DRAFT City of Tucson and Pima County Consortium 02/19/15
Federal Fiscal Years 2015-2019 HUD Consolidated Plan

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INTRODUCTION

Every five years Pima County and the City of Tucson jointly prepare a 5-year Consolidated Plan (Consolidated Plan) for the US Department of Housing and Urban Development (HUD). This Consolidated Plan covers the federal program / fiscal years beginning July 1, 2015 and ending June 30, 2020, which correspond to local fiscal years 2016 through 2020. The Consolidated Plan includes an assessment of needs and market conditions and provides the framework for implementation of HUD-funded activities that will meet needs and address market conditions. The Consolidated Plan is required by HUD for the following programs:

1. Community Development Block Grant (CDBG);
2. HOME Investment Partnership Program (HOME)
3. Emergency Solutions Grant (ESG); and
4. Housing Opportunities for Persons with HIV/AIDS and their families.

HUD requires a lead agency be designated for the Consolidated Plan. The lead agency for the City of Tucson is the Department of Housing and Community Development (HCD). The lead agency for Pima County is the Community Development and Neighborhood Conservation Department (CDNC).

Prior to final submission of the Consolidated Plan to HUD, this document will be formatted to meet the requirements of the HUD eCon Planning Suite program, a new on-line automated system for Consolidated Planning and reporting. Revisions may also be made based on comments received during the 30-day public comment period. Any revisions will be acknowledged in the public comments attachment.

Consolidated Plan Organization

While Pima County and the City of Tucson prepare a joint Consolidated Plan, each must submit separate information to HUD and prepare separate Annual Action Plans and Consolidated Annual Performance Evaluation Reports. Therefore, the City of Tucson – Pima County Consolidated Plan includes three sections:

1. Pima County Consolidated Plan information.
2. The City of Tucson Consolidated Plan information.
3. Combined Pima County and City of Tucson a) socio-economic profile, b) housing market analysis, c) assessment of homelessness, and d) assessment of special needs populations.

Consolidated Plan Housing Market Analysis Data and Geography

HUD requires the use of US Census 2011 American Community Survey (ACS) and 2011 Comprehensive Housing Affordability (CHAS) data. The 2011 CHAS data is the most current data available from HUD. More current data is also available from the US Census Bureau for 2013. Whenever possible or not required by HUD, the most current data is used. Some CHAS data is available only for Pima County while other data is available at both the County and City levels. The Consolidated Plan market analysis uses the available CHAS data.

It is important to acknowledge that the data is imperfect. ACS and CHAS data (which HUD extrapolates from the ACS) are based on data from a sample of households. For this reason, ACS and CHAS data have a sampling error of 10%. This means that if the same sample were taken from a different set of households the results would be within 90% of the prior sample. It is also important to note that data includes the Census Tracts in Pima County on tribal lands, which account for approximately 1% of Pima County households and housing units.

There are multiple geographies included in the housing market analysis, homelessness assessment, and assessment of special needs populations:

1. Pima County includes all incorporated and unincorporated areas of the County.
2. The City of Tucson includes the municipal boundaries of the City of Tucson.
3. Other Incorporated Areas include the City of South Tucson and the Towns of Marana, Oro Valley and Sahuarita.
4. Unincorporated Pima County refers to all areas outside the municipal boundaries of the Cities of Tucson and South Tucson and the Towns of Marana, Oro Valley and Sahuarita.

Definitions and Acronyms

In the context of the housing market, households are the primary measure of housing demand - the US Census defines a household as "all the people who occupy a housing unit", including both related and unrelated people.

Family households are people who share the same housing unit and are related by birth, marriage or adoption to the householder. A family household may contain people not related to the householder who are counted as part of the household but not as part of the family. Non-family households are people living alone and two or more unrelated people sharing a housing unit.

Other definitions and acronyms used frequently in the Consolidated Plan are:

- AMI – Area Median Income as defined by HUD for the County.
- Extremely low-income – a household with income less than 30% AMI or the federal poverty rate, whichever is greater.
- Very low-income – a household with income less than 50% AMI.
- Low and moderate income – a household with income less than 80% AMI.
- LMI – households with incomes less than 80% AMI.
- Cost burden – paying more than 30% of gross household income for housing.
- Severe cost burden – paying more than 50% of gross household income for housing.
- Housing problem – cost burden, severe cost burden, overcrowding or substandard housing.

Stakeholder Consultation and Citizen Participation

Pima County and the City of Tucson 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. Consultation and citizen participation comments are collated with analyzed data to identify priorities and are included as Attachment 1. Stakeholders and citizens made 229 recommendations regarding activities that would promote decent affordable housing, sustainable communities and economic opportunities. Given the extensive volume of input and limited HUD resources, the City and County have identified actions they can take with available resources.

In addition to topical forums:

- The City of Tucson met with eight neighborhood associations. One hundred and ten residents participated in the neighborhood association meetings; 70 residents completed priorities surveys.
- Pima County held 19 meetings with incorporated and unincorporated communities outside the City of Tucson.

Related Documents

A variety of documents are directly related to and incorporated into the Consolidated Plan. These documents include:

- The City of Tucson General Plan
- The City of Tucson Capital Improvements Plan
- The City of Tucson Human Services Plan
- The City of Tucson Promise Zone Application
- The City of Tucson Prior Year Annual Action Plans and Consolidated Annual Performance Reports
- Pima County Continuum of Care (Regional)
- Analysis of Impediments to Fair Housing Choice (Regional)
- We Win as One: An Economic Blueprint for the Tucson Region (Regional)
- Pima County Bond Advisory Committee project summaries
- Pima County Comprehensive Plan
- Pima County Neighborhood Revitalization Program Reports
- Pima County Outside Agency Reports
- Pima County Prior Year Annual Action Plans and Consolidated Annual Performance Reports
- Green and Healthy Assessment of Pima County's Emergency Shelters and Transitional Housing
- Affordable and Mixed-Income Housing in Transit Oriented Development for Eastern Pima County
- Community Planning and Project Evaluation: Neighborhood Stabilization Program 2
- Healthy Flowing Wells Project

Public Comments

The City of Tucson and Pima County goal for citizen participation is to ensure broad participation of residents and service providers in planning. The draft Consolidated Plan was widely distributed in print and on-line. Public comment will be solicited at two public hearings during the public comment period. The public hearings will be held on April 1, 2015 – one during the day and one in the evening.

Written comments received during the public comment period and the City and County response to each will be included in the final Consolidated Plan submission to HUD.

PIMA COUNTY EXECUTIVE SUMMARY

Pima County's central long-term community development goal is to build healthy communities, focusing resources on community needs, particularly the needs of low and moderate income and other vulnerable residents. The core organizing principle of Pima County's Comprehensive Plan – Pima Prospers - is the creation and maintenance of healthy communities. The creation and maintenance of *healthy thriving communities* is the theme of Pima County's Consolidated Plan.

Pima County is a series of communities and the principle of healthy communities means that communities provide the opportunities for people to thrive - economic growth, social vitality, environmental responsibility, access to healthy food, and to the extent possible access to transportation and housing choices. Both Pima Prospers and the Pima County HUD Consolidated Plan recognize the necessity of acknowledging the different lifestyles of rural, suburban and urban communities. Much of the suburban area is built or with entitlements to be developed and what is largely, though not exclusively, left are infill and revitalization opportunities. The focus is therefore on the provision of services and intergovernmental and public-private-nonprofit partnerships.

Consolidated Plan Priorities, Goals and Objectives

In general, HUD resources must be used to benefit low and moderate income (LMI) households and communities. A housing market analysis and assessment of other community needs are conducted for the Consolidated Plan. The housing market analysis and needs assessment identify trends and conditions in a socio-economic context.

In many cases, federal, state and local resources leverage HUD Consolidated Plan funding. To address infrastructure, facility, housing and services that promote healthy thriving communities using HUD funding, CDNC established goals and objectives to address needs in five categories:

1. Affordable Rental Housing;
2. Affordable Owner Housing;
3. Homelessness;
4. Community and Rural Development; and
5. Special Populations.

Socio-economic Profile

The socio-economic profile considers population, households, household and family composition, and income and sources of income. It provides context for strategic plan, including the prioritization of activities that will address identified needs.

- Four of ten Pima County households have 4 or fewer people.
- There are 46,214 single-person households in Pima County outside the City of Tucson – more than half (22,331) are over the age of 65 years.
- There are 24,904 single-parent households living in Pima County outside the City of Tucson.
- 13% of Pima County households (82,500) include children age 6 or younger.
- In 2011 there were 147,911 LMI households in Pima County. Households that include at least one person under age 6 or over age 75 are most likely to be LMI.
- The number of extremely low income households (income less than $15,000 in 2011) is growing faster than overall household growth. From 2000 to 2011, Pima County households increased 15% while extremely low-income households increased 18%.

- While the long-term trend is towards increased income, changes in income since 2008 and the Great Recession point to relatively flat wages, which are not adjusted for inflation. With wages remaining flat or decreasing, increased housing problems and demand for services with corresponding decreases in household discretionary spending can be expected. The 2011 Pima County median wage for all occupations was $32,892.
- The earnings of a Pima County resident with a Graduate or Professional Degree are 3 times the earnings of a resident without a High School Diploma or Equivalent. 60% of Pima County adults who do not have a HS diploma or equivalent live in the City of Tucson.

Housing Market Analysis

The Housing Market Analysis includes housing variety, quality and affordability.

