



City of Tucson - Amended FY 2018 Annual Action Plan

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

1. Introduction

The City's central long-term community development goal is to focus resources on community needs, particularly the comprehensive revitalization of distressed areas and areas with high levels of poverty. These goals address affordable housing, homelessness, community development and non-homeless special needs. The City of Tucson's FY 2018 Annual Action Plan details the goals and funding priorities to continue the City's efforts in improving the quality of life for Tucson's low- and moderate-income residents through enhancing the physical environment as well as providing direct benefits that will result in expanded housing opportunities and improved quality of life.

Subject to HUD's approval of the FY 2018 Annual Action Plan, the City of Tucson will receive the following federal funds for Program Year 3 (July 1, 2017 through June 30, 2018):

Community Development Block Grant (CDBG) funds - \$4,986,291. The primary objective of the CDBG program is the development of viable urban communities through the provision of improved living environments, expansion of economic opportunity and decent housing. Funds are intended to serve low and moderate income residents and areas.

Home Investments Partnerships (HOME) funds - \$2,474,885 (City/County Consortium Amount). The HOME program is dedicated to increasing the availability as well as the access to affordable housing for low income households.

Emergency Solutions Grant (ESG) funds - \$452,951 award plus \$548,171 one-time supplemental funding for a total of \$1,001,122. The purpose of the ESG program is to assist individuals and families regain housing (temporary and permanent) after experiencing a housing crisis or homelessness

Housing Opportunities for People with AIDS (HOPWA) funds - \$520,326. HOPWA funds may be used for a wide range of housing, social services, program planning, and development costs for the benefit of individuals living with HIV/AIDS and their families.

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.

In general, HUD resources must be used to benefit low and moderate income (low-mod) households and neighborhoods. To address infrastructure, facility, housing and services needs using HUD funding, the City of Tucson established goals and objectives in the 2015-2019 Consolidated Plan to address the following needs:

1. Affordable Rental Housing;
2. Affordable Owner Housing;
3. Homelessness;
4. Human Services, including employment and training supports;
5. Economic Development;
6. Neighborhood Revitalization, Public Facilities and Infrastructure; and
7. Special Needs Populations.

These objectives require specific actions that expand and preserve affordable housing, revitalize low and moderate income neighborhoods, and promote fair housing choices. For example, the City intends to fund the Housing Rehabilitation Collaborative through a Request for Proposal process for housing rehabilitation services to low/moderate income home owners. The outcome will maintain affordable owner housing and neighborhood revitalization. Also, the City will continue to make available HOME funds to applicants seeking Low-income Housing Tax Credits (LIHTC) from the State of Arizona Department of Housing (ADOH) for other Affordably rental housing projects. The outcome of these projects

will result in increased affordable housing units through single and multi-family new construction. In addition, human/public service projects will be funded with CDBG to address homelessness and crisis assistance and prevention. Furthermore, the City will expend carry forward funds for the replacement of emergency response vehicles that will serve low and moderate income areas, as not all vehicles were purchase in FY2017.

3. Evaluation of past performance

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

The performance of programs and systems are evaluated on a regular basis and shown annually in the City's Consolidated Annual Performance and Evaluation Report (CAPER) <https://www.tucsonaz.gov/hcd/reports>

The City recognizes that the evaluation of past performance is critical to ensuring the City and its sub-recipients are implementing activities effectively and that those activities align with the City's overall strategies and goals. In FY 2016 City met or exceeded all annual goals with the exception of the following:

- The rental and homebuyer goals are associated with projects that are underway but not completed
- Tucson received four LIHTC project commitments in 2016.
- The assistance to homeless reflects the comprehensive approach to helping homeless individuals end homelessness, versus a single service approach.
- In FY 2017 the City adopted several Consolidated Plan amendments including a Human Services Plan that was reviewed in this FY 2018 planning process.
- The City is aware of continued reduction in standard funding and understands the continued need to address critical issues within the community through Grant opportunities.
- In 2016, HCD applied for and received a \$2.9 million Lead Based-Paint Hazard Control (LBPHC) and Healthy Homes Demonstration Grant to assist with addressing lead hazards in aging housing.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

On January 27, 2017 the City of Tucson published a legal advertisement in the local newspaper advertising entitlement funding, the planning process and soliciting of public comments and stakeholder participation. The City of Tucson began the citizen participation and consultation process by conducting a pre-planning meeting and Human Services Forum on February 8, 2017 and by distributing a survey to the Continuum of Care agencies on February 9, 2017. A second public meeting was scheduled for March 23, 2017 during the 30-day comment period for the draft FY 2018 Annual Action Plan, which began March 9, 2017, and ended on April 7, 2017. A public hearing was held April 19, 2017. During the comment period and at each meeting, comments regarding the plan were accepted. The City also posted the ad, the meeting notices and the draft plan on the City's web site and sent an email outlining this information to over 500 email addresses comprised of various community representatives.

Feedback received from the public process was posted on the HCD web site.

In addition, on July 10, 2017 another legal advertisement in the local newspaper was issue to advertise the one-time Supplemental Emergency Solution Grant funding, which was awarded to the City of Tucson on June 30, 2017. The public comment period ran from July 10, 2017 to July 26, 2017. A public meeting was held on July 25, 2017 and Mayor and council Public Hearing conducted on August 8, 2017. All information including meeting notes and comment were posted on HCD website.

5. Summary of public comments

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

Public Meeting Notes for the Human Services Forum on February 8, 2017, resulted in 50 attendees with various comments from agencies. Summary notes are attached to Annual Action Plan.

Public Meeting Notes for FY2018 Annual Action Plan on March 23, 2017, resulted in nine attendees with four comments, which included CDBG funding, low-impact shelter facilities, and homelessness. Summary notes are attached to Annual Action Plan.

Mayor & Council Public Meeting on April 19, 2017, resulted in one comment, which the Food Bank praising our processes.

Total comments gather before July 25, 2017 Emergency Solutions Grant Supplemental Funding Meeting total 79. The summaries of comments are attached in the Annual Action Plan.

Public Meeting Notes for FY2018 Annual Action Plan - Emergency Solutions Grant Supplemental Funding on July 25, 2017, resulted in fifteen attendees and six attendees' comments. Two comments received from email. Summary notes and comments are attached to Annual Action Plan.

Mayor & Council Public Meeting on August 8, 2017 - No comments from public, please see attachment for results.

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

All meeting notes and the summary of comments are attached to the Annual Action Plan. A total 87 comments received.

7. Summary

The City of Tucson advertised a 30 day public comment period, held three public meetings and two public hearings. From these events, total of 87 public comments were received highlighting no major concerns.

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

1. 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.

Agency Role	Name	Department/Agency
CDBG Administrator	TUCSON	Housing and Community Development Department
HOPWA Administrator	TUCSON	Housing and Community Development Department
HOME Administrator	TUCSON	Housing and Community Development Department
ESG Administrator	TUCSON	Housing and Community Development Department

Table 1 – Responsible Agencies

Narrative

In 1992 the City of Tucson and Pima County formed a HOME consortium and with this designation are required to coordinate on consolidated planning and reporting activities. The City of Tucson Housing and Community Development Department (HCD) is the lead agency for the development of the Consolidated Plan and with respect to the implementation of the annual HOME Investment Partnership Program (HOME). The City of Tucson and Pima County Consolidated Plan is carried out through individual Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan.

Consolidated Plan Public Contact Information

City of Tucson

Housing and Community Development Department

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Tucson, AZ 85726-7210

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AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

During the development of the 2015 - 2019 Consolidated Plan, the City of Tucson and Pima County jointly held 14 Consolidated Plan Forums. Members of the public were invited to attend and participate in forum discussions. The forums were attended by 106 individuals representing 48 nonprofit organizations and units of government, 14 members of the public, and 16 private-sector representatives. City staff also attended eight neighborhood association meetings to present the consolidated plan process. 110 citizens attended these meetings and 70 of them participated in a survey. Consultation and citizen participation comments from the forums and the neighborhood associations were collated with analyzed data to identify priorities.

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(l)).

In the process of developing the Consolidated Plan, the City of Tucson and Pima County provide opportunities (i.e. public meetings and forums) for representatives of a variety of agencies to gather to discuss issues, problems and solutions. These meetings act as an impetus to improve understanding and coordination. Numerous groups have ongoing discussions, including those that represent poverty-level households, elderly people, and people with special needs and disabilities. The City and County remain involved in these discussions and some are sponsored or facilitated by the City and/or County.

The City and County specifically held a forum focused on Healthy Communities, which included a public health discussion by the Pima County Health Department and the possible methods for enhancing coordination of services among and between housing providers and health service agencies.

In addition, the City and County sponsor regular training opportunities during which stakeholder agencies gather to discuss and coordinate activities around program-specific and generic topics. The City and County are also working more closely with the Pima County Health Department to coordinate health and housing activities. One example is the assessment of emergency and transitional shelters that was followed by coordinated funding to enhance the environment in these facilities.

In the early part of 2016, the City of Tucson also updated its Human Services Plan, which sets priorities for funding for Public/Human Service projects, which utilized CDBG, ESG, and City General Funds. Citizens, government staff and non-profit agencies attended a meeting to prioritize the urgent needs of the community. Two additional meetings were held with government representatives and citizens to discuss the results of the first meeting plus an invitation was sent to over 500 emails comprised of

government representative, citizens and agencies requesting that they participate in an online survey regarding Human Services priorities. Over 120 people completed the survey. A final meeting was held to rank the priorities. A Human Services plan was drafted outlining this process and the results.

On April 5, 2016, this Human Services Plan was presented to Mayor and Council for review. At this meeting, Mayor and Council passed by a roll call vote of 7 to 0, to adopt Resolution No. 22550, with an amendment to the Human Services Plan that would retain the current funding for the first year of the Plan, and implement the new funding for the remainder of the Plan. This included postponing implementation of this plan until FY 2018. A copy of this Human Service Plan is attached as appendix C.

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.

The City of Tucson and Pima County work collaboratively with the Tucson Pima Collaboration to End Homelessness (TPCH). TPCH is the Continuum of Care Regional Committee on Homelessness, a planning entity made up of local stakeholders convened for the purpose of ensuring that homeless planning is coordinated across municipalities and agencies. The Continuum of Care is the methodology followed by organizations utilizing HUD funding to address the needs of individuals and families experiencing homelessness. TPCH has included health care in their strategic plan to take advantage of potential partnerships among federal agencies and identified an increasing need to fund mental health diagnosis and permanent supported housing for domestic abuse survivors.

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

The City of Tucson and Pima County participate in the TPCH Emergency Solutions and Performance Evaluation and Monitoring working groups. The Emergency Solutions working group provides an avenue for the City of Tucson and Pima County to obtain input into the distribution of ESG funds, and members of the working group assist with the City of Tucson and Pima County application review when no conflict of interest exists. The Performance Evaluation and Monitoring working group establishes performance standards, establishes at least three performance measures for each contract, and reviews quarterly reports to evaluate outputs and outcomes. The HMIS system is administered by Pima County. The City of Tucson allocates a portion of their ESG funds to support Pima County's administration of HMIS.

On February 9, 2017 the City distributed a survey questions to members of the local Continuum of Care requesting comments regarding the following related to homelessness:

- Prioritizing the Consolidated Plan Goals and Priorities for the FY 2018 Program year;

- List and describe emerging needs that should be addressed in FY 2018;
- Provide examples of best practices for measuring effectiveness of homeless services programs; and
- Give examples of agency surveys used to measure client satisfaction.

