs and extended implementation timeline make it less feasible and less competitive within the current SSP funding cycle

Next Steps

Pending Council approval, staff in conjunction with CAG will prepare and submit the RA and SSP project applications to the Arizona Department of Housing ("ADOH").