Housing Variety. A variety of housing types is necessary to meet the diverse housing needs and desires of both owners and renters. Housing variety is driven by many factors - demand for certain types of housing and amenities by households, public policy such as zoning and building requirements, the availability and cost of infrastructure, and the cost of land and construction. High volumes of a certain type or size of housing can impact housing affordability and community sustainability.

- Single-family detached properties are the most prevalent housing type in Pima County outside the City of Tucson, followed by manufactured and mobile homes. Manufactured housing and mobile homes are clustered in areas that are zoned for this housing type.
- Most of Pima County's multi-family housing is located in the City of Tucson.
- There are 58,879 vacant housing units in Pima County- about one quarter are held for seasonal use and another quarter are "other" vacant units, which may uninhabitable or held in bank / investor inventories.

Housing Quality. Older structures represent an opportunity to provide decent housing and preserve community and neighborhood character. Young children occupying housing that may contain lead-based paint are at risk of poisoning that can lead to serious pediatric health problems. Overcrowding and substandard housing impact occupant health and safety and detract from neighborhood livability. Renters are twice as likely as owners to live in housing defined by HUD as either overcrowded or substandard.

- More than 57,500 housing units in unincorporated Pima County were built before 1980.
- Agencies that conduct code inspections and assist occupants with housing rehabilitation indicate a high volume of demand for manufactured housing rehabilitation.
- 34,000 households with children under age 6 occupy pre-1980 housing units and are at risk of lead poisoning. The Arizona Department of Health Services identified 20 "high-risk" zip codes in Pima County – 16 are in the City of Tucson.
- An assessment of vacant uninhabitable structures in the unincorporated community of Ajo identified twenty-four vacant, abandoned or damaged properties.
- CDNC has been working with the Pima County Health Department to further policies that promote healthy homes and communities. One goal is to secure funding for healthy homes assessments and couple those assessments with investments in home repairs for LMI households.

Housing Affordability. Housing is considered affordable when a household pays 30% or less of household income for housing costs. Housing that is not affordable has costs to families and the community. It can lead to homelessness, place increased demands on community services, and result in deferred maintenance that impacts entire neighborhoods or communities. Households that spend too much for housing make fewer purchases at local

businesses, this impacts both businesses and the sales tax base. In addition, when housing costs are high employers may choose to locate where housing is more affordable in order to attract and retain employees.

- Pre- and post-purchase education and counseling are critical to successful homeownership.
- More than one source of income is needed to purchase a median value home or rent a median-priced rental unit in Pima County. While renting is more affordable, neither the median rent nor median purchase price is affordable to most single-person households earning the median wage. Employees in primary occupations – office and administrative support, food preparation and serving related, and sales and related - will continue to face housing affordability challenges due to limited earnings potential.
- After years of decreases, home values and sales prices appear to be stabilizing. A Pima County renter with the median renter income of $28,312 could afford to purchase a home valued at $126,905 – the median home value in 2013 was $167,500.
- For renters who are prepared to purchase and need a 3-bedroom unit, purchasing a median value home would result in a more affordable monthly payment than renting a 3-bedroom unit at the median rent.
- Renters generally have more housing affordability problems. 101,770 low and moderate income Pima County households pay more than 30% of household income for housing costs - 58% (37,750) of LMI owners and 70% (58,920) of LMI renters.
  - From 2000 to 2013, rents increased at 1.5 times the rate of income (35% v 23%).
  - There is insufficient rental housing to meet the needs of extremely low income renters (income less than $15,000/year) who are paying 50% of more of household income for housing costs – an estimated 2,183 units renting for less than $350/month are needed for these renters, not including full-time students.
  - There are three subsidized rental housing projects outside the City of Tucson with expiring periods of affordability between 2015 and 2021– 2 in Green Valley and 1 in Sahuarita.

Homelessness Needs Assessment

CDNC met with nonprofit organizations and community members to discuss the needs of homeless people and the agencies that serve them.

- Homeless people in rural areas often live in cars or camps near developed areas and are extremely difficult to count. Case management and financial assistance, financial education and counseling, legal aid, and prevention services are critical.
- The 2014 point-in-time homeless count in Tucson identified 3,116 homeless individuals, including 714 who were unsheltered; less than half the 2010 unsheltered count of 1,561. Overall, the count indicated a 13% decrease from the count of 3,571 in 2010.
- HUD's focus on chronic homelessness and rapid re-housing has resulted in a void in shelter and services for homeless people who are not chronically homeless. Specific populations in need of shelter and services include single women without children, youth age 18-25, families with children, domestic violence survivors, ex-offenders, individuals being discharged from hospitals, Veterans with families, and refugees.
- Resources are needed to leverage HUD funding and support: basic needs such as food and child care; promotion of economic self-sufficiency; subpopulation supports, such as safety for domestic violence survivors; and overall health and safety.
- There is a need for prevention resources, including eviction and foreclosure prevention funding; ongoing social supports and renter education to prevent repeat homelessness; and permanent affordable and supportive housing for zero-income and poverty-level households and people with special needs.

- Some subpopulations, such as domestic violence victims and refugees, generally need more time than offered by alternative programs – such as rapid re-housing or refugee sponsorship – in order to reach stability.
- The *Green and Healthy Assessment of Pima County's Emergency Shelters and Transitional Housing* (Poster Frost Mirto July 23, 2012) reported consistent short-comings in energy efficiency and health of 19 emergency shelter and transitional housing facilities.

People with Special Needs

People who have special needs also have unique housing and supportive services needs. HUD defines special populations as elderly and frail elderly people; people with disabilities including severe mental illness, alcohol and drug addictions, HIV/AIDS; and public housing residents. Pima County also includes people living in poverty and ex-offenders as people with special needs.

- The Southern Arizona AIDS Foundation estimates there are 200 families that include a person with HIV/AIDS and in need of housing assistance and related supportive services.
- The Pima County poverty rate increased 53% from 2000 to 2013 with a higher rate of increase outside the City of Tucson. 19% of the Pima County population lives below the poverty level - 27% of children, 19% of adults 18 to 64, and 9% of adults age 65 and older. Economic recovery in rural areas will take longer than in urban areas.
- The average daily inmate population in Pima County jails is 2,000. Many incarcerated individuals have needs that negatively impact their ability to live productive, pro-social, crime-free lives. Needs of offenders include assistance with housing, employment, relationship and family issues, and substance abuse/mental health services.
- The Arizona Department of Health Services is the primary provider of services to people with alcohol and other drug addictions and/or severe mental illness.
- Elderly people and people with disabilities are more likely to own than rent. Renters with special needs have higher rates of housing problems than do owners with special needs.
    - There are 31,838 LMI elderly and frail elderly owners in Pima County and half (15,327) have housing problems. The lowest income elderly owners have the most severe housing problems. Comparatively, there are 14,363 LMI elderly and frail elderly renters in Pima County and 70% (9,953) have housing problems.
    - There are 11,000 LMI owners with a disability and almost half (5,275) have housing problems. Comparatively, there are 9,645 renters with a disability and 74% (7,150) have housing problems. Housing problems are more prevalent among renters with incomes greater than 30% AMI as these renters are often not eligible for supportive housing units.

Community and Rural Development

The vast geographic area of Pima County, the concentration of services in Tucson, and limited funding lead to a variety of human/ public service and built environment needs. Consultation with Pima County communities revealed diverse and varied needs.

- Human service needs include transportation, health care, food, child care, health care, employment and job training, and basic services.
- Built environment needs including streets and flood control, recreation facilities and other community facilities, public safety facilities and equipment, water and wastewater facilities, and affordable housing and homeless shelters.

Past Performance Assessment

Pima County's progress towards goals in its last five-year Plan were reviewed and showed the majority of activities achieving planned results when accounting for reduced federal funding, including:

1. The strongest successes were in activities that helped provide or maintain housing for low- and moderate-income households, particularly owners and people with disabilities.
2. Significant resources were directed to effectively stabilizing or improving neighborhoods and community and attained expected results. This was possible through Neighborhood Stabilization Program resources received from HUD.
3. A few activities were not significantly addressed as the market changed and demand was low; funds were redirected to higher-demand activities.

PIMA COUNTY RESOURCES, DELIVERY SYSTEM AND GEOGRAPHY

Consolidated Plan Resources

The Pima County Community Development and Neighborhood Conservation Department (CDNC) funds numerous nonprofit organizations and may fund other Pima County departments. For most programs, organizations and activities are selected annually through a competitive request for proposals process. CDNC anticipates the following resources will be made available annually to address needs and market conditions.

HUD Consolidated Plan Resources	
Community Development Block Grant (CDBG)	$ 2,592,466
Emergency Solutions Grant (ESG)	$ 222,739
HOME (through an agreement with City of Tucson)	$ 674,604
Other Federal Resources	
HUD HOPWA Competitive (A)	$ 461,861
HUD Competitive Supportive Housing Program	$ 561,552
FEMA Emergency Food & Shelter Program	$ 408,000
Competitive EPA Brownfields (pending)	$ 400,000
Local Resources	
General Obligation Bonds for Affordable Housing (B)	$ 1,142,399
Outside Agency Program – General Funds (FY14-15)	$ 3,636,172
Neighborhood Reinvestment Program (C)	$ 200,000
NSP1 & 2 Program Income	$ 1,000,000
Homeowner Housing Rehabilitation Resources	
Trico Electric	$ 10,000
Tucson Electric Power	$ 100,000
Southwest Gas	$ 36,000
US Department of Energy	$ 27,000
Low Income Home Energy Assistance Program	$ 76,000

A – Year 2 of a 3-year grant. B – Amount remaining for allocation. C - Cost savings from prior years' projects.