On June 30, 2017 the City of Tucson received notification of a one-time supplemental allocation of ESG in the amount of \$548,171. The City of Tucson proposed a pilot project base on HUD technical assistance recommendation from the Built for Zero workshops that identify gaps and strategies to reach “functional zero” in housing both veterans and the chronically homeless. The workshop took place on June 28th and 29th. The proposed pilot project included the following:

- Community Outreach and Engagement Team with Central Telephone Number-1 person on call 24/7
- 2 Outreach Workers Not Employed by specific agencies Completing VI-SPDATS, F-SPDATS, Y-SPDATS in the field, in real time, Assertive Engagement, Connecting people to basic services, transportation of clients to obtain documentation such as: SS card, ID cards, Birth Certificates Supportive Services in Outreach
- 1 Navigator to Continue working with clients as they are housed
- Improve Coordination of Outreach Workers to Cover Geographical Area of Continuum of Care
- Coordination with Tucson Police Department MHST team, Tucson Fire Department TC3 and Downtown Tucson Partnership
- Bridge Housing/Low Demand Shelter to Permanent Housing

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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	City of Tucson
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agency groups and organizations typically include entities whom are seeking funding from CDBG and ESG. Most if not all participated during available public meetings or technical assistance workshops.

2	Agency/Group/Organization	PIMA COUNTY
	Agency/Group/Organization Type	Housing Services – Housing Other government – Local Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Pima County, along with City of Tucson coordinated 14 Consolidated Plan Forums. This government department helped facilitate the forums, participated actively and then assisted in analyzing the data to determine the priorities.
3	Agency/Group/Organization	Pima County Health Department
	Agency/Group/Organization Type	Health Agency Grantee Department

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in the public forum. The Health Dept. assisted in discussions regarding health hazards in homes and among special populations including people living in poverty.
4	Agency/Group/Organization	COMMUNITY HOME REPAIR PROJECTS
	Agency/Group/Organization Type	Housing Services – Housing Services-Elderly Persons Services-Persons with Disabilities Regional organization

	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Participated in public forums. CHRPA is part of the City of Tucson Housing Rehab Collaborative. They provide emergency home repair for clients including senior and persons with disabilities.</p>
5	<p>Agency/Group/Organization</p>	<p>DIRECT CENTER FOR INDEPENDENCE</p>
	<p>Agency/Group/Organization Type</p>	<p>Housing Services – Housing Services-Elderly Persons Services-Persons with Disabilities Regional organization</p>

	What section of the Plan was addressed by Consultation?	<p>Housing Need Assessment</p> <p>Homeless Needs - Chronically homeless</p> <p>Homeless Needs - Families with children</p> <p>Homelessness Needs – Veterans</p> <p>Homelessness Strategy</p> <p>Non-Homeless Special Needs</p> <p>Market Analysis</p> <p>Economic Development</p> <p>Anti-poverty Strategy</p>
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	<p>Participated in public forums. DIRECT is part of the City of Tucson Housing Rehab Collaborative. They provide emergency home repair for clients including senior and persons with disabilities.</p>
6	Agency/Group/Organization	Alzheimer's Disease & Related of Southern Arizona
	Agency/Group/Organization Type	<p>Housing</p> <p>Services-Elderly Persons</p> <p>Services-Persons with Disabilities</p> <p>Services-Health</p> <p>Services-Education</p>

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in the public forums/ ADRSA provides services to persons experiencing Alzheimer's disease and other forms of dementia.
7	Agency/Group/Organization	CHICANOS POR LA CAUSA
	Agency/Group/Organization Type	Housing Services – Housing Services-Children Services-homeless Services-Health Services-Education Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in public forums. CPLA is part of the City of Tucson Housing Rehab Collaborative. They provide home repairs to low income home owners.
8	Agency/Group/Organization	COMMUNITY FOOD BANK
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services-Education Regional organization

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in public forums. Regional organization that manages the area food bank and provides education on nutrition and food production.
9	Agency/Group/Organization	Esperanza en Escalante
	Agency/Group/Organization Type	Housing Services – Housing Services-Elderly Persons Services-Persons with Disabilities Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs – Veterans Non-Homeless Special Needs Economic Development Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in public forums. EEE provides assistance to veterans including housing, case management and other services.
10	Agency/Group/Organization	HABITAT FOR HUMANITY
	Agency/Group/Organization Type	Housing Services – Housing Services-Elderly Persons Services-Persons with Disabilities Services-Education Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in forums. Habitat provides repairs to existing dwellings and provide new construction of homes for low income families. They are part of the City of Tucson Housing Rehab Collaborative.

11	Agency/Group/Organization	PIMA COUNCIL ON AGING
	Agency/Group/Organization Type	Housing PHA Services – Housing Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in forums. Pima Council on Aging provides services and advocacy for independence in the lives of Pima County older adults and their families.

12	Agency/Group/Organization	PRIMAVERA FOUNDATION
	Agency/Group/Organization Type	Housing Services – Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Publicly Funded Institution/System of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Forums. The Primavera Foundation provides pathways out of poverty through safe, affordable housing, workforce development and neighborhood revitalization.

13	Agency/Group/Organization	SOUTHERN ARIZONA AIDS FOUNDATION, INC.
	Agency/Group/Organization Type	Housing Services – Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs – Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in forums. Southern Arizona Aids Foundation provides case management and ancillary support services for people living with HIV, AIDS and their families
14	Agency/Group/Organization	CODAC BEHAVIORAL HEALTH SERVICES
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in forums. CODAC provides primary care and general wellness for those experiencing mental illness, substance use disorder and/or trauma.

Identify any Agency Types not consulted and provide rationale for not consulting

During the Consolidated Plan development, there were no specific agency types that were not contacted. Any agency that responded was able to participate in the process.

For the Annual Action Plan, any agency or citizen that requested consultation on the direction and rational of the plan, were responded to.

More detail is provided under AP-12 of this plan.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Tucson Pima Collaboration to End Homelessness	The City of Tucson is one member of the Continuum of Care, which is operated by the Tucson Pima Collaboration to End Homelessness. All Consolidated Plan goals related to homelessness overlap the goals of the Continuum of Care.
City of Tucson General Plan	City of Tucson	The City's General Plan. Plan Tucson, supports a framework of local policies that can significantly and positively impact housing and other needs of LMI residents and neighborhoods. The City's expectations are focused on sustainability, reserving land for economic development, and revitalization. Plan Tucson includes 4 focus areas including social, economic, natural and built environments. Many of the Plan Tucson goals and policies are inter-related with Consolidated Plan goals and policies.
City of Tucson Housing Community Dev. PHA Plan	City of Tucson Housing & Community Dev. Dept.	HCD is both the Public Housing Authority and the Community Planning and Development Agency. The Community Planning Division, which is responsible for the development and implementation of the Consolidated Plan works closely with the PHA division in a joint effort to address the housing needs of the community.

Table 3 – Other local / regional / federal planning efforts

Narrative

Cross-Departmental Services Coordination: If feasible, the PHA is coordinating with other City Departments that provide services to low-income residents. The goal is develop a system for streamlining the eligibility processes for City assistance, collect accurate demographic information related to low-income resident needs, and provide existing City services comprehensively and efficiently. The cross-departmental team is evaluating a one-stop program eligibility process administered by the PHA that would allow low-income residents to sign up annually for multiple services offered by the City including discounts for public transportation.

Community Planning Efforts focused on seniors: On September 7, 2016 Mayor and Council adopted Resolution #22621 related to Tucson's Designation as a World Health Organization(WHO) Age Friendly City. The PHA participates in the planning process that is focused on the needs of seniors. This effort will result in a plan that incorporates benchmarks that can be used to set goals for Tucson's AARP Plan and to measure

progress in meeting those goals. The livability issues listed below were identified by a national AARP survey and are consistent with the goals of the PHA:

1. Easy access to health care and supportive services
2. More housing options, affordable housing including accessory dwelling units, and active/assisted living communities
3. Accessible and affordable public transportation
4. Increased police presence and communication between police and community residents
5. Housing located close to stores, transportation, health care facilities and other community services

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 Tucson began the citizen participation and consultation process by advertising in a local newspaper (Arizona Daily Star) the 30 day comment period for the draft FY 2018 Annual Action Plan beginning March 9, 2017, also informing citizens of two meetings and a hearing: a public meeting held on February 8, 2017, a meeting on March 23, 2017, and a public hearing on April 19, 2017. During the comment period and at each meeting, comments regarding the plan were accepted. The City also posted the ad, the meeting notices and the draft plan on the City's website. The City also sent an email outlining this information along with a request for comments to over 500 email addresses comprised of neighborhood association members, government representatives and agency representatives.

During the 30 day comment period, the City of Tucson received 78 written comments. At the public meeting on February 8, 2017 the city received 66 verbal comments. At the public meeting on March 23, 2017, nine people attended with 2 verbal comments. One comment was received at the Public hearing on April 19, 2017. The meeting notes for February 8, 2017 and March 23, 2017 are attached along with the 78 written comments.

In addition, on July 10, 2017 another legal advertisement in the local newspaper was issue to advertise the one time Supplemental Emergency Solution Grant funding, which was awarded to the City of Tucson on June 30, 2017. The public comment period ran from July 10, 2017 to July 26, 2017. A public meeting was held on July 25, 2017 and Mayor and Council Public Hearing conducted on August 8, 2017. The meeting notes are included in attachments.

Citizen Participation 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 Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	The public meetings occurred on February 8, 2017 and March 23, 2017. Fifty people attended the February meeting; 9 people attended the March meeting. A total of 144 Comments were received; 66 verbal and an the rest written - 78. Meeting held on July 25, 2017 for ESG Supplement Funding.	Summary of comments can be located in attachments for all Public Meeting held; Human Services Forum, Annual Action Plan and ESG Supplement Funding.		

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)
2	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	30 day comment period for the draft FY 2018 Annual Action Plan beginning March 9, 2017 and ending April 7, 2017. The City received 78 written comments either by letter or by email. An additional 26 days comment period for the ESG one-time supplement funding was issued from July 10, to July 26, 2017.			

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)
3	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>	<p>August 8, 2017 Public Hearing. This was for ESG one-time Supplement Funding.</p>		<p>There were no comments that were not accepted.</p>	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City of Tucson Department of Housing and Community Development funds numerous nonprofit organizations and may fund other City of Tucson departments. For most programs organizations and activities are selected annually through a competitive request for proposals process.

Anticipated Resources

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	4,986,291	60,000	900,000	5,946,291	10,090,425	Community Development Block Grant (CDBG) funds may be used for a variety of activities that meet the needs of low and moderate income residents and communities. Eligible activities are public services, economic development, and capital improvements such as infrastructure, facilities, and housing. Each activity must meet a HUD objective.

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: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	2,474,885	400,000	0	2,874,885	4,921,620	HOME Investment Partnership Program (HOME) resources may be used to benefit low and moderate income owners and low income renters through housing rehabilitation, acquisition, and new construction activities or by providing tenant-based rental assistance. The City and County will set aside CHDO project funding and solicit CHDO applications, certifying projects and CHDO eligibility on a per project basis. The County will divide HOME funds between rental and home owner programs and the City intends to set aside HOME project funds giving first priority to applicants seeking Low-income Housing Tax Credit (LIHTC) Funds from the State of Arizona Department of Housing. The 2015 HOME program Procedures Manual provides detail on the City and County HOME application process: www.tucsonaz.gov/hcd/affordable-housing-opportunities

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: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	520,326	0	0	520,326	916,006	The Housing Opportunities for Persons with HIV/AIDS and their Families (HOPWA) program funds housing assistance and support services for low-income persons with HIV/AIDS and their families. HOPWA funds are administered by the Southern Arizona AIDS Foundation.

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: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	1,001,122	0	0	1,001,122	1,278,457	The Emergency Solutions Grant (ESG) program provides funding to: 1) engage homeless individuals and families living on the street; 2) improve the number and quality of emergency shelters; 3) help operate shelters; 4) provide essential services to shelter residents; 5) rapidly re-house homeless individuals and families; and 6) prevent families and individuals from becoming homeless. Activities are selected in cooperation with the Tucson Pima Collaboration to End Homelessness.