Pima County Institutional Structure and Delivery System

Pima County receives Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funding from the US Department of Housing and Urban Development (HUD) and is the lead agency for these resources; funds are received based on an annual formula. Pima County is also a member of the Tucson-Pima HOME Consortium and receives HOME funds through the City of Tucson. The County has previously applied for and received competitive funding for HUD Housing Opportunities for Persons with HIV/AIDS and Supportive Housing Programs.

The mission of Pima County's Community Development and Neighborhood Conservation Department (CDNC) is to create a more livable and viable county and to improve the quality of life for residents, with a special emphasis on economically and socially disadvantaged communities. CDNC develops and coordinates affordable housing and community planning, community and rural development, neighborhood reinvestment, outside agency, and special populations programs.

Affordable housing programs, including HOME-funded housing development activities, are operated by the Pima County Housing Center. Other resources include the affordable housing bond program and roadway development impact fee waivers for LMI households; foreclosure prevention, financial and homebuyer education and counseling coordination; and other types of housing assistance for homebuyers, homeowners, renters, and people with special needs.

Community and rural development programs include CDBG, home repair and Brownfields remediation. The CDBG program funds housing rehabilitation, community facilities and infrastructure projects in low-income neighborhoods and communities in Pima County (outside the City of Tucson), providing facilities and services where other financial resources aren't available to meet needs. Home repair programs are available to LMI homeowners and funded through multiple resources including CDBG, the US Departments of Energy and Health and Human Services, the Governor's Office of Energy Policy, Southwest Gas Corporation, Trico Electric Cooperative and Tucson Electric Power Company. The Brownfields program analyzes industrial sites with perceived contamination and plans for their productive reuse.

The neighborhood reinvestment program is a bond-funded program that revitalizes neighborhoods through small community-based capital improvement projects selected through a community consensus process. The program also offers a leadership institute for potential neighborhood leaders.

Funded by the Pima County General Fund, the Outside Agency Program allocates funds to nonprofit agencies that target economically disadvantaged and other at-risk populations, assuring support is provided to meet basic needs and provide services in rural areas. The Outside Agency Program annually distributes about $3.8 million County General funds to community based organizations and government entities that meet basic needs in five categories:

1. Community Services: overarching services for the entire County.
2. Emergency Food and Clothing: attending to the immediate needs of food & clothing.
3. Senior Support: services for the vulnerable elderly (meals, socialization, recreation, and volunteer coordination).
4. Support Services, Shelter and Domestic Violence Services: temporary shelter (for homeless, victims of domestic violence, teens, etc); support services (case management, legal assistance, housing location assistance, etc.); and preventing homelessness among all vulnerable populations (identify, intervene and transition to permanent affordable housing).
5. Youth, Young Adults and Family Support: services for vulnerable and at-risk children, youth, young adults and families.

Programs for special populations are funded with HUD ESG, FEMA Emergency Food and Shelter Program (EFSP), and Supportive Housing Program resources. The ESG program supports homelessness prevention activities, and shelter and assistance to homeless people. The EFSP helps nonprofit and local government agencies feed the hungry, shelter the homeless and prevent hunger and homelessness among people facing non-disaster emergencies; the Local Board determines how to use funds to provide and expand services. Pima County's Supportive Housing Program (CASA II) assists homeless families in achieving and sustaining self-sufficiency and residential stability through transitional housing, case management, employment and training, and targeted educational services. CASA II for Families is a collaboration of CDNC, the Sullivan Jackson Employment Center, Our Family Services, the Primavera Foundation, and the Salvation Army.

CNDC works with four Boards and Commissions – the FEMA Emergency Food and Shelter Board, the Neighborhood Reinvestment Oversight Committee, the Outside Agency Citizen Review Committee, and the Pima County Housing Commission. Broad nonprofit and citizen representation helps to ensure that the needs of low-income and homeless people are met through appropriate targeting of resources.

Pay for Success. CDNC is exploring Social Impact Financing as an alternative to the decline in federal and state grant funds for social programs. Pay for Success and Social Investment Bonds have been implemented in various locations as strategies to induce private and philanthropic investments and fund evidence-based practices for social interventions that lead to preferred outcomes. An example includes interventions that reduce the incidences of recidivism or repeat offenses.

A simplified model suggests funding for a project would come from private investors seeking a modest return on their investment. Private investors would receive repayment from social innovation funds and foundations if the intervention is successful.

The White House through its Corporation for National and Community Service – Social Innovation Fund is providing funds to conduct feasibility studies for localities with the potential to implement Pay for Success projects. CDNC staff works with the County Administrator's office to identify opportunities for Pay for Success projects in Pima County.

Livability Index. CDNC is exploring options to create a Livability Index that will replace the stress index that measures neighborhood and community needs. The Livability Index will go beyond needs indicators and include positive neighborhood and community attributes and accomplishments, and identify potential for success and inter-connectivity. CDNC is working with consultants to develop tools that that will provide an opportunity to use this wide-ranging information in multiple ways.

Healthy Homes and Communities. CDNC has been working cooperatively with the Pima County Health Department to further policies that promote healthy homes and communities. One goal is to secure funding for healthy homes assessments and couple those assessments with investments in home repairs for LMI and other vulnerable populations.

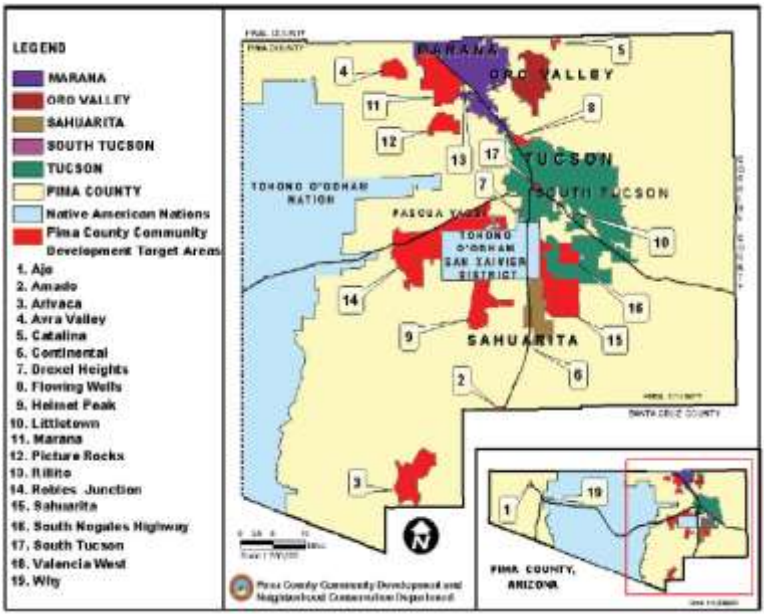
Pima County Community Development Target Areas

All areas of unincorporated Pima County and incorporated jurisdictions outside the City of Tucson are eligible to apply for CDBG funds from Pima County. Some areas are eligible for designation as a Pima County Community Development Target Area (CDTA). The CDTA designation supports the CDBG National Objective of providing benefit to low- and moderate-income persons on an area basis (LMA) utilizing available Low/Moderate Income Summary Data (LMISD) from HUD. In areas not designated as CDTA's, Pima County seeks to work with area

agencies to conduct community driven surveys to determine LMA compliance or reconsider the National Objective and activity.

In general, to be designated as a CDTA at least 51% of the population in a Census Designated Place or Block Group is LMI according to HUD LMISD Guidance. However, recent 2010 Census data has determined Pima County has an "exception" and at least 48.06% of the population in a Census Designated Place or Block Group must be LMI for the area to be designated a CDTA.

In addition, as a result of updated LMISD, Pima County identified several changes to historic Community Development Target Areas. Four historically-eligible areas are no longer eligible including the unincorporated communities of Amado, Helmet Peak, Picture Rocks and Why, Arizona. Pima County will be working with these communities to identify methods that may be employed to support continued community improvements. There are also newly eligible Census Block Groups and Census Tracts in unincorporated Pima County eligible for the CDTA designation. Pima County will be working with these communities and policy makers to include them in future Annual Action Plans, and an updated *Pima County Community Development Target Areas 2015-2020* booklet, for public distribution and planning purposes. The map identifies the areas that have been historically designated.



Pima County Flowing Wells Neighborhood Revitalization Strategy Area (NRSA)

The Flowing Wells Neighborhood Revitalization Strategy Area (NRSA) is a 3.1 square mile County area nestled between the City of Tucson and the Town of Marana. The area originally received its designation as a NRSA in 2001 and continues to be the focus of significant revitalization, including Brownfields, economic development and community development activities. Flowing Wells is also a designated Focused Development Area in the Pima County Comprehensive Plan. Flowing Wells is an area where most residents are low-income. It includes a large number of manufactured and mobile homes and former industrial sites that have been identified as Brownfields. There are significant opportunities for economic development, housing development, mixed-use transit-oriented development and revitalization to promote resident and community health.

Pima County Section 8 Housing Choice Voucher Program

Pima County's Section 8 Housing Choice Voucher program is operated by the City of Tucson Public Housing Authority (PHA) through an Inter-Governmental Agreement. Pima County estimates that 877 Vouchers will be available to assist low and very low income Pima County renters during the next fiscal year.

Pima County Barriers to and Incentives for Affordable Housing Development

Affordable housing barriers are regulatory or financial systems that make it harder for developers to create affordable housing. Barriers to affordable housing development can occur at many levels – local, state and federal government, as well as in related industries, such as the real estate, insurance and finance industries. HUD defines a regulatory barrier as "a public regulatory requirement, payment, or process that significantly impedes the development or availability of affordable housing without providing a commensurate health and/or safety benefit." Incentives are the opposite of barriers and are regulatory and financial systems that make it easier for developers to create affordable housing.