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: \$		
Section 108	public - federal	Economic Development Public Improvements	8,000,000	0	0	8,000,000	12,000,000	The City's Office of Economic Initiatives facilitates HUD CDBG Section 108 loan transactions. The Section 108 Program is a request for loan guarantee assistance from HUD to promote and foster economic and community development efforts that will have positive benefits, including permanent job creation. This fund is utilized for individual projects in a target range of \$2 million to \$10 million. Currently funding in the amount of \$8 million was allocated for a hotel in the 2015 annual action plan. Remaining balance of \$12 million available.

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: \$		
Other	public - state	Acquisition Conversion and rehab for transitional housing Homebuyer assistance Housing Multifamily rental new construction Multifamily rental rehab	0	0	0	0	0	The National Housing Trust Fund (HTF) is a permanent federal fund authorized by the Housing and Economic Recovery Act of 2008. It is intended to provide grants to States to increase and preserve the supply of rental housing for extremely low and very low income families, including homeless families, and to increase home ownership for extremely low and very low income families. The City plans to leverage these resources. No Funding for Year 3.

Table 2 - Expected Resources – Priority Table

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

The City of Tucson and Pima County formed a HOME consortium in 1992 with the City of Tucson as the lead agency. Of the HOME funding provided, 10% is set aside for administration and 15% is set aside for Community Housing Development Organizations (CHDO). CHDO's will receive \$371,233. The City of Tucson will divide \$1,107,977 between rental rehabilitation and rental development, with a priority given to applicants seeking Low-income Housing Tax Credit (LIHTC) Funds from the State of Arizona Department of Housing. The City will set aside an additional \$200,000 for down payment assistance.

Pima County will allocate \$125,000 of their funding for Homeownership down payment assistance, development and preservation, \$50,000 for

Tenant Based Rental Assistance (TBRA) and \$373,187 for rental development and preservation. Both programs will provide 25% HOME Program match as required. The City of Tucson will satisfy their match requirement using general funds, contributions from the City of Tucson Housing Trust Fund, non-federal sources of cash invested in projects and the value of savings on below market interest rate loans. HOME funds will also be leveraged with Low Income Housing Tax Credit (LIHTC) Investment Rental Projects. Pima County will provide match through Pima County G.O. Bonds for Affordable Housing and matching funds for Down Payment Assistance through Federal Home Loan Bank (FHLB) grant.

City of Tucson: ESG match requirement is satisfied with a one-to-one award value from allowable costs incurred by the sub-grantee of non-Federal funds, cash donations from non-federal third parties and/or the value of a third party in-kind contributions.

General Fund: The projected city budget recommits approximately \$1,464,910 from the city's General Fund for Human services programs. Funds are granted to agencies through a competitive Request for Proposal process. Competing agencies must provide support services to low income households. Grant contracts can be renewed on a year to year basis not to exceed five years.

Housing Choice Voucher: The Public Housing Authority administers the Section 8 Housing Choice Voucher program which provides rent subsidies to approximately 5,654 households within the City of Tucson and Pima County including 877 administered for Pima County, 636 HUD VASH vouchers for Veterans, 150 Family Unification Vouchers, and 46 Moderate Rehabilitation program units. The City anticipates \$32 million in Section 8 funding for FY 18.

The City of Tucson has qualified for the Section 108 loan guarantee assistance program for \$20 million dollars in guaranteed loan funds. These funds can be used to for individual projects that will have positive economic and community development benefits, including job creation. The City has HUD' approval for an \$8 million hotel project. Construction of this hotel began in 2016 and will be completed in 2017.

Public Housing: The Public Housing Authority administers the public housing program of 1,505 scattered site units. For FY 2016, federal funds of approximately \$11 million will be allocated to administer this program. The PHA will also receive approximately \$1.3 million in Capital Funds to help cover the costs of maintaining these dwellings.

Additional non-entitlement funds anticipated for Program Year 3:

Continuum of Care funding - \$2,296,289

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 Tucson has available multiple parcels of land that may be developed to provide housing and facilities for the benefit of low and moderate income people and neighborhoods. As available, an Request for Proposals process will occur that will provide opportunities for private and nonprofit developers to participate in the development of these parcels.

Discussion

Analysis of PHA portfolio and options: The City of Tucson is in the process of completing an analysis of the Public Housing portfolio to identify strategies for long-term viability. Issues under evaluation include: 1) funding sources; 2) financing mechanisms; 3) rent structures; 4) capital and structural improvements; 5) property mix and locations; 6) operations costs, energy costs and management efficiencies; 7) neighborhood context and revitalization initiatives; 8) coordination of City services for low-income residents; and 9) maintaining the one-for-one replacement of any units that are removed from the public housing portfolio.

Choice Neighborhoods and Rental Assistance Demonstration (RAD): In 2016 the City of Tucson applied for a Choice Neighborhoods Planning and Action Grant from the U.S. Department of Housing and Urban Development (HUD). This application was not selected for funding in this national competition. The application incorporated a physical needs assessment of a 408 unit seventeen-story public housing building that represents 27% of the local PHA public housing portfolio, the Tucson House. The physical needs assessment resulted in a “severely distressed” designation, due to the antiquated systems in the building. This elderly and disabled high rise public housing building is located in a high-stress neighborhood with an adopted revitalization area plan, the Oracle Area Revitalization Project (OARP). The PHA has continued to investigate the options for making the needed improvements to Tucson House, and will be submitting a grant application for the Choice Neighborhoods program in August of 2017 while also evaluating the possibility of a RAD conversion. The intent is to plan for the transformation to address the aged building systems including HVAC, domestic water distribution, fire suppression, electrical and other special building components. The PHA will also include energy conservation and finishes. The agency will build on the previous Choice Neighborhoods application and will continue to integrate the Tucson House residents and neighbors in a collective process and projects to benefit all area residents.

Energy Performance Contract: The PHA has done some preliminary evaluations and is considering an energy performance contract for the entire portfolio of public housing.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing Development	2015	2019	Affordable Housing Non-Homeless Special Needs	TUCSON, AZ Citywide	Decent Affordable Rental Housing	HOME: \$1,852,415	Rental units constructed: 74 Household Housing Unit Rental units rehabilitated: 19 Household Housing Unit
2	Owner-occupied Housing Rehabilitation	2015	2019	Affordable Housing Non-Homeless Special Needs	TUCSON, AZ Citywide	Decent Affordable Owner Housing	CDBG: \$1,466,089	Homeowner Housing Rehabilitated: 98 Household Housing Unit
3	Home Purchase Assistance	2015	2019	Affordable Housing	TUCSON, AZ Citywide	Decent Affordable Owner Housing	HOME: \$325,000	Direct Financial Assistance to Homebuyers: 69 Households Assisted
4	Owner Housing Development	2015	2019	Affordable Housing	TUCSON, AZ Citywide	Decent Affordable Owner Housing	HOME: \$0	Homeowner Housing Added: 0 Household Housing Unit
5	Emergency Shelter	2015	2019	Homeless	TUCSON, AZ Citywide	Homelessness	CDBG: \$150,000 ESG: \$150,000	Homeless Person Overnight Shelter: 171 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Rapid Rehousing/TBRA	2015	2019	Homeless	Citywide	Decent Affordable Rental Housing Homelessness	HOME: \$50,000 ESG: \$644,862	Tenant-based rental assistance / Rapid Rehousing: 231 Households Assisted
7	Homelessness Prevention	2015	2019	Homeless	TUCSON, AZ Citywide	Homelessness	ESG: \$60,000	Homelessness Prevention: 18 Persons Assisted
8	Outreach, Support Services and Case Management	2015	2019	Homeless	TUCSON, AZ Citywide	Homelessness	ESG: \$71,176	Other: 305 Other
9	Human and Public Services	2015	2019	Non-Housing Community Development	TUCSON, AZ Citywide	Human Services	CDBG: \$588,545	Public service activities other than Low/Moderate Income Housing Benefit: 1260 Persons Assisted
10	Facilities and Infrastructure	2015	2019	Non-Housing Community Development	TUCSON, AZ Citywide	Revitalization, Public Facilities & Infrastructure	CDBG: \$1,650,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 10600 Households Assisted
11	Assistance for people with HIV/AIDS	2015	2019	Non-Homeless Special Needs	TUCSON, AZ Citywide	Decent Affordable Rental Housing Special Needs Populations	HOPWA: \$504,716	Housing for People with HIV/AIDS added: 200 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
12	Job Creation	2015	2019	Non-Housing Community Development	TUCSON, AZ Citywide	Economic Development	Section 108: \$8,000,000	Jobs created/retained: 160 Jobs
13	Administration	2015	2019	Affordable Housing Public Housing Homeless Non- Homeless Special Needs Non-Housing Community Development	TUCSON, AZ Citywide	Decent Affordable Owner Housing Decent Affordable Rental Housing Economic Development Homelessness Human Services Revitalization, Public Facilities & Infrastructure Special Needs Populations	CDBG: \$997,258 HOPWA: \$15,610 HOME: \$247,489 ESG: \$75,084	Other: 16 Other

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Rental Housing Development
	Goal Description	The City of Tucson anticipates creating 83 new rental units by setting aside \$1,129,013 plus estimated \$400,000 in program income in HOME funds for Low-Income Housing Tax Credit (LIHTC) applications. Pima County anticipates creating 10 new rental units with \$373,187 in HOME funds. Both City and Pima will include CHDO funding of \$371,233 to their projects. This a high priority.
2	Goal Name	Owner-occupied Housing Rehabilitation
	Goal Description	In FY 2018, the City of Tucson will reduce funding for the Home Owner Housing Rehabilitation program to \$1,466,089.15. It is anticipated that 98 low-income home owners will be assisted with CDBG funds committed to the housing rehabilitation collaborative. In the spring of 2016, the City of Tucson applied for a Lead Paint Hazard Control plus Healthy Homes Grant, and was awarded. The Lead Paint Hazard Control program is underway. General Funds of \$58,412 will be used to assist low-income homeowner with emergency repairs through the Acute Emergency Home Repair Program. An estimated of 88 homes will be served.
3	Goal Name	Home Purchase Assistance
	Goal Description	The City of Tucson will provide \$200,000 in home purchase assistance from the HOME program to assist 36 renter households become buyers. Pima County anticipates providing down payment assistance to 33 low-income households with \$125,000 in HOME funds. This is a low priority for the City and a high priority for Pima County.
4	Goal Name	Owner Housing Development
	Goal Description	The City of Tucson does not anticipated funding new development for homebuyers. This is a low priority.
5	Goal Name	Emergency Shelter
	Goal Description	The City of Tucson anticipates providing emergency shelter to 171 homeless people with ESG and CDBG - Old Pueblo Community Services. This is a high priority. A list of agencies and programs that will be funded for FY 2018 is attached as appendix A.

6	Goal Name	Rapid Rehousing/TBRA
	Goal Description	<p>The City of Tucson will use carry forward HOME TBRA funds to assist 165 households and 49 households with ESG funds. This includes General Funds. A list of agencies and programs that will be funded for FY 2018 is attached as appendix A</p> <p>Due to the additional ESG one-time Supplemental funding, \$150,000 of ESG is confirm to be awarded to agencies for Rapid Rehousing and the other \$494,862 is pending to be allocated to other ESG services.</p> <p>Pima County will assist 17 households with Tenant Based Rental Assistance using HOME funds.</p>
7	Goal Name	Homelessness Prevention
	Goal Description	<p>The City of Tucson anticipates assisting 18 people with homeless prevention using ESG. This is a high priority. A list of agencies and programs that will be funded for FY 2018 is attached as appendix A.</p> <p>In addition, \$10,000 is being added to ESG Homelessness Prevention for HMIS services.</p>
8	Goal Name	Outreach, Support Services and Case Management
	Goal Description	<p>The City of Tucson anticipates assisting 305 homeless people with outreach, support services and case management with ESG and general funds. This is a high priority. A list of agencies and programs that will be funded for FY 2018 is attached as appendix A.</p>
9	Goal Name	Human and Public Services
	Goal Description	<p>The City of Tucson anticipates assisting 1,260 low to moderate income people with non-housing needs using part of the City's CDBG public services set-aside and general funds. These funds will help support 32 programs including the Community Food Bank, Inc., homeless youth, job program for deaf/blind persons, mobile meals for elderly, elderly companion program, bridge to college for youth program, family caregiver assistance, early childhood development, job program for homeless adults, child care assistance, financial assistance for homeless youth, crisis assistance for persons experiencing domestic violence, home repair for elderly homeowners, after school programs, parent support. A list of agencies and programs that will be funded for FY 2018 is attached as appendix A. The below numbers don't included General Fund outputs.</p>

10	Goal Name	Facilities and Infrastructure
	Goal Description	The City of Tucson will fund facility improvements under the City/County Safe, Healthy and Green facilities program in the amount of \$150,000 and will fund ADA improvements to public facilities in the amount of \$1,500,000.
11	Goal Name	Assistance for people with HIV/AIDS
	Goal Description	The City of Tucson anticipates assisting 200 people with AIDS providing a variety of services related to economic opportunities, education and employment. An estimated 20 households will receive tenant based rental assistance in the Address Homelessness category. An estimated 65 households will be provided with Transitional Short term facility assistance, 150 households with short-term rent, mortgage and utility assistance and 50 households will be provided with permanent housing placement services including move in deposits and housing prescreen assistance. This is a high priority. A total of 200 unduplicated clients to serve.
12	Goal Name	Job Creation
	Goal Description	The Section 108 loan of \$8 million was awarded to assist in funding the development of a hotel which will provide approximately 160 jobs. There was a delay in the beginning of construction of the hotel due to unexpected environmental issues. The environmental issues were addressed and the hotel is now currently under construction and completion is anticipated in 2017. At that time, job creation will occur. There is a remaining balance of \$12 million in loan funding available for future projects. This program is marketed by the City's Office of Economic Initiatives. This is a high priority.

13	Goal Name	Administration
	Goal Description	<p>The City of Tucson will spend the following on administration and planning activities:</p> <p>CDBG Administration is \$997,258, which includes planning activity funding of \$50,000 for the South 12th Avenue Corridor Plan and \$25,000 for Fair Housing Education activity.</p> <p>The other administrative costs will be allocated by Program funding as follows:</p> <p>City of Tucson HOME Administration - \$185,616 and Pima County is \$61,872 for a total HOME Administration of \$247,489</p> <p>City of Tucson HOPWA Administration - \$15,610</p> <p>City of Tucson ESG Administration - \$75,084</p> <p>Administration funding supports 13.50 FTE</p>

AP-35 Projects - 91.420, 91.220(d)

Introduction

The 5-year Consolidated Plan serves as a guide for annual investments of City and County project funds. For each of the five years covered by the Consolidated Plan, each local government is required to prepare an Annual Action Plan that correlates with the needs, priorities and goals specified in the Consolidated Plan, showing how annual entitlement funds will be allocated to meet the overall 5-year goals.

The 5-year goals and activities are divided into seven categories: Affordable Rental Housing; Affordable Owner Housing; Addressing Homelessness; Human Services; Economic Development; Neighborhood Revitalization, Public Facilities and Infrastructure; and Special Populations.

This section outlines projects and activities for the City of Tucson FY 2018 beginning July 1, 2017 and ending June 30, 2018.

Eligible projects may be directly implemented by the local government or administered through partner agencies and eligible contractors, designated as “sub-recipients”. All federal regulations apply to projects that are supported with HUD formula grant funding.

#	Project Name
1	Human and Public Services
2	Owner Occupied Housing Rehabilitation
3	Public Facilities and Infrastructure
4	CDBG Administration and Planning
5	ESG17 City of Tucson
6	2017-2020 City of Tucson AZH17F002 (COT)
7	2017-2020 Southern Arizona AIDS Foundation AZH17F002 (SAAF)
8	City of Tucson HOME Administration
9	City of Tucson and Pima County HOME CHDO Projects
10	City of Tucson HOME Rental Development
11	City of Tucson Home Ownership (Development and DPA)
12	Pima County HOME Administration
13	Pima County HOME Ownership (Development and Down Payment Assistance)
14	Pima County HOME Rental Development
15	Pima County HOME Tenant Based Rental Assistance (TBRA)
16	CDBG Section 108
17	LEAD GRANT MATCH

Table 4 – Project Information

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

needs

The City of Tucson applied the following in determining priorities and addressing underserved needs:

- 1) Changes in the housing market as described in the FY 2015 City of Tucson/Pima County 5-year Consolidated Plan:
- 2) The documented past performance related to contracts, sub-recipients, programs and projects funded with the City's HUD entitlement grants in previous program years;
- 3) The funding levels for the City's HUD entitlement grants;
- 4) The opportunity to leverage local, State and Federal resources including City general funds, the Tucson Housing Trust Fund; the Tucson Public Housing Authority (PHA) rental units and preference programs and Section 8 vouchers; the State of Arizona Low-income Housing Tax Credit (LIHTC) funds and Lead based Paint Hazard Program funds and the funds allocated through the Continuum of Care/Shelter Plus Care process;
- 5) Achieving coordinated funding in the Consortium and administrative efficiencies in partnerships and contracts for housing and services with sub-recipients
- 6) Recognizing the continued poverty and stress within our CDBG target area. Funding of public facilities and infrastructure will be directed to support the needs within this target area.

Recognizing disparities in income, employment, housing and facilities, which are indicators of urban stress, the City of Tucson adopted a Community Development Block Grant (CDBG) Target Area in program year 2013. This Target Area is based on information contained in a 2012 update to the City's Poverty and Urban Stress Report. The report documents disparities in urban stress based on factors such as income levels, education, housing issues and incidence of crime. The CDBG Target Area will be a primary focus for investment over the new 5-year Consolidated Plan period (July 1, 2015 through June 30, 2020). Approximately 70% of the City of Tucson entitlement grant funding for FY 2018 will be committed to projects in the CDBG Target Area.

AP-38 Project Summary

1	Project Name	Human and Public Services
	Target Area	TUCSON, AZ Citywide
	Goals Supported	Human and Public Services
	Needs Addressed	Human Services
	Funding	CDBG: \$755,576
	Description	This project includes FY 2017 CDBG-funded activities, which will provide crisis assistance and emergency assistance. Approximately 20% of the funding will be spent in the adopted CDBG target area. All funding will be directed to support programs that serve low to moderate income individuals and families.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	It estimated that 1,260 households will benefit from the CDBG Humans Services funding and the City of Tucson General Fund will benefit the following Human Services: Special Populations - 870 Elderly, disabled – 1,553 Youth - 3,455 Homeless - 472 Total of 6,350 assist person with General Funds.
	Location Description	Twenty percent of the funding will be spent in the adopted CDBG target area.
	Planned Activities	The City of Tucson is recommending CDBG funding for projects that address crisis assistance, intervention and prevention for domestic violence. CDBG funds will also assist homeless persons and families by supporting emergency shelters, outreach, case management and support services. The City of Tucson is recommending General Funds for 32 projects that provide support services including education, youth programs, elderly programs, nutrition assistance, food programs and family support.
2	Project Name	Owner Occupied Housing Rehabilitation
	Target Area	TUCSON, AZ Citywide

	Goals Supported	Owner-occupied Housing Rehabilitation
	Needs Addressed	Decent Affordable Owner Housing
	Funding	CDBG: \$1,466,089
	Description	The City of Tucson Housing Rehabilitation Collaborative will assist 98 households with comprehensive housing rehabilitation services including roof replacement, home repairs, accessibility and sustainable housing rehabilitation. All households served will qualify as low/moderate income households.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	This program will assist households, which own their home and are low to moderate income. Approximately 98 households will be assisted. Most applicants are elderly and/or disabled. 58 household in need of emergency home repairs - General Funds.
	Location Description	Approximately 30% (60) of the households assisted will be in the City of Tucson adopted CDBG Target Area.
	Planned Activities	The program will have two focus areas: 1) Comprehensive Residential Rehabilitation, and 2) Home Access. The Comprehensive Residential Rehabilitation Program will affect enduring functional and aesthetic improvement to Tucson housing and neighborhoods by providing deferred loans and low-interest loans to low income household to complete a comprehensive rehabilitation of all systems within a home to mitigate hazards and correct all deficiencies in a minimum of 40 low income single family owner-occupied homes. The Home Access Program will remove barriers to safe access, allow a greater level of independent living, and reduce institutionalization for disabled persons through accessibility improvements and upgrades for approximately 48 low-income single-family owner-occupied homes.
3	Project Name	Public Facilities and Infrastructure
	Target Area	TUCSON, AZ Citywide
	Goals Supported	Facilities and Infrastructure
	Needs Addressed	Revitalization, Public Facilities & Infrastructure
	Funding	CDBG: \$2,602,368

	Description	City of Tucson will fund facility improvements under the City/County Safe, Green and Healthy facilities program in the amount of \$150,000 and will fund ADA improvements in the amount of \$1,500,000. This is a high priority. This also includes \$53,368 of estimated PI of \$60,000 and \$900,000 Estimated Carry forward for 9 Emergency Vehicles which was place on last years Annul Action Plan but will not be received until August of 2017.
	Target Date	12/31/2018
	Estimate the number and type of families that will benefit from the proposed activities	For Safe Green and Healthy, this will serve approximately 100 person that are homeless or in need of crisis assistance. For ADA improvements, this will serve approximately 10,500 persons who are elderly or disabled.
	Location Description	Approximately 70% of the funds will be committed to projects in the City of Tucson adopted CDBG Target Area.
	Planned Activities	The City of Tucson and Pima County have implemented a CDBG funded Safe Green and Healthy program for five years to retrofit shelters and public service facilities for energy efficiency and sustainability. This is a five-year program. We will be in year five in FY 2018. The ADA project will upgrade public facilities to expand ADA compliance.
4	Project Name	CDBG Administration and Planning
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Decent Affordable Owner Housing Homelessness Human Services Revitalization, Public Facilities & Infrastructure
	Funding	CDBG: \$997,258
	Description	These funds will be used to administer all CDBG activities. These funds will support 9.42 FTE positions plus \$50,000 will be used for planning activities and \$25,000 for Fair Housing outreach and education.
	Target Date	9/30/2018

	Estimate the number and type of families that will benefit from the proposed activities	This is funding for administration which includes funding for two planning activities.
	Location Description	City wide
	Planned Activities	Administrative activities that support the implementation of the CDBG grant.
5	Project Name	ESG17 City of Tucson
	Target Area	Citywide
	Goals Supported	Emergency Shelter Rapid Rehousing/TBRA Homelessness Prevention Outreach, Support Services and Case Management
	Needs Addressed	Homelessness
	Funding	ESG: \$1,001,122
	Description	These funds will support ESG activities in the following categories: Emergency Shelter Support, Street Outreach, Homeless Prevention, Rapid Re-housing, and Data Collection. The City's ESG allocation is \$452,951 and \$548,171 one-time supplemental funding for a total of \$1,001,122. Of that amount, \$75,084 is allocated for administration and \$10,000 is being allocated for HMIS support.
	Target Date	8/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	ESG funds will assist 504 homeless persons and will provide homeless prevention services to 18 persons. This will include population such as veterans, ex-offenders, severely mentally ill, refugees, people with addictions, youth, elderly, and people with disabilities and persons with limited English proficiency.
	Location Description	75% within the CDBG target area.
	Planned Activities	Programs include prevention, rapid rehousing, outreach, case management, emergency services and emergency shelters for homeless individuals and families.
6	Project Name	2017-2020 City of Tucson AZH17F002 (COT)
	Target Area	Citywide