In the past five years, Pima County has taken steps to proactively eliminate regulatory barriers to affordable housing development. The most recent County Comprehensive Plan – Pima Prospers – now includes a Housing Element that estimates current and future demand for housing, including affordable housing. While Accessory Dwelling Units are not allowed as-of-right in any zoning district and specific standards for conditional use permits have not been established, the zoning code was amended to effectively allow for non-rental multi-generational housing on one property by allowing an additional kitchen for an attached or detached accessory dwelling unit. Pima Prospers also proposes a prioritization process for affordable housing projects, and policies that may adjust parking requirements for affordable housing. Based on HUD's checklist, Pima County identified the following assessments and incentives that have not yet been explored:

1. A comprehensive assessment of the cost of rules, regulations, development standards and processes and their impact on the supply of affordable housing.
2. Density bonuses for affordable housing development.

PIMA COUNTY NON-HOUSING COMMUNITY DEVELOPMENT NEEDS

Geographic isolation, the concentration of services in Tucson, and limited funding lead to a variety of human/public service and built environment needs. Human service needs include transportation, health care, child care, employment and job training, and basic services. Built environment needs include streets and flood control, recreation facilities, public safety facilities and equipment, water and wastewater facilities, and affordable housing and homeless shelters.

- Transportation and Child Care. Employment, job training and other services are concentrated in Tucson. Even when transportation vouchers are available, service hours and availability can be limited, particularly during non-traditional times and for elderly and disabled people. Commuting to Tucson to take advantage of employment and services consumes a large part of the household budget and is particularly challenging for LMI people. Reductions in State child care subsidies and few certified providers available during non-traditional work hours make accessing employment and services add to the challenges.
- Health care. The availability of health care is often limited and specialized/diagnostic services are generally not available. School-based clinics provide health care to children and obstetricians have free and low-cost clinics to ensure adequate pre-natal care. In most areas residents may access health care through mobile health clinics that provide services several times per month.
- Streets and Flood Control. In some areas, bridges are needed while in others paving, street signage and speed control are essential.
- Recreation, including Community Facilities. Community centers, parks and schools are often the hub of community activity. Nearly all rural areas have some recreational services or facilities, often staffed by volunteers, yet the need for youth programs, parks, and community center expansion, rehabilitation and development remains. New ways of viewing how community centers are utilized must be developed to ensure long-term sustainability. Co-location of community services, such as food banks, nonprofit organizations, and

public safety substations could provide the needed revenue to ensure sustainability. Schools could provide an alternative for recreation and community activities and services.

- Water and Wastewater. Water and wastewater systems outside Tucson range from individual wells and septic systems to public and private systems. Water quality is a concern in many areas, especially those where water quality is not regulated. The technology and infrastructure of public and private systems is aging. Old pond systems in some areas impact water quality as aquifers and rivers absorb effluent. System improvements are essential to public health in these areas.
- Public Safety. Rural areas are generally served by the Pima County Sheriff's Office, Fire Districts and volunteer fire departments. Fire departments, both district-sponsored and volunteer are in need of hydrants, equipment and EMT/ambulance support to ensure public safety.
- Housing and Homelessness. Many areas have a significant volume of older and manufactured housing that is in need of rehabilitation. Homeless persons in rural areas often live in cars or camps on the edges of more developed areas. While the rural homeless are not hidden, they are exceptionally difficult to count. Case management and financial assistance, financial education and counseling, legal aid, and prevention services are critical.

Pima County Human Services and Economic Opportunities

LMI households and families and individuals living in poverty are particularly vulnerable to housing, social and economic problems. Poverty-level and LMI households can experience crisis on an on-going basis and significant community resources are targeted to crisis intervention. Policies that promote a sustainable income yet recognize the earning-potential limitations of special populations are essential to household and community stability.

Human or public services are most often delivered by nonprofit and local government organizations that rely on grants from state and federal government and private foundations and donations. There is general agreement in the nonprofit and human services sectors that the demand for service has increased, and data indicates that more households have lower incomes and are indeed in need of services.

Food Deserts in Rural Pima County

The US Department of Agriculture defines a food desert as a low-income (at least 20% poverty rate or median income is < 80% County median) census tract where more than 33% of the population must travel more than 1 mile to access a food market in an urban area or more than 10 miles in a rural area. Overlaying USDA food deserts with HUD LMI census tracts reveals 11 food deserts in rural Pima County outside the City of Tucson. Rural food deserts are found in Census Tracts 21, 37.05, 43.07, 43.13, 43.17, 43.20, 44.11, 44.19, 45.06, 94.07, and 94.08.

The Community Food Bank of Southern Arizona serves approximately 250,000 unduplicated food-insecure clients annually across their 5-county 23,000 square mile service area, providing nearly 21 million meals worth of food. The Food Bank also provides nutrition education, food production technical assistance and infrastructure, food entrepreneurship incubation and advocates for food system policies. One of six people in southern Arizona uses the services of the food bank. Food is distributed at locations throughout Pima County and other Southeastern Arizona counties, with the largest distribution center and warehouse located in Tucson. The Food Bank relies heavily on private donations and volunteers.

Economic and Workforce Development

Economic development needs are generally separated into employer/business development and workforce development activities, yet the two are intricately related. Effective economic development strategies address both. Economic development in the Tucson region is focused on five primary economic development needs:

1. High-skilled, high-wage jobs;
2. Educational excellence;
3. Urban renaissance;
4. Livable communities; and
5. Collaborative governance and stewardship.

Long-term strategies are needed to ensure economic vitality and stability. Key economic development actions include investing in early education and building K-12 curriculum to better instruct the skills needed by industries to create a pipeline of local talent, operationalizing the relationship between the business community and Workforce Investment Board, and expanding internship opportunities.

Limited employment opportunities lead many residents to start or expand a small business. Many of these small and home-based businesses access technical assistance currently available from the Small Business Administration and Local Microbusiness organizations, yet access to additional capital is essential to long-term sustainability.

Understanding economic drivers and unemployment are critical to setting a path for economic stability. The 2014 regional economic blueprint "We Win As One" set a five year goal of 40,000 new jobs. The blueprint sets priorities to advance prosperity with a focus on providing a qualified workforce and increasing the number of high-skilled/high-wage jobs in the region's strongest sector clusters – Aerospace & Defense, Alternative Energy & Natural Resources, Bioscience & Health Care, and Transportation & Logistics. Tucson Regional Economic Opportunities estimates that for every high-wage, high-skill job created, two supporting jobs will follow. Supporting jobs can include high-wage and high-skill jobs in associated sectors; however, many supporting jobs are in retail, food-serving and personal services industries.

Workforce needs are generally divided into three categories – youth, economically disadvantaged adults and dislocated workers, both youth and adult. Among youth, primary workforce development needs include: developing skills that meet business market needs; connecting learning to work throughout the education system; basic skills such as citizenship, leadership, community service, adult mentoring and other support services; and optimizing opportunities by providing alternative pathways to success for the gifted and talented as well as for the disadvantaged.

Among the adult workforce, needs include: matching services to the worker and the employer; helping individuals identify barriers to success in gaining and retaining employment; developing individual solutions and appropriate supports; and providing employers with ready access to information. Besides skill-specific training, barriers faced by the adult workforce include housing, childcare, drug and alcohol treatment, remedial and basic skills, technology literacy, language, transportation, medical care, workplace protocol skills, clothing, tools, and support during the trial employment period.

The Pima County One Stop manages job training and employment readiness programs throughout the County, and coordinates with regional economic development entities, other jurisdictions and local employers to develop and deliver relevant education and training. Sector-focused training and partnerships have proven effective in

addressing lack of skilled workers. Business partners offer on-the-job education opportunities for existing workers, internships for incumbent workers, and guidance on technical requirements for existing and planned jobs.

In addition to training, support services are provided through nonprofit organizations to enable customers to successfully participate in employment and training activities. Support services may include transportation services, gas cards, child care, one-time housing assistance, certifications/licensing/testing, tools, uniforms, clothing, eye care, utilities, relocation assistance, and needs-related payments. Referrals may also be made to community based organizations that provide the identified support service.

Pima County - Communities, Public Facilities and Infrastructure

The County's priority non-housing community development needs were selected based on consultation with incorporated and unincorporated communities, the planning process for general obligation bonds, and the needs of LMI persons identified through the housing market analysis and other Consolidated Plan needs assessments.

CDBG funds can leverage bond funds or fill gaps in funding for services and projects that are not bond funded. Incorporated jurisdictions outside the City of Tucson and unincorporated areas identify priority needs at the local or community level and apply to CDNC for funding.

General Obligation Bonds

Pima County is planning for a future bond election that, if approved by the Board of Supervisors and submitted to and approved by the voters will fund priority community development projects in incorporated and unincorporated/ rural areas in 7 categories.

1. Libraries and community facilities
2. Museums and tourism
3. Historic, cultural and natural area conservation
4. Parks and recreation
5. Neighborhoods, affordable housing, public health, justice and law enforcement
6. Flood control and governmental facilities
7. Job growth, education and workforce training

The Pima County Truth in Bonding Code requires a detailed project identification and prioritization process. To date, the Bond Advisory Committee has met to prioritize projects and voted to include $30 million for neighborhood reinvestment projects and $30 million for affordable housing projects in the proposed bond. General Obligation bonds will also support capital projects that will result in large-scale neighborhood-based projects and increased public safety.

PIMA COUNTY 5-YEAR STRATEGIC PLAN

The Consolidated Plan regulations (24 CFR 91.215) guide the development of the County's Strategic Plan related to the use of HUD funding for affordable housing, homelessness, special needs populations, barriers to affordable housing, lead based paint hazards, poverty-level households, institutional structure and coordination, and non-housing community development.

Overview

Pima County's central long-term community development goal is to build healthy communities, focusing resources on community needs, particularly the needs of low and moderate income and other vulnerable residents. The core organizing principle of Pima County's Comprehensive Plan – Pima Prospers - is the creation and maintenance of healthy communities. The creation and maintenance of *healthy thriving communities* is the theme of Pima County's HUD Consolidated Plan.

Pima County is a series of communities and the principle of healthy communities means that communities provide the opportunities for people to thrive - economic growth, social vitality, environmental responsibility, access to healthy food, and to the extent possible access to transportation and housing choices. Both Pima Prospers and the Pima County HUD Consolidated Plan recognize the necessity of acknowledging the different lifestyles of rural, suburban and urban communities. Much of the suburban area is built or with entitlements to be developed and what is largely, though not exclusively, left are infill and revitalization opportunities. The focus is therefore on the provision of services and intergovernmental and public-private-nonprofit partnerships.

While many of the County's Comprehensive Plan goals and policies are inter-related with Consolidated Plan goals and policies, the most relevant housing and community development goals include:

Housing:

1. Ensure safe, decent and affordable housing for a wide range of economic levels, household sizes and age groups in close proximity to employment, schools, community facilities, and transit centers. Use incentives to integrate affordable rental and for-sale housing for LMI households.
2. Maintain the exiting housing stock to ensure it meets basic life and safety standards with minimal displacement of residents.
3. Develop and adopt "Healthy Housing Standards" and encourage the use of Health Impact Assessment (HIA) tools to measure the health impacts of housing in public and publicly-funded policies, programs and projects.
4. Preserve the affordable housing stock.
5. Support housing and emergency shelter for homeless people and special populations.
6. Promote the use of design guidelines to create healthier buildings, streets, and urban/public spaces, and encourage green building and site design methods, techniques and materials.
7. Establish development incentives, such as infill and mixed-use districts that can foster additional affordable housing.

Public Facilities and Infrastructure:

1. Encourage growth in areas with or in close proximity to existing infrastructure, and support economic opportunities through infill sewer system capacity expansions.
2. Align public facilities mission with healthy community principles, integrating healthy community concepts into land use, social services and infrastructure planning processes.

3. Create a safe environment through the support of public safety and law enforcement, including increased coordination between behavioral health and public safety professionals, crime prevention education and environmental design, and analysis of rural and volunteer fire districts to serve new development.

Public Services:

1. Support transit service and programs for those who are transit dependent and where ridership meets minimum thresholds.
2. Increase access to resources that support physical and behavioral health and wellness, and to interpersonal violence prevention programs and resources.
3. Support the needs of the aging population, collaborating with the Pima Council on Aging and other organizations.
4. Support state and local efforts to assure affordable accessible and subsidized child care is available. Invest in early childhood education, daycare and other educational opportunities for youth.
5. Increase housing stability through financial education, debt management, foreclosure prevention and credit repair services.
6. Secure availability of healthy affordable food and eliminate food deserts.
7. Promote joint-use facilities.

Economic Development:

1. Promote economic development with strategic transportation investments.
2. Connect disadvantaged workers to growth and high-demand jobs through job training and new partnerships with school districts and employers.
3. Provide programs for business start-ups.
4. Define strategies to support the unique economic development and social services needs of Community Development Target Areas.
5. Assess vacant and underutilized properties for reuse.

Consolidated Plan Priorities, Goals and Objectives

In general, HUD resources must be used to benefit low and moderate income (LMI) households and communities. A housing market analysis and assessment of other community needs are conducted for the Consolidated Plan. The housing market analysis and needs assessment identify trends and conditions in a socio-economic context. A summary of trends and conditions is included as Attachment 5.

To address infrastructure, facility, housing and services needs that promote healthy thriving communities, CDNC established goals and objectives to address needs using HUD funding in five categories:

1. Affordable Rental Housing
2. Affordable Owner Housing
3. Homelessness
4. Community and Rural Development
5. Special Populations

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The following table summarizes the activities, numeric goals and HUD Consolidated Plan resources – CDBG, HOME and ESG - that will be used by CDNC to address identified needs. Activities that will be targeted to special populations are indicated. The table is designed to meet HUD requirements. Numeric goals reflect the decline in HUD resources over the last three years and are for HUD Consolidated Plan resources only. In many cases, federal, state and local resources leverage HUD funding.

Planned Activity	Priority Level	5-year Numeric Goal	Consolidated Plan Resource(s)	Special Population
Affordable Rental Housing				
Rehabilitation	High	50 units	HOME	X
New Construction	High	100 units	HOME	X
Preservation of Expiring Units	High	100 units	HOME	X
Affordable Owner Housing				
Acquisition, Rehabilitation and Resale	Low	10 units	CDBG, HOME	
Home Purchase Assistance	Low	100 households	CDBG, HOME	
New Construction	Low	50 units	CDBG, HOME	
Address Homelessness				
Emergency Shelter	High	2,000 people	ESG	X
Add beds	High	20 beds	ESG	X
Prevention	High	300 people	ESG	X
Rapid Rehousing/TBRA	High	1,000 people	ESG	X
Support Services and Case Management	High	2,000 people	ESG	X
Emergency & Transitional Housing Improvements	High	400 people	CDBG	X
Community & Rural Development				
Rehabilitation, Emergency Repair & Weatherization - Owner Occupied	High	1,500 units	CDBG, HOME	X
Human/Public Services	High	75,000 people	CDBG	X
Community Facilities & Infrastructure	High	50,000 people	CDBG	X
Demolition of Unsafe Vacant Structures	High	20 structures	CDBG	
Commercial Structure Rehabilitation	Low	1,000 people	CDBG	
Special Populations				
Tenant-based Rental Assistance	High	200 households	HOME	X

Other HUD Required Strategies

In addition to establishing goals related to priority Consolidated Plan needs, the County has established strategies to reduce the incidence of poverty and address lead-based paint hazards, barriers to affordable housing development, and to monitor programs.

Anti-Poverty Strategy

The City of Tucson and Pima County work together through regional and other efforts 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. The County will continue to fund services that support employment including job training and employment preparation, education opportunities, transportation and child care.

While the focus of an anti-poverty strategy is to reduce the incidence of poverty, the County recognizes that stabilization of people in crisis situations is a forerunner to their movement out of poverty. Consequently, the anti-poverty strategy also focuses on creating a stable family and community environment. Public services that provide services to LMI, homeless persons and families are critical. These services include fresh food and hygiene items not provided through other services, support for non-traditional families and special needs populations, transportation services, and activities for youth.

Anti-poverty strategies complement multiple housing activities, providing services to individuals and families receiving rental assistance, living in public housing and residing in homeless facilities. Improvements to LMI housing units reduce maintenance costs, and improvements in LMI neighborhoods increase public safety and encourage economic integration, providing models of economic success for poverty-level households.

Lead-based Paint Hazards Reduction Strategy

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 County 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 County 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.

Strategy to Address Regulatory Barriers

Pima County's Comprehensive Plan – Pima Prospers – will be finalized during the coming year. Pima Prospers provides a structure for directly and indirectly addressing regulatory barriers to affordable housing development. Once adopted, 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 that will 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 county 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 healthier buildings, streets and urban spaces 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.

Program Monitoring

The overriding goal of monitoring is the ensure performance and compliance with federal requirements. Monitoring of subgrantees is a continuous process that involves frequent telephone contact, written communication, analysis of quarterly reports and audits, and periodic meetings. This continuous process helps staff to provide technical assistance to agencies to improve, reinforce, or augment grant performance. Emphasis is on prevention, detection and correction with a positive attitude. Whenever possible, deficiencies are corrected through discussion or negotiation in a manner that maximizes local discretion.

CDBG staff conducts monthly and quarterly desk review to ensure compliance including:

- Verification of reimbursement requests to ensure proper documentation is provided including invoices, employee time and effort sheets, and disbursements.
- Tracking of contract balances including funds budgeted, drawn, obligated in current period and to date, expended in current period and to date, and balance remaining.
- Tracking actual project accomplishments, obligations, and spending patterns against planned operations and accomplishments through the Pima County Community Impact Reporting System (CIRS).
- CAPER data collection - activity name, matrix code, description, location, compliance with national objectives, amount expended during the program year, activity status and specific units of accomplishments.

Pima County complies with HUD's IDIS reporting requirements for the CDBG program, which require viewing all activities/projects on a continuous basis with emphasis on 1) long-standing, open activities, 2) cancelled activities with draws, and 3) draws revised from one activity to another.

Staff conducts a more intense review and monitoring of about 60% of agencies annually. HUD's Self-Monitoring tools are used to provide technical assistance that may include: setting up case management shadowing opportunities with other provider agencies; reviewing HUD eligibility criteria; identifying community resources for existing clients; developing outreach strategies; and, brainstorming ideas to increase client engagement.

The Pima County Housing Center monitors County HOME-funded activities. HOME activities are monitored for compliance during development, at completion, and according to HUD's schedule during the period of affordability.

THE CITY OF TUCSON EXECUTIVE SUMMARY

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. Many of the Plan Tucson goals and policies are inter-related with Consolidated Plan goals and policies.

Consolidated Plan Priorities, Goals and Objectives

In general, HUD resources must be used to benefit low and moderate income (low-mod) households and neighborhoods. A housing market analysis and assessment of other community needs are conducted for the Consolidated Plan. The housing market analysis and needs assessment identify trends and conditions in a socio-economic context. A summary of key trends and conditions follows the summary of priorities, goals and objectives.