	Goals Supported	Administration
	Needs Addressed	Homelessness
	Funding	HOPWA: \$15,610
	Description	This project is the City of Tucson administrative funds for the HOPWA program. This will provide partial funding for one FTE.
	Target Date	9/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	This project is for grant administration of the HOPWA grant.
	Location Description	Citywide
	Planned Activities	This project is for grant administration of the HOPWA grant.
7	Project Name	2017-2020 Southern Arizona AIDS Foundation AZH17F002 (SAAF)
	Target Area	Citywide
	Goals Supported	Assistance for people with HIV/AIDS
	Needs Addressed	Special Needs Populations
	Funding	HOPWA: \$504,716
	Description	This project includes HOPWA project funds that are administered by the Southern Arizona Aids Foundation (SAAF) in behalf of the City of Tucson.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	400 person that have HIV/AIDS or are part of a household where a member has HIV/AIDS
	Location Description	City Wide

	Planned Activities	<p>Provide rental assistance for tenant based permanent housing units for 20 house holds</p> <p>Provide transitional/short term facility assistance to 65 households</p> <p>Provide short term rent, mortgage and utility assistance to 150 households</p> <p>Provide permanent housing placement services including move-in deposits and housing pre-screen assistance to 50 households.</p> <p>This service also provides case management and supportive services including transportation assistance, vital records to facilitate access to benefits and limited substance abuse related services to these same individuals and households.</p>
8	Project Name	City of Tucson HOME Administration
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Decent Affordable Rental Housing Decent Affordable Owner Housing
	Funding	HOME: \$185,616
	Description	These funds support administration of the City HOME program. They will help support 3.30 FTE positions.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	This is a city-wide program, but it is estimated that 50% of the HOME funds will be committed to projects located in the City of Tucson adopted CDBG Target Area.
Planned Activities	Administration of HOME program.	
9	Project Name	City of Tucson and Pima County HOME CHDO Projects
	Target Area	Citywide
	Goals Supported	Rental Housing Development Owner-occupied Housing Rehabilitation

	Needs Addressed	Decent Affordable Rental Housing Decent Affordable Owner Housing
	Funding	HOME: \$371,233
	Description	HOME 15 percent set asides for Community Housing Development Organization (CHDO). Joint commitment City and County.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	The City of Tucson and Pima County will to assist one CHDO this year for four home units in a rental development that includes Low Income Housing Tax Credit (LIHTC).
	Location Description	CHDO's can implement projects on a City-wide basis.
	Planned Activities	The City of Tucson and Pima County will to assist one CHDO this year for four home units in a rental development that includes Low Income Housing Tax Credit (LIHTC).
10	Project Name	City of Tucson HOME Rental Development
	Target Area	Citywide
	Goals Supported	Rental Housing Development
	Needs Addressed	Decent Affordable Rental Housing
	Funding	HOME: \$1,507,977
	Description	City of Tucson HOME Rental Development Project. \$1,107,977 for HOME funds and \$400,000 of Estimated PI.
	Target Date	6/20/2020
	Estimate the number and type of families that will benefit from the proposed activities	City of Tucson projects 83 rental units will be new construction. These units will provide housing to low to moderate income families.
	Location Description	This is a City-wide program, but it is estimated that 50% of City HOME funds will be committed to projects in the City of Tucson adopted CDBG Target Area.

	Planned Activities	The City of Tucson will prioritize local HOME funds for rental projects within the City limits that are included in competitive applications for the allocation of State of Arizona Low-Income Housing Tax Credits (LIHTC). The local government contribution and commitment amount will remain flexible to address annual changes to the State’s Qualified Allocation Plan (QAP) guidelines and to award HOME funds on a case-needed basis if other sources of local contributions, such as fee waivers or incentives, are available to satisfy the requirement. The set-aside of HOME funds as a source of local government contribution for LIHTC projects will continue to be a high priority for the City of Tucson in the development, rehabilitation and preservation of affordable rental housing.
11	Project Name	City of Tucson Home Ownership
	Target Area	Citywide
	Goals Supported	Home Purchase Assistance Owner Housing Development
	Needs Addressed	Decent Affordable Owner Housing
	Funding	HOME: \$200,000
	Description	HOME-assisted Home ownership -The City of Tucson projects home buyer assistance will be provided to 11 families that are first time home buyers.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	11 low to moderate income families
	Location Description	City of Tucson
Planned Activities	The City of Tucson anticipates using \$200,000 in HOME funds for Home Owner assistance to 36 new home buyers.	
12	Project Name	Pima County HOME Administration
	Target Area	Citywide
	Goals Supported	Administration
	Needs Addressed	Decent Affordable Rental Housing
	Funding	HOME: \$61,872
	Description	This funding supports Pima County HOME program administration costs.

	Target Date	6/30/2018
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	This is a county-wide program.
	Planned Activities	These funds support administration for the Pima County HOME program. They will help support one FTE position.
13	Project Name	Pima County HOME Ownership (Development and Down Payment Assistance)
	Target Area	Citywide
	Goals Supported	Home Purchase Assistance Owner Housing Development
	Needs Addressed	Decent Affordable Owner Housing
	Funding	HOME: \$125,000
	Description	This project provides assistance to home buyers for purchase of new or existing affordable housing units
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	33 - low to moderate income families
	Location Description	This is a county-wide program.
	Planned Activities	Provide down payment assistance to home buyers for the purchase of new or existing affordable housing.
14	Project Name	Pima County HOME Rental Development
	Target Area	TUCSON, AZ
	Goals Supported	Rental Housing Development
	Needs Addressed	Decent Affordable Rental Housing
	Funding	HOME: \$373,187
	Description	This project will leverage funds for the new construction of rental housing units for low and very-low income renters.

	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	10 low to moderate income families
	Location Description	Pima County
	Planned Activities	Provide funding for the development and construction of rental properties.
15	Project Name	Pima County HOME Tenant Based Rental Assistance (TBRA)
	Target Area	Citywide
	Goals Supported	Rapid Rehousing/TBRA
	Needs Addressed	Decent Affordable Rental Housing
	Funding	HOME: \$50,000
	Description	Pima County will assist low and very low income working families in transition including homeless or at-risk homeless families and individuals and ex-offender re-entry.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	17 families or individuals in transition including homeless or at-risk homeless families and individuals and ex-offender re-entry.
	Location Description	This is a county-wide project.
	Planned Activities	Provide tenant based rental assistance to low and very low income persons, families specifically those that are homeless, at risk of being homeless and ex-offenders.
16	Project Name	CDBG Section 108
	Target Area	TUCSON, AZ
	Goals Supported	Job Creation
	Needs Addressed	Economic Development
	Funding	Section 108: \$8,000,000
	Description	The Section 108 loan of \$8 million was awarded to assist in funding the development of a hotel which will provide approximately 160 jobs.

	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	160 - low to moderate income individuals
	Location Description	City of Tucson Hotel will be located on the NW corner of N. 5th Av and E Broadway in downtown Tucson
	Planned Activities	The Section 108 loan of \$8 million was awarded to assist in funding the development of a hotel which will provide approximately 160 jobs. There was a delay in the beginning of construction of the hotel due to unexpected environmental issues. The environmental issues were addressed and the hotel is now currently under construction and completion is anticipated in 2017. At that time, job creation will occur.
17	Project Name	LEAD GRANT MATCH
	Target Area	Citywide
	Goals Supported	Owner-occupied Housing Rehabilitation
	Needs Addressed	Decent Affordable Owner Housing
	Funding	CDBG: \$125,000
	Description	Lead Base Paint Hazard Control (LBPHC) Program 2016 Grant Match. The City of Tucson was awarded the 2016 LBPHC grant which required 10% match. This is round one of the CDBG Match.
	Target Date	10/31/2019
	Estimate the number and type of families that will benefit from the proposed activities	18 homeowners. The Lead Base Paint Hazard Control (LBPHC) target units 180.
	Location Description	City Wide
	Planned Activities	Lead-Based Paint Hazard Control (LBPHC) Program will target and serve low to very-low income families with children under six years of age—residing or frequenting owner occupied or rental housing built prior to 1978. This may also included rental units if both landlords and renters are eligible to participate.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Unless otherwise noted, the projects and activities listed in this Annual Plan are offered City-wide to homeless persons, senior citizens, low-income residents, people with disabilities, people with HIV/AIDS, survivors of domestic violence, and Tucson's youth.

Over many years, the City of Tucson has documented and published an Urban Poverty and Stress Report. This report compares census tract data showing the areas with highest stress compared to the City as a whole, including factors such as income levels, education, housing issues and incidence of crime. Recognizing disparities in income, employment, housing conditions and choice, and facilities which are indicators of urban stress, the City of Tucson adopted a Community Development Block Grant (CDBG) Target Area in program year 2013. This Target Area is based on information contained in a 2012 update to the City's Poverty and Urban Stress Report and intersects with areas of minority concentration and high poverty rates as shown in the City of Tucson, City of South Tucson and Pima County 2014 Promise Zone application.

Geographic Distribution

Target Area	Percentage of Funds
TUCSON, AZ	40
Citywide	60

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The CDBG Target Area will be a primary focus for investment over the new 5-year Consolidated Plan period (July 1, 2015 through June 30, 2020). The City estimates that \$10,800,000 will be invested in the CDBG Target Area in FY 2018, which includes an \$8 million Hotel Project funded by the CDBG Section 108 Loan Pool and approximately 40% of the City of Tucson entitlement grant funding for FY 2018. The City's goal is to invest in facilities, housing, job opportunities and support services for residents living the target area to reduce urban stress and leverage other community investments in a comprehensive revitalization effort in the target area.

Lead Based Paint Hazard Control (LBPHC) + Healthy Homes: The City of Tucson has the 5th highest poverty rate in the United States. Poverty is a major risk factor in lead poisoning; therefore lead poisoning is a significant health threat in Tucson. The Arizona Department of Health Services (AHS) has identified 21 zip codes in the Tucson area where children are at high risk of lead poisoning. Approximately 70 percent of Tucson lies within a high risk zip code. There are, 40,668 children under the age of six in the City of Tucson, 13,768 of who live in low- to moderate-income areas in homes constructed prior to 1978. Prevention, control, abatement and remediation of lead based paint hazards in areas of high risk such as Tucson is essential to reducing the occurrence of childhood lead poisoning. The City will apply \$2.9 million in grant funds from the HUD-funded LBPHC+Healthy Homes program to control lead hazards in this area.

Analysis of PHA portfolio and options: The City of Tucson is in the process of completing an analysis of the Public Housing portfolio to identify strategies for long-term viability. Issues under evaluation include: 1) funding sources; 2) financing mechanisms; 3) rent structures; 4) capital and structural improvements; 5) property mix and locations; 6) operations costs, energy costs and management efficiencies; 7) neighborhood context and revitalization initiatives; 8) coordination of City services for low-income residents; and 9) maintaining the one-for-one replacement of any units that are removed from the public housing portfolio.

Choice Neighborhoods and Rental Assistance Demonstration (RAD): In 2016 the City of Tucson applied for a Choice Neighborhoods Planning and Action Grant from the U.S. Department of Housing and Urban Development (HUD). This application was not selected for funding in this national competition. The application incorporated a physical needs assessment of a 408 unit seventeen-story public housing building that represents 27% of the local PHA public housing portfolio, the Tucson House. The physical needs assessment resulted in a “severely distressed” designation, due to the antiquated systems in the building. This elderly and disabled high rise public housing building is located in a high-stress neighborhood with an adopted revitalization area plan, the Oracle Area Revitalization Project (OARP). The PHA has continued to investigate the options for making the needed improvements to Tucson House, and is considering a resubmission of a grant application under the Choice Neighborhoods program and the possibility of a RAD conversion. The intent is to plan for the transformation of to address the aged building systems including HVAC, domestic water distribution, fire suppression, electrical and other special building components. The PHA will also include energy conservation and finishes. The agency will build on the previous Choice Neighborhoods application and will continue to integrate the Tucson House residents and neighbors in a collective process and projects to benefit all area residents. Should HUD provide the opportunity for a Choice Neighborhoods application the PHA will pursue a planning and/or implementation grant.