The Pima County Community Development and Neighborhood Conservation Department (CDNC) and the City of Tucson Department of Housing and Community Development (HCD) jointly sponsored 14 forums on various Consolidated Plan topics. In addition to the forums, City of Tucson HCD staff met with eight neighborhood associations. One hundred and ten residents participated in the neighborhood association meetings; 70 residents completed surveys regarding priorities. Trends and conditions were reviewed in the context of stakeholder and citizen input to establish priorities, goals and objectives for the next five years.

In many cases, federal, state and local resources leverage HUD funding. To address infrastructure, facility, housing and services needs using HUD funding, HCD established goals and objectives to address needs in six categories:

1. Affordable Rental Housing;
2. Affordable Owner Housing;
3. Homelessness;
4. Human Services and Economic Opportunities;
5. Neighborhood Revitalization, Public Facilities and Infrastructure; and
6. Special Needs Populations.

Goals and objectives of the Consolidated Plan are supported by Plan Tucson's Energy Conservation, Water Resources, Environmental Quality, Housing, Public Safety, Parks and Recreation, Public Health, Urban Agriculture, Education, Government, Jobs and Workforce Development, Business Climate, Regional and Global Positioning, Tourism and Quality of Life, Historic Preservation, Redevelopment and Revitalization, and Public Facilities, Infrastructure and Cost of Development, and Land Use and Transportation Elements.

In general, HUD resources must be used to benefit low and moderate income (LMI) households and communities. A housing market analysis and assessment of other community needs are conducted for the Consolidated Plan. The housing market analysis and needs assessment identify trends and conditions in a socio-economic context.

Socio-Economic Profile

The socio-economic profile considers population, households, household and family composition, and income and sources of income. It provides context for the prioritization of activities that will address identified needs. In some cases only Pima County data is available. When this is the case a summary of Pima County data is included.

- There are 72,017 single-person households in the City of Tucson – 29% (20,997) are over the age of 65 years and 24% (17,596) are single person households age 15 to 34. Many of the younger single person households are full-time students.
- There are 42,641 single-parent households living in the City of Tucson.
- In 2011 there were 96,500 low-mod households in the City of Tucson. Households that include at least one person under age 6 or over age 75 are most likely to be low-mod.
- The earnings of a City of Tucson resident with a Graduate or Professional Degree are 2.7 times the earnings of a resident without a High School Diploma or Equivalent. 60% of Pima County adults who do not have a HS diploma or equivalent live in the City of Tucson.
- From 2000 to 2013, median income in the City of Tucson increased 5% to $37,032. The median income of a household in the City of Tucson is 81% of the Pima County median income, down from 84% in 2000.
- Four of ten Pima County households have 4 or fewer people.
- 13% of Pima County households (82,500) include children age 6 or younger.
- The number of extremely low income households (income less than $15,000 in 2011) is growing faster than overall household growth. From 2000 to 2011, Pima County households increased 15% while extremely low-income households increased 18%.
- While the long-term trend is towards increased income, changes in income since 2008 and the Great Recession point to relatively flat wages, which are not adjusted for inflation. With wages remaining flat or decreasing, increased housing problems and demand for services with corresponding decreases in household discretionary spending can be expected. The 2011 Pima County median wage for all occupations was $32,892.

Housing Market Analysis

The Housing Market Analysis includes housing variety, quality and affordability.

Housing Variety. A variety of housing types is necessary to meet the diverse housing needs and desires of both owners and renters. Housing variety is driven by many factors - demand for certain types of housing and amenities by households, public policy such as zoning and building requirements, the availability and cost of infrastructure, and the cost of land and construction. High volumes of a certain type or size of housing can impact housing affordability and community sustainability.

- Single-family detached properties are the most prevalent housing type in the City of Tucson (54%) followed by multi-family properties (32%). Mobile homes are clustered in parks and areas that are zoned for this housing type.
- There are 58,879 vacant housing units in Pima County- about one quarter are held for seasonal use and another quarter are “other” vacant units, which may uninhabitable or held in bank / investor inventories.

Housing Quality. Older structures represent an opportunity to provide decent housing and preserve community and neighborhood character. Young children occupying housing that may contain lead-based paint are at risk of poisoning that can lead to serious pediatric health problems. Overcrowding and substandard housing impact

occupant health and safety and detract from neighborhood livability. Renters are twice as likely as owners to live in housing defined by HUD as either overcrowded or substandard.

- 58% of the City of Tucson housing stock was built before 1980 – 133,978 housing units.
- Agencies that conduct code inspections and assist occupants with housing rehabilitation indicate a high volume of demand for manufactured housing rehabilitation.
- 34,000 Pima County households with children under age 6 occupy pre-1980 housing units and are at risk of lead poisoning. The Arizona Department of Health Services identified 16"high-risk" zip codes in the City of Tucson.
- The City of Tucson Code Enforcement will identify unsafe substandard mobile homes that are deemed uninhabitable. If owner occupied and the unit is not cost feasible to repair, the occupant will be offered either a public housing unit or a Housing Choice Voucher in response to being displaced by government action. The mobile home will then be demolished and removed under the Vacant and Neglected Structures program (VANS).

Housing Affordability. Housing is considered affordable when a household pays 30% or less of household income for housing costs. Housing that is not affordable has costs to families and the community. It can lead to homelessness, place increased demands on community services, and result in deferred maintenance that impacts entire neighborhoods or communities. Households that spend too much for housing make fewer purchases at local businesses, this impacts both businesses and the sales tax base. In addition, when housing costs are high employers may choose to locate where housing is more affordable in order to attract and retain employees.

- Pre- and post-purchase education and counseling are critical to successful homeownership.
- More than one source of income is needed to purchase a median value home or rent a median-priced rental unit in Pima County. Renting is more affordable, yet neither the median rent nor median purchase price is affordable to most single-person households earning the median wage. Employees in primary occupations – office and administrative support, food preparation and serving related, and sales and related - will continue to face housing affordability challenges due to limited earnings potential.
- After years of decreases, home values and sales prices appear to be stabilizing. A City of Tucson renter with the median renter income of $24,720 could afford to purchase a home valued at $110,805 – the median home value in 2013 was $141,600.
- For renters who are prepared to purchase and need a 3-bedroom unit, purchasing a median value home would result in a more affordable monthly payment than renting a 3-bedroom unit at the median rent.
- There are 3 Low-income Housing Tax Credit projects in the City of Tucson that have expiring use periods in 2021 and 2022 and 14 may be restructured during the next five years, including the City of Tucson's Tucson House. There are also nine locally-funded HOME projects with 92 units that have expiring periods of affordability between 2015 and 2021, and 4 State-funded HOME projects with expiring periods of affordability between 2015 and 2019.
- Renters generally have more housing affordability problems. 71,510 low and moderate income City of Tucson households pay more than 30% of household income for housing costs - 59% (19,320) of low-mod owners and 72% (45,845) of low-mod renters.
  - From 2000 to 2013, Pima County rents increased at 1.5 times the rate of income (35% v 23%).
  - There is insufficient rental housing to meet the needs of Pima County's extremely low income renters (income less than $15,000/year) who are paying 50% of more of household income for housing costs – an estimated 2,183 units renting for less than $350/month are needed for these renters, not including full-time students.

Homeless Needs Assessment

HCD met with nonprofit organizations and community members to discuss the needs of homeless people and the agencies that serve them.

- The 2014 point-in-time homeless count in Tucson identified 3,116 homeless individuals, including 714 who were unsheltered; less than half the 2010 unsheltered count of 1,561. Overall, the count indicated a 13% decrease from the count of 3,571 in 2010.
- HUD's focus on chronic homelessness and rapid re-housing has resulted in a void in shelter and services for homeless people who are not chronically homeless. Specific populations in need of shelter and services include single women without children, youth age 18-25, families with children, domestic violence survivors, ex-offenders, individuals being discharged from hospitals, Veterans with families, and refugees.
- Resources are needed to leverage HUD funding and support: basic needs such as food and child care; promotion of economic self-sufficiency; subpopulation supports, such as safety for domestic violence survivors; and overall health and safety.
- There is a need for prevention resources, including eviction and foreclosure prevention funding, ongoing social supports and renter education to prevent repeat homelessness, and permanent affordable and supportive housing for zero-income and poverty-level households and people with special needs.
- Some subpopulations, such as domestic violence victims and refugees, generally need more time than offered by alternative programs – such as rapid re-housing or refugee sponsorship – in order to reach stability.
- The *Green and Healthy Assessment of Pima County's Emergency Shelters and Transitional Housing* (Poster Frost Mirto July 23, 2012) reported consistent short-comings in energy efficiency and health of 19 emergency shelter and transitional housing facilities.

People with Special Needs

People who have special needs also have unique housing and supportive services needs. HUD defines special populations as elderly and frail elderly people; people with disabilities including severe mental illness, alcohol and drug addictions, HIV/AIDS; and public housing residents. The City of Tucson also includes people living in poverty and ex-offenders as special populations.