Energy Performance Contract: The PHA has done some preliminary evaluations and is considering an energy performance contract for the entire portfolio of public housing.

South 12th Avenue Corridor: In FY 2017 HUD funded a technical assistance team to help the City of Tucson evaluate revitalization and growth opportunities in the South 12th Avenue Corridor that is located in the CDBG target area. This technical assistance contract with the National Association for Latino Community Asset Builders (NALCAB) is underway and will result in a set of recommendations and a “toolkit” for the phased implementation of projects on various scales. The City will use \$50,000 in FY 2018 CDBG funds to conduct an infrastructure study in this area.

Discussion

The City of Tucson will track activity funded within the CDBG Target Area and complete an evaluation of geographic distribution of investments that will be included in the Consolidated Annual Performance and Evaluation Report (CAPER) in fall 2017.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

The City of Tucson plans to provide affordable housing to 582 households. This includes rapid rehousing and permanent housing for the homeless, tenant based rental assistance for the homeless and special needs populations, new construction of rental units, home owner rehabilitation and home buyer assistance. In addition, the City will use General Fund dollars to provide 88 low income households with Acute Emergency Home Repairs and 155 low income elderly/disabled household with Home repair, adaptation and maintenance.

One Year Goals for the Number of Households to be Supported	
Homeless	273
Non-Homeless	213
Special-Needs	96
Total	582

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	319
The Production of New Units	30
Rehab of Existing Units	164
Acquisition of Existing Units	69
Total	582

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

Aquisition of units includes home buyer assistance to renters acquiring home ownership units. (There is not a concise category to show this commitment of HOME and Tucson Housing Trust Fund money.)

The City of Tucson is the lead agency in the Consortium. The above numbers include Pima County commitment of HOME funds to new construction of rental housing and home purchase assistance.

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

The City of Tucson Public Housing Authority (PHA) assists low-income renters by providing 1,505 units of public housing and other affordable rental housing; and 5,654 Section 8 Housing Choice Vouchers including 877 administered for Pima County, 636 HUD VASH vouchers for Veterans, 150 Family Unification Vouchers, and 46 Moderate Rehabilitation program units.

The City's public housing and other affordable rental housing units are administered by property management offices regionalized throughout the City. The property management team at each office is responsible for residential property management activities associated with its assigned projects including property maintenance and modernization work.

Actions planned during the next year to address the needs to public housing

Per the City of Tucson's PHA plan, the following are actions planned to address the the needs of public housing:

- Apply for additional rental voucher when available.
- Expand the availability of Housing Choice Vouchers and Public Housing units to homeless individuals and families.
- Reduce vacancies in public housing units by decreasing turnover time to 30 days or less.
- Pursue endeavors to increase the supply of accessible housing through development and rehabilitation.
- Afford opportunities to provide project-based vouchers to non-profit agencies that serve special populations and promote access to case management and other services.
- Continue to analyze the feasibility of Rental Assistance Demonstration (RAD).

In February, 2016, the City of Tucson applied for a Choice Neighborhoods Planning and Action Grant through the U.S. Department of Housing and Urban Development. The grant was not funded. This application was designed to address housing, people, and neighborhoods in an area designated by the applicant agency that includes a severely distressed public housing property. The planning activities will culminate in a transformation plan which may include the development of high functioning services, education, housing opportunities, transportation, job opportunities, or any additional needs of the neighborhood. The area to be addressed is the Oracle Revitalization Area which was previously identified in a City plan and endorsed by the Mayor and Council.

The Tucson House, a 408 unit high rise for elderly and/or disabled public housing residents, is in the defined area which encompasses 2.6 square miles. The PHA completed a physical needs assessment of

the building and it meets the definition of “severely distressed” due to the antiquated building systems. The intent is to plan for the transformation to address the aged building systems including HVAC, domestic water distribution, fire suppression, electrical, and other special building components. The agency will continue to integrate the Tucson House residents and neighbors into collective processes and projects that will benefit all. The PHA has continued to investigate the options for making the needed improvements to Tucson House, and is considering a resubmission of a grant application under the Choice Neighborhoods program and the possibility of a RAD conversion. The intent is to plan for the transformation of to address the aged building systems including HVAC, domestic water distribution, fire suppression, electrical and other special building components. The PHA will also include energy conservation and finishes.

The agency will build on the previous Choice Neighborhoods application and will continue to integrate the Tucson House residents and neighbors in a collective process and projects to benefit all area residents. Should HUD provide the opportunity for a Choice Neighborhoods application the PHA will pursue a planning and/or implementation grant.

Energy Performance Contract: The PHA has done some preliminary evaluations and is considering an energy performance contract for the entire portfolio of public housing.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Family Self Sufficiency (FSS) program is a voluntary program available to families who receive rental assistance through the public housing and Section 8 Housing Choice Voucher programs. Participants must have a genuine desire to work toward a living wage career within a five year period. Participants set and meet long and short-term goals for education, training, career development and job retention. The program’s main focus is to help participants reach self-sufficiency so that they no longer need to depend on public assistance programs in order to provide for their families. Homeownership, savings and financial education are encouraged. Approximately one-third of graduates move on to homeownership.

The Resident Opportunities for Self-Sufficiency (ROSS) program provides additional assistance to public housing residents who may need more time to meet self sufficiency goals due to language barriers or lack of high school diploma. This is a three year program that will allow a participant to then transfer to the FSS program if more time is needed.

The Section 8 Home Ownership Program (SEHOP) provides an opportunity for low-income Housing Choice Voucher (HCV) holders to achieve homeownership. As of 2014 HCD had 25 HCVs available from AZ004 and an additional 15 HCVs from AZ033 for homeownership. Moreover, staff works with homeownership clients to educate them about other resources available in the community, e.g. those available through the City’s HOME program, Federal Home Loan Bank, sponsors of Individual Development Accounts, and products sponsored by the Industrial Development Authority such as

mortgage revenue bonds and mortgage credit certificates.

Section 3 Plan: In accordance with the Section 3 Plan for The City of Tucson, the resident councils, as well as neighborhood associations are provided with information and their assistance is requested in notifying residents of available Section 3 training and employment opportunities. Additionally, training and employment opportunities are advertised in residents' newsletters as well as at all public housing management offices.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A

Discussion

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The Annual Point in Time count in January 2017 counted 1,574 unduplicated persons in 1,32 households who were homeless and staying in shelters, permanent housing or on the streets. Of these 2110 people, 1,665 (79%) were adults and 445 (21%) were children.

http://www.tpch.net/uploads/1/4/0/0/14008364/2017_pit_final_draft_to_hud...pdf

The City of Tucson is a member of the Tucson/Pima Collaboration to End Homelessness. TPCH is a coalition of community and faith-based organizations, government entities, businesses, and individuals committed to the mission of ending homelessness and addressing the issues related to homelessness in Tucson and Pima County. They are charged with implementing the 2015 Continuum of Care Strategic Plan to End Homelessness. TPCH tracks all persons needing housing assistance through the Homeless Management Information System (HMIS) and then assesses and refers them to appropriate agencies. Information on the TPCH strategic plan can be found at: www.tpch.net

The City of Tucson and Pima County 5-year Consolidated Plan includes the goal of permanent supportive housing units to the existing inventory. To assist with permanent housing, the Public Housing Authority (PHA) added a preference for homeless households limited to 10% of the PHA's portfolio of 1,505 total units and 10% of the PHA's voucher's (not including vouchers set aside for other special populations). The PHA awarded, through a competitive process, Human/Public Services Funds to several agencies to provide case management and wrap around services to assist clients to transition to permanent housing. For FY 2015, thirty Public housing units and fifty housing choice voucher were made available for qualified homeless families. In FY 2016, 100 housing choice vouchers were made available to agencies to be used for qualified homeless individuals and families.

Beginning 7/1/17 the PHA made available for referrals by any TPCH agency the remaining 314 homeless preference vouchers and 120 homeless preference Public Housing units with the following criteria:

Individuals with a VI-SPDAT score of 14 or greater regardless of the chronicity status (HCV only)

Individuals or families moving on form Permanent Supportive Housing that have been stably housing for 1 year or more, are actively engaged with medical and/or behavioral health services, have established regular income, have established relationships with mainstream resources, and have minimal need for regular case management targeting housing stability. (HCV or PH)

Homeless families with children (Public Hosing only)

The City also participated in the following efforts using these as a foundation for addressing the most serious issues associated with chronic homelessness; please see attachment on 51 Homes and 25 Cities.

51 Homes - In 2011, TPCH and the Continuum joined the National 100,000 Homes Campaign and pledged to provide 51 homes for the most vulnerable chronically homeless veterans in the Tucson Community. The City of Tucson, the Veterans Administration, CODAC Behavioral Health, local non-profit service providers, as well as local landlords came together to provide permanent housing for homeless veterans. With grants from the Veterans Service Foundation, Pima County Sheriff Department, Democratic Club of the Santa Rita Area, Desert Hills Lutheran Church and major donations of furniture and supplies from Davis-Monthan Air Force Base, veterans that were housed received new beds, furniture, kitchen and bathroom items, linens, personal care items, and cleaning supplies. 215 Veterans received assistance with furnishing their apartments in calendar year 2015 and anticipate assisting 200 veterans in calendar year 2016.

25 Cities - In March 2014 the U.S. Department of Veterans Affairs (VA) launched the 25 Cities Initiative to assist communities with high concentrations of homeless Veterans in intensifying and integrating their local efforts to end Veteran homelessness. Tucson was selected to be one of 25 cities to end both veteran and chronic homelessness by 2016. We working with the Continuum to create a coordinated entry system and utilizing the VI SPDAT to match homeless persons with housing. Combined with our efforts of 51 Homes, we are looking to significantly reduce homelessness by the end of 2016.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

For Fiscal Year 2018, the City of Tucson plans to use CDBG and ESG money to fund a variety of non-profit agencies to provide services to persons experiencing homelessness, those at risk of being homeless and homeless families with children. These activities are summarized below.

- Fund providers through the Continuum of Care process that propose to link housing to services
- Add 100 units of permanent supportive housing to existing housing inventory.
- Identify the needs of homeless and adapt the service system to meet their needs. Increase shelter services, transitional and permanent supportive housing
- Seek additional funds for medical, behavioral, substance abuse, and mental health services
- Fund services that enhance discharge planning and other preventive services
- Institute preventions strategies for rent, utility and mortgage assistance and debt and mortgage counseling
- Provide short-term assistance in the form of emergency shelters and motel vouchers
- Provide employment and training tied to housing assistance
- Implementation of Continuum of Care strategies through participation in the local process – Tucson/Pima Collaboration to End Homelessness (TPCH)
- Development of housing targeted to special needs populations

- Continued implementation of the TPCB Strategic Plan
- Expand permanent housing options for homeless individuals by increasing the number of public housing units and housing choice vouchers made available to qualified homeless individuals/families.

Addressing the emergency shelter and transitional housing needs of homeless persons

ESG funds will be applied to projects providing shelter and assistance to homeless persons as well as providing funds to prevent homelessness. Funds provide essential services, including operations and maintenance for facilities assisting homeless persons and services that prevent homelessness. Shelter Plus Care, Supportive housing and Rapid Rehousing will be used to pursue the majority of the housing and community development strategies to address homelessness. This will include permanent supportive housing and supportive services for the following targeted homeless populations:

- Low-income individuals and families with children;
- Single unaccompanied youth
- Pregnant and parenting youth
- Single women or men with children
- Severely mentally ill persons
- Chronically homeless individuals with multiple barriers to employment
- Veterans
- Victims of domestic violence

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City is investigating options of providing a facility that assists homeless individuals. This could include a homeless campus or a 24 hour public restroom structure.