- The Southern Arizona AIDS Foundation estimates there are 200 families that include a person with HIV/AIDS and in need of housing assistance and related supportive services.
- The City of Tucson poverty rate increased 46% from 2000 to 2013. 25% of the City of Tucson population lives below the poverty level - 34% of children, 25% of adults age 18 to 64, and 13% of adults age 65 and older.
- The average daily inmate population in Pima County jails is 2,000. Many incarcerated individuals have needs that negatively impact their ability to live productive, pro-social, crime-free lives. Needs of offenders include assistance with housing, employment, relationship and family issues, and substance abuse/mental health services.
- The Arizona Department of Health Services is the primary provider of services to people with alcohol and other drug addictions and/or severe mental illness.
- Elderly people and people with disabilities in Pima County are more likely to own than rent. Renters with special needs have higher rates of housing problems than do owners with special needs.
    - There are 31,838 LMI elderly and frail elderly owners in Pima County and half (15,327) have housing problems. The lowest income elderly owners have the most severe housing problems. Comparatively, there are 14,363 LMI elderly and frail elderly renters in Pima County and 70% (9,953) have housing problems.

- There are 11,000 LMI owners with a disability and almost half (5,275) have housing problems. Comparatively, there are 9,645 renters with a disability and 74% (7,150) have housing problems. Housing problems are more prevalent among renters with incomes greater than 30% AMI as these renters are often not eligible for supportive housing units.
- A coalition of agencies serving seniors has requested the City dedicate a planner to address the growing senior population.

Neighborhood Revitalization, Public Facilities and Infrastructure

Consultation with stakeholders and residents, the City Capital Improvement Program and Plan Tucson revealed diverse and varied needs.

- Human service needs include transportation, health care, food, child care, health care, employment and job training, and basic services.
- Built environment needs include parks and recreation facilities, streets, street-lighting, sidewalks, and other facility and infrastructure improvements in the City's CDBG Target area.

Past Performance. The City of Tucson's progress towards goals in its last five-year Plan were reviewed and showed the majority of activities achieving planned results when accounting for reduced federal funding, including:

1. The strongest successes were in activities that helped provide or maintain housing for low- and moderate-income households, particularly owners and people with disabilities, and addressing the needs of homeless people.
2. Significant resources were directed to effectively stabilizing or improvement neighborhoods and community and attained expected results.
3. A few activities were not significantly addressed as the market changed and demand was low; funds were redirected to higher-demand activities.

CITY OF TUCSON RESOURCES, DELIVERY SYSTEM AND GEOGRAPHY

Consolidated Plan Resources

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. The following table presents the expected annual resources the City of Tucson will have available to address needs and market conditions.

City of Tucson Expected Annual Resources	
HUD Consolidated Plan Programs	
Community Development Block Grant (CDBG)	$ 5,118,094
HOME Investment Partnership Program (HOME) Consortium agreement	$ 1,700,761
Emergency Solutions Grant (ESG)	$ 455,833
Housing Opportunities for Persons with HIV/AIDS	$ 451,530
Other HUD Programs	
CDBG Section 108 Loan Guarantees (up to)	$ 20,000,000
Shelter Plus Care	$ 947,831
Local Funds	
City of Tucson Human Services Fund	$1,400,000
HUD Public Housing Programs for the City of Tucson and Pima County	
Section 8 Housing Choice Vouchers	$38,154,920
Public Housing	$11,132,990
Public Housing Capital Funds	$1,303,715

City of Tucson Institutional Structure and Delivery System

The City of Tucson Department of Housing and Community Development (HCD) is primarily funded with federal resources. HCD is authorized, and is some cases mandated to implement services related to housing, human services, neighborhood improvement, public facilities, redevelopment, economic development, poverty and homelessness. HCD planning and programs are used to assist individuals, households and neighborhoods with documented needs related to low-income status.

HCD is both the Public Housing Authority and the Community Planning and Development Agency. As the Public Housing Authority, HCD operates 1,500 public housing units and manages over 5,000 Section 8 Housing Choice Vouchers and special-purpose Vouchers. As the Community Planning and Development Agency, HCD receives Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) funding from the US Department of Housing and Urban Development (HUD) and is the lead agency for these resources. HCD is also the lead agency for HUD HOME funds received for the City of Tucson-Pima County HOME Consortium.

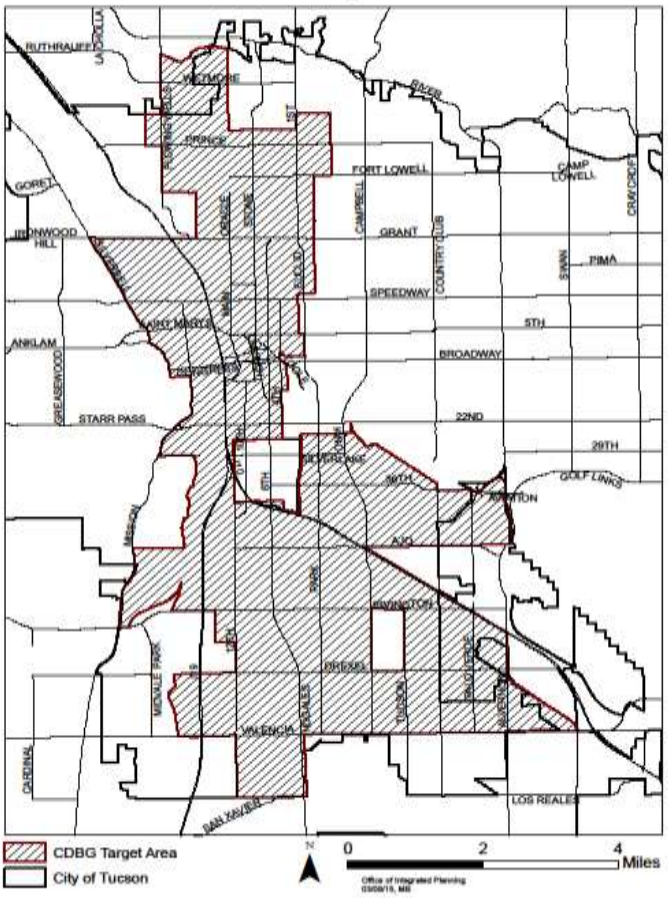
HCD has multiple roles in the community. The department is a landlord, funding source, developer, monitor, partner and advocate for low-income residents. HCD also applies for and administers large state and federal grants for programs and projects consistent with the department's mission. HCD implements its roles and activities in

partnership with other City departments, Pima County, the Tucson Pima Collaboration to End Homelessness, nonprofit service providers, and private and nonprofit developers. 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. Projects that are planned for the Section 108 program are included in the City's Annual Action Plan.

City of Tucson Community Development Block Grant Target Area

In FY 2014 the Tucson Mayor and Council adopted a CDBG Target Area. The target area consists of contiguous high-stress areas in the city core with documented low-income and high minority concentrations. Within the target area, 69.2% of the population is LMI, 33.4% is living below the poverty line, and 77.8% is defined as a minority. The City's goal is to direct public facilities funding into this area to reduce poverty and spur revitalization.

CDBG Target Area



City of Tucson Proposed Promise Zone

The City of Tucson in cooperation with Pima County and the City of South Tucson recently submitted an application for federal Promise Zone designation. If designated, the City will also target resources to the Promise Zone. The proposed Promise Zone includes the City of Tucson CDBG Target Area.

City of Tucson Public Housing and Section 8 Housing Choice Voucher Programs

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 4,712 Section 8 Housing Choice Vouchers including 877 administered for Pima County, 525 HUD VASH vouchers for Veterans, 150 Family Unification Vouchers, and 87 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. During FY 2014 the Public Housing Program converted from a single waiting list to site based waiting lists to afford applicants some choice in the type and location of Public Housing units. The City of Tucson Public Housing Authority has been designated by HUD as a "standard" performing agency.

The PHA encourages public housing residents to become more involved in management and participate in homeownership in the following ways:

- 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.

City of Tucson Barriers to and Incentives for Affordable Housing Development

Affordable housing barriers are regulatory or financial systems that make it harder for developers to create affordable housing. Barriers to affordable housing development can occur at many levels – local, state and federal government, as well as in related industries, such as the real estate, insurance and finance industries. HUD defines a regulatory barrier as "a public regulatory requirement, payment, or process that significantly impedes the development or availability of affordable housing without providing a commensurate health and/or safety benefit." Incentives are the opposite of barriers and are regulatory and financial systems that make it easier for developers to create affordable housing.

The City of Tucson has made significant advancements in addressing regulatory barriers during the past few years by improving the permit process for contractors rehabilitating the existing housing stock and developers undertaking infill projects. Reforming the zoning regulation with the Unified Development Code successfully removed many barriers. Adoption of the International Existing Building Code has allowed rehabilitation of older buildings without having to meet the full extent of the regulations for new buildings unless a clearly identified hazard is present; this code allows rehabilitation within the means and desires of property owners. Given this progress, the City identified two incentives that it has not explored:

1. Fast-track permitting and approvals for affordable housing projects; and
2. An explicit policy that adjusts or waives existing parking requirements for affordable housing projects.

The City will implement policies during the next five years to further encourage affordable housing development, including:

1. Making contingent commitments up to 2% of the qualifying basis for proposed Low Income Housing Tax Credit project seeking HOME funds;
2. Issuing requests for proposals for infill projects and exploring the same approach for projects suitable for lease-purchase;
3. Providing preservation / enhanced vouchers for residents of projects with expiring periods of affordability, contingent upon at least twelve months notice from the property owner; and
4. Offering vouchers to tenants of Continuum of Care projects when the project is no longer receiving project-based funding.

CITY OF TUCSON NON-HOUSING COMMUNITY DEVELOPMENT NEEDS

The non-housing community development needs assessment includes:

1. Human /Public Services - services to people and economic development.
2. The Built environment – neighborhoods, communities, public facilities and Infrastructure

City of Tucson Human and Public Services and Economic Opportunities

LMI households and families and individuals living in poverty are particularly vulnerable to housing, social and economic problems. Poverty-level and LMI households can experience crisis on an on-going basis and significant community resources are targeted to crisis intervention. Policies that promote a sustainable income yet recognize the earning-potential limitations of special populations are essential to household and community stability.