The City of Tucson intends to encourage local non-profit housing and support service agencies to pursue all available public and private funding to achieve the goals in the FY 2015 – 2020 Consolidated Plan. It is expected that funding from a combination of federal, state, local and private sources will be used to pursue the majority of the housing and community development strategies. All eligible funding will be pursued and non-profit entities will be encouraged to work with financial institutions to develop plans for leveraging private and public funds to the maximum extent possible.

The ECHO (Ending Chronic Homelessness) Permanent Supportive Housing Program: is a collaborative

effort that provides direct links between permanent housing, supportive services and employment programs to 63 clients including disabled individuals, chronically homeless individuals and families with children. **Pathways:** The Pathway's program provides permanent supportive housing to a target population consisting of 16 clients that are experiencing homelessness including those chronically homeless, veterans, individuals', families, domestic violence, substance abuse, mental illness and HIV/AIDS. **Shelter Plus Care Partnership:** The Shelter Plus Care Partnership program provides permanent supportive housing to a target population consisting of 88 clients that are experiencing homelessness including those chronically homeless, veterans, individuals', families, victims domestic violence, substance abuse, mental illness and HIV/AIDS. **Shelter Plus Care IV - Operation Safe At Home:** The Shelter Plus Care IV program provides permanent supportive housing and services to a target population consisting of 81 clients who are experiencing homelessness including those chronically homeless, disabled veterans, domestic violence, substance abuse, mental illness and HIV/AIDS.

Prevention services include programs aimed at maintaining people in their homes, i.e. rent and mortgage assistance, utility payment assistance to prevent eviction, case management, housing counseling, landlord/tenant mediation/legal services, behavioral health services, referral services, income maintenance programs and food stamps, job training and placement, and guardianship/representative payee. In addition, prevention programs include supportive education regarding an owner/landlord's specific requirements, and information on tenants' rights and obligations under Arizona law.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

A subcommittee of the Tucson Pima Collaboration to End Homelessness (TPCH) established discharge procedures for homeless patients with all hospitals in Tucson/Pima County. These procedures were supplemented with information regarding shelter operations, admission requirements, names and addresses of emergency shelters and shelter staff. A workgroup has been formed to encourage additional coordination.

While the Prisoner Re-Entry program funded by the Department of Labor Employment and Training Administration has ended, local agencies Primavera Foundation and Old Pueblo Community Services continue to offer re-entry assistance to men and women recently released from the Department of Corrections facilities and reentering the community after incarceration. An array of enhanced and graduated supportive services is offered including individualized case management and transitional living facilities.

The City of Tucson is collaborating with Pima County on the Pay for Success Social Impact Bond program aimed at providing Permanent Supportive Housing to homeless clients that have been incarcerated two or more times in the past year and have a mental health diagnosis.

Discussion

Funding to agencies described in the action plan is provided in the form of a contract between the recipient agency and the Housing and Community Development Department. The contract contains terms and conditions of funding, reporting and invoice requirements, performance and outcome expectations and service delivery levels, record keeping responsibilities, and consent to on-site monitoring as requested by the city. Funds are awarded to the ESG grantees on a competitive basis. The Request for Proposal Notice is released through the Continuum of Care as well as through the City Participation Process. The City Of Tucson and Pima County jointly make the funding allocations. Members of the allocation committee are selected for their knowledge of services and participation in the Continuum. Every effort is made to involve a homeless or formerly homeless person in the process. The committee ranks the proposals individually and then reviews them as a committee and makes the final funding recommendations.

AP-70 HOPWA Goals - 91.420, 91.220 (I)(3)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	150
Tenant-based rental assistance	20
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	50
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	65
Total	285

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

Introduction

The City of Tucson's action plan to barriers to affordable housing include:

- The City Of Tucson will continue to provide down payment and closing cost assistance for first time Homebuyers using funds from the Tucson Housing Trust Fund.
- Increase affordable housing options by dedicating HOME Rental Development funding for Low Income Tax Credit Housing projects and other projects publically funded.
- The City of Tucson will continue to use CDBG funds for our housing rehab program that helps maintain our housing stock and enables low/moderate income individuals to stay within their homes.
- Over the years, the City of Tucson has acquired residential properties in order to increase the affordable housing market in Tucson. Our El Portal portfolio is comprised of approximately 280 dwelling units owned by the City, which are not part of the Public Housing Authority, and are made available for rent to low/moderate income families.
- The City of Tucson will continue to work and monitor the Pima County Community Land Trust. This trust was created to address the high number of foreclosed homes that occurred during the recession. Foreclosed homes were acquired and rehabbed using the City's NSP 1, 2 and 3 funds. These homes were then transferred to PCCLT who in turn sells them to income eligible households.

Actions it 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

- Making contingent commitments of HOME funds of qualifying projects seeking Low-income Housing Tax Credit (LIHTC) financing;
- Providing preservation/enhanced vouchers for residents of projects with expiring periods of affordability, contingent upon at least twelve months' notice from the property owner;
- Improving the permit process for contractors rehabilitating the existing housing stock and developers undertaking infill projects.
- Providing a waiver for development impact fees for non-profit affordable housing providers when their residential development is for households that earn under 100 percent of the area median income.
- To assist with permanent housing, the Public Housing Authority (PHA) added a preference for homeless households limited to 10% of the PHA's portfolio of 1,505 total units and 10% of the PHA's voucher's (not including vouchers set aside for other special populations). The PHA

awarded, through a competitive process, Human/Public Services Funds to several agencies to provide case management and 'wrap around services' to assist clients to transition to permanent housing. For FY 2015, thirty Public housing units and fifty housing choice voucher were made available for qualified homeless families. In FY 2016, 100 housing choice vouchers were made available to agencies to be used for qualified homeless individuals and families. Additional units will be made available through a competitive process for FY 2017 and FY2018.

The City of Tucson plans to explore the following to mitigate and remove barriers:

- Fast-track permitting and approvals for affordable housing projects
- Develop a policy that adjusts or waives existing parking requirements for affordable housing projects.

Pima County's Comprehensive Plan – Pima Prospers – was finalized in 2016. Pima Prospers provides a structure for directly and indirectly addressing regulatory barriers to affordable housing development. The County will begin to implement the goals and policies of the Plan, including:

1. Reviewing the Inclusive Design Ordinance to consider further changes that will encourage aging in place, universal design and accessibility amendments.
2. Supporting a secondary dwelling ordinance or update to include innovative design and development standards, permit procedures, community education and a variety of incentives such as flexible zoning requirements and development standards; and allowing for owner-occupancy in either primary or secondary units.
3. Supporting an incentive program for developers to build innovative residential product types and designs of varying densities.
4. Integrating fair housing goals into planning and development processes to provide for a range and mix of household incomes and family sizes.
5. Providing a manual of strategies for creating a healthier environment based on the latest research and best practices in the field.
6. Implementing a Health Impact Assessment program for public and publicly-funded projects based on healthy communities principles.
7. Embracing principles of affordability and green building as mutually beneficial in reducing energy consumption, water use, material use and creating a healthier indoor environment; periodically updating existing codes and regulations to include the latest green standards, techniques and material; and creating an incentive program to encourage incorporation of green building techniques.

Discussion

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

Introduction

This section discusses the City's efforts in addressing underserved needs, expanding and preserving affordable housing, reducing lead-based paint hazards, and developing institutional structure for delivering housing and community development activities.

Actions planned to address obstacles to meeting underserved needs

The City's central long-term community development goal is to focus resources on community needs, particularly the comprehensive revitalization of distressed areas and areas with high levels of poverty. Assisting LMI households throughout the City is a key community goal intended to ensure that neighborhoods not currently in distress do not become so. The City's General Plan – Plan Tucson - supports a framework of local policies that can significantly and positively impact housing and other needs of LMI residents and neighborhoods. The City's expectations are focused on sustainability, reserving land for economic development, and revitalization. Plan Tucson includes 4 focus areas – social, economic, natural and built environments. While many of the City's General Plan goals and policies are inter-related with Consolidated Plan goals and policies, the most relevant housing and community development goals include stabilizing and improving the existing housing stock, increasing affordable housing options, and support programs that expand economic development opportunities. The City of Tucson will support non-profit agencies that provide

- Provide support to elderly and disabled including emergency repairs, senior companion program, independent living support, mobile meals, nutrition programs, respite programs and homecare services
- Provide support for youth and families including early childcare development, daycare tuition support, parent education and support, and after school programs.
- Support services including temporary shelters for homeless and victims of domestic violence, plus other support such as case management, emergency food assistance, intervention.

Community Planning Efforts focused on seniors: On September 7, 2016 Mayor and Council adopted Resolution #22621 related to Tucson's Designation as a World Health Organization (WHO) Age Friendly City. The PHA participates in the planning process that is focused on the needs of seniors. This effort will result in a plan that incorporates benchmarks that can be used to set goals for Tucson's AARP Plan and to measure progress in meeting those goals. The livability issues listed below were identified by a national AARP survey and are consistent with the goals of the PHA:

- More housing options, affordable housing including accessory dwelling units, and active/assisted living communities
- Accessible and affordable public transportation
- Increased police presence and communication between police and community residents
- Housing located close to stores, transportation, health care facilities and other community services.

Actions planned to foster and maintain affordable housing

- Increase affordable housing options by prioritizing HOME Rental Development Funding for Low Income Housing Tax Credit Housing Projects. Developers of affordable housing are finding it more difficult to finance their projects. The ability to win a LIHTC project is becoming more competitive as other traditional funding options are more restrictive or no longer available. Therefore, the City of Tucson will provide conditional support of project costs for gap funding for applications meeting the City's requirements. This support will allow applicants to gain additional points which may then facilitate a successful application.
- Coordinate housing counseling and education resources with down payment, closing cost and new development funding. Offer counseling and education to owners in gentrifying neighborhoods.
- Continue to support the Housing Rehab program that provides rehab assistance to low-income owner occupants. This rehab assistance ensures these occupants may continue to live in their homes.
- Provide preservation / enhanced vouchers for residents of projects with expiring periods of affordability, contingent upon at least twelve months notice from the property owner.

Actions planned to reduce lead-based paint hazards

Any structure built before 1978 that is proposed for rehabilitation under federal programs is tested for lead-based paint. Notices and requirements regarding testing and removal of lead-based paint are provided to program participants, contractors and project sponsors. Licensed contractors are available to perform appropriate abatement and/or removal procedures if lead-based paint is present.

The City follows strict HUD guidelines for testing and abatement of lead-based paint and other hazardous substances, requiring contractor and subcontractor compliance with guidelines. Rehabilitation activities are procured through a bidding process and contracted to licensed contractors. All contractors and subcontractors are required to comply with HUD Lead Safe Housing requirements and federal National Environmental Policy Act environmental review procedures. In addition, the City follows a multi-pronged approach to reduce lead hazards:

1. Section 8 Housing Choice Vouchers. The PHA inspects prospective dwellings constructed prior to 1978 that will have a child under the age of six residing therein, for compliance with EPA and HUD Lead Based Paint rules and regulations. The inspection includes visual inspections for chipped, peeling, chalking and deteriorated interior and exterior paint. Clearance testing may be performed after remediation by the property owner, to assure a lead-safe environment.
2. Public Education. Lead Hazard Information is distributed to participants in homeownership and rental programs including distribution of HUDs Protect Your Family from Lead in your Home brochure.

The City of Tucson applied for a Lead Based Paint Hazard Control and Healthy Homes Grant in April of 2016, and is operating a \$2.9 million Lead based Paint Hazard Control (LBPHC) + Healthy Homes Program.

Actions planned to reduce the number of poverty-level families

The City of Tucson will work to increase economic activity, promote jobs-based education, and provide services to help lower-income households attain higher-wage employment. Together these efforts serve to reduce the incidence of poverty.

- Most activities undertaken with CDBG, HOME, ESG and HOPWA funds are efforts to reduce the number of persons living in poverty and improve the quality of life for city residents. The City will continue to support emergency assistance programs, and a variety of other support services that are used by low-income households to obtain basic necessities.
- Continue to support economic development activities and employment, focusing on employment convenient to public transportation and working in partnership with workforce investment agencies;
- Continue to incorporate training for contractors and other private sector entities to increase understanding of and participation in HUD programs, with emphasis on Section 3 and Labor Standards that promote economic self-sufficiency
- The City will continue to market the Section 108 program to organizations seeking gap financing. On March 17, 2015 HUD conditionally approved the first loan in the amount of \$8 million for a hotel project. This hotel is currently under construction. This project will create approximately 160 new jobs.

In 2016, the City of Tucson applied for a Choice Neighborhood Planning and Action grant through HUD, but was not selected in this federal grant competition. The grant was designed to address housing, people and neighborhoods in an area designated by the applicant agency that includes a severely distressed public housing property. The planning activities were drafted to culminate in a transformation plan which may include the development of high functioning services, education, housing opportunities, transportation, and job opportunities. The area to be addressed is the Oracle Revitalization Area which was previously identified in a City plan and endorsed by Mayor and Council.

The Tucson House, a 408 unit high rise for elderly and/or disabled public housing residents is in the defined area, which encompasses 2.6 square miles. The PHA completed a physical needs assessment of the building and it meets the definition of "severely distressed" due to antiquated building systems. The PHA has continued to investigate the options for making the needed improvements to Tucson House, and is considering a resubmission of a grant application under the Choice Neighborhoods program and the possibility of a RAD conversion. The intent is to plan for the transformation of to address the aged building systems including HVAC, domestic water distribution, fire suppression, electrical and other special building components. The PHA will also include energy conservation and finishes. The agency will build on the previous Choice Neighborhoods application and will continue to integrate the Tucson House residents and neighbors in a collective process and projects to benefit all area residents. Should HUD provide the opportunity for a Choice Neighborhoods application the PHA will pursue a planning and/or implementation grant.

Energy Performance Contract: The PHA has done some preliminary evaluations and is considering an energy performance contract for the entire portfolio of public housing.

Actions planned to develop institutional structure

The Delivery System provides a full array of services to low and moderate income households and people with special needs, including people with HIV/AIDS. HCD carries out its mission through direct delivery of services and programs and funding of other City departments, nonprofit organizations and for-profit developers. Specific agencies and organizations that work with the City are selected on an annual basis. The City of Tucson recognizes the benefits of increasing administrative efficiencies to improve the delivery system. Planned actions for the coming year include:

1. In FY 2017, City and County coordinate the application process for public services. This allowed applicants to prepare Request for Proposal responses electronically using the same software for both the City and County. This reduced duplication of applications for same services.
2. In FY 2017, The City of Tucson required agencies applying for public service grants to request a minimum of \$50,000 per grant to reduce the number of grants awarded thereby reducing administrative costs.
3. Evaluate renewable (multi-year) contracts contingent on performance;
4. Dedicating resources to coordinated assessment
5. Evaluate the Housing Rehab program to ensure we are meeting the needs of the clients while complying with the federal regulations. We will also look at ways to reduce administrative costs thereby allowing more funds to assist homeowners.

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

The City benefits from a strong city wide network of housing and community development partners, such as the Tucson Metropolitan Housing Commission, the Housing Rehab Collaborative, the Tucson Pima Collaboration to End Homelessness and Pima County Community Development and Neighborhood Conservation Dept. The City will continue to create partnerships between public institutions, non-profit organizations, and private industry for the delivery of affordable housing and community development activities for low-and moderate-income households, neighborhoods, and at risk populations. The use of non-profit agencies to deliver such services has expanded over the past several years, thus increasing the coordination and cooperation between the City and these entities.

Discussion

Program Specific Requirements

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

Introduction

The City of Tucson will have estimated amount of \$423,820 in HOME Program Income to be committed and spent down in the upcoming fiscal year. CDBG Program Income of \$50,880 will be also be reprogram in the coming fiscal year. Proceeds from Section 108 projects will not be received in this program year and surplus funds, returned funds or float-funded activities do not apply to the City of Tucson.

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	50,880
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
Total Program Income:	50,880

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.	100.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The top priority of the HOME program is the commitment of rental development funds to the Low Income Housing Tax Credit (LIHTC) applicant to maximize the points provided in the Qualified Allocation Plan (QAP) in this category. The City has also identified two sources for HOME eligible activities:

- \$400,000 from HOME program income for affordable rental projects
- The 25% HOME Match requirement will be met using General Funds and local incentives.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Affordability of HOME funds shall be maintained by either the resale or recapture method as outlined in the HUD HOME Resale and Recovery Summary. A Note and Deed of Trust will be recorded to ensure the required period of affordability is met.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

City of Tucson HOME Resale/Recapture Provisions:

Homeownership - Recapture

Homeownership development and down-payment assistance activities funded with City HOME funds will utilize Recapture Provisions, which meet or exceed HOME Program Affordability requirements.

For FY 17-18, the HOME funds allocated to homeownership activities are assigned to our jointly funded City-County Down Payment Assistance Program that will provide direct assistance of 3.5% of purchase price (maximum \$3700) which will carry zero interest with a 5 year affordability requirement. If the property is sold or ceased to be primary residence during the affordability period then the HOME funds will be recaptured. In the event of a sale, HOME funds are recaptured from the available net sales proceeds, which are defined as the sales price, less first mortgage pay-off, less homeowner's equity & less closing costs.

If HOME funds are used to fund down payment assistance on other development projects or CHDO projects, the City will follow the same recapture provisions described above – except that the amount of direct assistance may vary based on homebuyer underwriting and may exceed the 3.5% utilized for the City-County DPA program. Affordability period will vary from 5 to 15 years based on the amount of direct assistance provided to the homebuyer – following HOME Regulations at 92.254

Homeownership - Resale

The City will utilize Resale provision in the event a non-profit or profit organization and developer contract with the City for homeowner development for first-time home buyers.

The City's Resale restriction will require that if the home is sold during the affordability period, it must be sold to another low-income household. The Affordability period will vary from 5 to 15 years based on the amount of the HOME funds invested the housing as per the HOME regulations at 92.254. The resale requirement will ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. "Fair return on investment" means that the original homeowner shall be permitted to recuperate the amount they invested for down payment, principal paid on mortgage as well as value of any property improvement paid for by the assisted owner. "Affordability" to a reasonable range of low-income homebuyers," means that the mortgage payment including principal, interest, taxes and insurance –will not exceed 30% of the low-income buyer's income; and low-income buyers are defined as households earning at or below 80% of AMI. Additional HOME funds may be used to provide direct down payment assistance for a subsequent buyer in order to provide for the required level of Affordability; and if so the Affordability period will be based on the new assistance provided.

Rental

Rental Development projects funded with City HOME funds will utilize HOME Recapture provisions which meet the HOME Program Affordability Requirements. City staff with contracted consultant will complete required project underwriting to determine a reasonable interest rate and terms that are supported by the underwriting. In most case the funds invested will be at level that will require a minimum 20 year affordability period that will be secured the recorded Covenants Conditions and Restrictions (CCR's).

Pima County HOME Resale/Recapture Provisions:

Homeownership - Recapture

Homeownership preservation, development and down - payment assistance activities funded with County HOME funds will utilize Recapture Provisions which meet or exceed HOME Program Affordability requirements. For FY 17-18, a majority of County's HOME funds allocated to homeownership activities are assigned to our jointly funded City-County Down Payment Assistance Program that will provide direct assistance of 3.5% of purchase price (maximum \$3700) which will carry zero interest with a 5 year affordability requirement. If the property is sold or ceased to be primary residence during the affordability period then the HOME funds will be recaptured. In the event of a sale, HOME funds are recaptured from the available net sales proceeds which are defined as the sales price, less first mortgage pay-off, less homeowner's equity & less closing costs.

If HOME funds are used to fund down payment assistance on other development projects or CHDO projects, County will follow the same recapture provisions described above – except that the amount of direct assistance may vary based on homebuyer underwriting and may exceed the 3.5% utilized for the City-County DPA program. Affordability period will vary from 5 to 15 years based on the amount of direct assistance provided to the homebuyer – following HOME Regulations at 92.254

Homeownership - Resale

In the event HOME funds are combined with General Obligation Affordable Housing Bond Funds or with homes purchased through the Pima County Community Land Trust, the HOME funds may be provided utilizing Resale provisions in compliance with HOME Program regulations. The County's Resale restriction will require that if the home is sold during the affordability period, it must be sold to another low-income household. The Affordability period will vary from 5 to 15 years based on the amount of the HOME funds invested the housing as per the HOME regulations at 92.254. The resale requirement will ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low- income homebuyers. "Fair return on investment" means that the original homeowner shall be permitted to recuperate the amount they invested for down payment, principal paid on mortgage as well as value of any property improvement paid for by the assisted owner. "Affordability" to a reasonable range of low-income homebuyers," means that the mortgage payment including principal, interest, taxes and insurance –will not exceed 30% of the low-income buyer's income; and low-income buyers are defined as households earning at or below 80% of AMI. Additional HOME funds may be used to provide direct down payment assistance for a subsequent buyer in order to provide for the required level of Affordability; and if so the Affordability period will be based on the new assistance provided.

Rental

Rental Preservation and Development projects funded with County HOME funds will utilize HOME Recapture provisions, which meet the HOME Program Affordability Requirements. County staff will complete required project underwriting to determine a reasonable interest rate and terms that are supported by the underwriting. In most case, the funds invested will be at level that will require a minimum 20 years affordability period that will be secured the recorded Covenants Conditions and Restrictions (CCR's).

Recaptured Funds will be used to fund other HOME eligible homeownership assistance, rental development or TBRA activities.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME funds will not be utilized in this manner

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

Our Policy Manual for Emergency Solutions Grants Program is attached as appendix D.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Continuum of Care has begun a centralized/coordinated entry and assessment system consistent with HUD standards. Through the 25 Cities Initiative, a coordinated entry system is in place. Homeless service providers throughout Pima County utilize the Vulnerability Index and Service Prioritization Decision Assistance Tool (VI-SPDAT) as the common assessment tool for individuals who are homeless. The F-VI-SPDAT will be utilized in the near future. The SPDAT is entered into the HMIS system by the agency completing it, and HMIS staff then matches the highest scoring client through their length of time homeless, their medical vulnerability, over all wellness, unsheltered sleeping location and age with the appropriate housing. Veterans with a high score are referred to the VASH program, and bridge housing through one of the VA programs. with the next available housing that fits their needs.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The Tucson Pima Collaboration to End Homelessness (TPCH) has a workgroup that makes recommendations for ESG priorities.

Process for Sub-Awards: Funds will be awarded by the ESG Grantees on a competitive basis. The Request for Proposal Notice is released through the Continuum of Care as well as through the City Participation Process. The City of Tucson and Pima County jointly make the funding allocations. Members of the allocation committee are selected for their knowledge of services and participation in the Continuum. Every effort is made to involve a homeless or formerly homeless person in the process. The committee ranks the proposals individually and then reviews them as a committee and makes the final funding recommendations.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Tucson Pima Collaboration to End Homelessness (TPCH) has several former homeless persons

on their governing board. TPOCH assists with outlining priorities for ESG grants.

5. Describe performance standards for evaluating ESG.

Pima County and the City of Tucson in consultation with the Continuum of Care developed performance standards that provide measures to evaluate the effectiveness of

1. Targeting those who need the assistance the most;
2. Reducing the number of people living on the streets and emergency shelters;
3. Shortening the time people spend homeless;
4. Reducing each program participant's housing barriers or housing stability risks.