Human or public services are most often delivered by nonprofit and local government organizations that rely on grants from state and federal government and private foundations and donations. There is general agreement in the nonprofit and human services sectors that the demand for service has increased, and data indicates that more households have lower incomes and are indeed in need of services.

City of Tucson Food Deserts

The US Department of Agriculture defines a food desert as a low-income (at least 20% poverty rate or median income is < 80% County median) census tract where more than 33% of the population must travel more than 1 mile to access a food market in an urban area or more than 10 miles in a rural area. Overlaying USDA food deserts with HUD LMI census tracts reveals 2 food deserts in Tucson – Census Tracts 1 and 4.

The Community Food Bank of Southern Arizona serves approximately 250,000 unduplicated food-insecure clients annually across their 5-county 23,000 square mile service area, providing nearly 21 million meals worth of food. The Food Bank also provides nutrition education, food production technical assistance and infrastructure, food entrepreneurship incubation and advocates for food system policies. One of six people in southern Arizona uses the services of the food bank. Food is distributed at locations throughout Pima County and other Southeastern Arizona counties, with the largest distribution center and warehouse located in Tucson. The Food Bank relies heavily on private donations and volunteers.

City of Tucson Human Services

The City allocates funds to nonprofit agencies through the Continuum of Care Plan and a categorized RFP process for HUD entitlement funds. Funding supports nonprofit agencies that deliver a broad range of services including case management, financial assistance, professional assistance, service learning opportunities, volunteer training,

food assistance, material assistance, transportation assistance, pro-social activities, referral services, shelter, skill development and training, mentoring, respite, and tutoring.

City of Tucson Economic Opportunities

Economic development needs are generally separated into employer/business development and workforce development activities, yet the two are intricately related. Effective economic development strategies address both. Economic development in the Tucson region is focused on five primary economic development needs:

1. High-skilled, high-wage jobs;
2. Educational excellence;
3. Urban renaissance;
4. Livable communities; and
5. Collaborative governance and stewardship.

Long-term strategies are needed to ensure economic vitality and stability. Key economic development actions include investing in early education and building K-12 curriculum to better instruct the skills needed by industries to create a pipeline of local talent, operationalizing the relationship between the business community and Workforce Investment Board, and expanding internship opportunities.

Limited employment opportunities lead many residents to start or expand a small business. Many of these small and home-based businesses access technical assistance currently available from the Small Business Administration and Local Microbusiness organizations, yet access to additional capital is essential to long-term sustainability.

Understanding economic drivers and unemployment are critical to setting a path for economic stability. The 2014 regional economic blueprint "We Win As One" sets a five year goal of 40,000 new jobs. The blueprint sets priorities to advance prosperity with a focus on providing a qualified workforce and increasing the number of high-skilled/high-wage jobs in the region's strongest sector clusters – Aerospace & Defense, Alternative Energy & Natural Resources, Bioscience & Health Care, and Transportation & Logistics. Tucson Regional Economic Opportunities estimates that for every high-wage, high-skill job created, two supporting jobs will follow. Supporting jobs can include high-wage and high-skill jobs in associated sectors; however, many supporting jobs are in retail, food-serving and personal services industries.

Workforce needs are generally divided into three categories – youth, economically disadvantaged adults and dislocated workers, both youth and adult. Among youth, primary workforce development needs include developing skills that meet business market needs, connecting learning to work throughout the education system, basic skills such as citizenship, leadership, community service, adult mentoring and other support services, and optimizing opportunities by providing alternative pathways to success for the gifted and talented as well as for the disadvantaged.

Among the adult workforce, needs include matching services to the worker and the employer, helping individuals identify barriers to success in gaining and retaining employment, developing individual solutions and appropriate supports, and providing employers with ready access to information. Besides skill-specific training, barriers faced by the adult workforce include housing, childcare, drug and alcohol treatment, remedial and basic skills, technology literacy, language, transportation, medical care, workplace protocol skills, clothing, tools, and support during the trial employment period.

The Pima County One Stop manages job training and employment readiness programs throughout the County, and coordinates with regional economic development entities, other jurisdictions and local employers to develop and

deliver relevant education and training. Sector-focused training and partnerships have proven effective in addressing lack of skilled workers. Business partners offer on-the-job education opportunities for existing workers, internships for incumbent workers, and guidance on technical requirements for existing and planned jobs.

In addition to training, support services are provided through nonprofit organizations to enable customers to successfully participate in employment and training activities. Support services may include transportation services, gas cards, child care, one-time housing assistance, certifications/licensing/testing, tools, uniforms, clothing, eye care, utilities, relocation assistance, and needs-related payments. Referrals may also be made to community based organizations that provide the identified support service.

The Built Environment

Transportation and Transit

Tucson residents can access employment and services via public transit, including buses, modern streetcar, and shuttle. Buses generally run from 6:00 a.m. to 10:00 p.m. every 30 minutes on various routes throughout the City. Express commuter buses to employment centers run every 10-15 minutes from 5:30 a.m. to 6:00 p.m. The modern streetcar connects residents to downtown, the University of Arizona and bus service; it runs every 10 minutes from 7 a.m. to 6 p.m., every 20 minutes during the evening and weekend hours, and until 2 a.m. Thursday, Friday and Saturday.

Demolition of Vacant Uninhabitable Structures

Vacant residential buildings have a negative impact on both quality of life and property values in neighborhoods. They attract problems and reduce neighboring housing values, sometimes for many blocks. Arson, unintentional fires resulting from use as temporary housing, and the attraction of rodents and insects represent a serious health and safety hazard. Vacant buildings often attract crime or groups of teenagers with little to do.

Even if no crime is present, vacant uninhabitable buildings detract from the overall appearance of neighborhoods, and can negatively impact home sales in an area. The more vacant homes on a street or in a neighborhood, the greater the negative impact on prospective homebuyers. Demolishing uninhabitable vacant structures is essential to the well-being of City of Tucson residents and neighborhoods.

The stabilization of the built environment is expanded through code enforcement and demolition activities. Code Enforcement identifies vacant, unsafe, substandard structures for the Vacant and Neglected Structures program (VANS). Owners are given an opportunity to repair. If the owner fails to comply, then the blighted structure is demolished and removed. During the past five years, 75 units, most being single family dwellings, were demolished through this program.

Imagine Greater Tucson

In 2010 the City of Tucson and Pima County adopted a community development model that incorporates four integral approaches to redevelopment: empowerment of the individual or household; location efficiencies; cost-effectiveness; and building sustainable systems. In this model, large strategies such as a sustainable multi-modal transportation system are inter-related with the basic needs of residents. The City and County have since implemented a series of multi-jurisdictional planning and economic development initiatives. Beginning in 2012, thousands of residents participated in the Imagine Greater Tucson visioning process, which was launched to connect people, governments, and stakeholders in developing community-driven choices for living, working, learning, and playing. Several grass roots efforts have catalyzed revitalization efforts and spurred changes in codes, development standards, and project-based investments.

Neighborhoods, Public Facilities and Infrastructure

The City's priority non-housing community development needs are selected based on the City's Capital Improvements Program (CIP) and the needs of LMI persons identified through the housing market analysis and stakeholder/citizen meetings. The City of Tucson's adopted 2015-2019 Capital Improvements Program includes planned capital improvements from City departments, including HCD. To be included in the CIP, projects must meet one of the following criteria:

1. Construction of a new City asset or expansion of an existing city-owned facility.
2. Initial acquisition of a major equipment system, which will become a City asset at a cost of $100,000 or more and a useful life of at least six years.
3. Major renovation or rehabilitation of an existing City-owned facility that requires an expenditure of $100,000 or more and will extend the life of the original City asset.

<u>HCD Capital Improvements Program Activities</u>

HCD Capital Improvements Funding includes $911,000 for 3 projects. City funding leverages federal funding.

1. Acquisition, rehabilitation and resale of approximately four single-family foreclosed homes located citywide. These homes will be rehabilitated in an environmentally-friendly manner. This project will stabilize neighborhoods with high foreclosure rates, increase affordable housing and benefit LMI families.
2. To continue the acquisition of single-family foreclosed homes citywide for rehabilitation, resale and rental. Approximately six foreclosed homes will be acquired increasing affordable housing citywide.
3. Community Development Block Grant Public Facilities Neighborhood Enhancements for Parks and/or Transportation to provide and meet objectives of the HUD Consolidated Annual Action Plan.

CITY OF TUCSON 5-YEAR STRATEGIC PLAN

The Consolidated Plan regulations (24 CFR 91.215) guide the development of the City of Tucson Strategic Plan related to the use of HUD funding for affordable housing, homelessness, other special needs populations, barriers to affordable housing, lead based paint hazards, poverty-level households, institutional structure and coordination, and non-housing community development.

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:

<u>Housing:</u>

1. Support development opportunities and urban design that increases access to safe, healthy and affordable housing choices where:

   i) Residential, commercial, employment, and recreational uses are located or could be located and integrated to create alternative transportation choices, safe gathering places, and foster social interaction and physical activity;
   ii) There is potential to develop moderate to higher density development that is sensitive to surrounding scale and intensities of existing development, taking into account prominent view sheds; and
   iii) Existing or upgraded public facilities and infrastructure provide required levels of service.
2. Focus public and private investment on documented housing needs and priorities, taking multiple approaches to reduce housing costs and increase affordability.
3. Improve housing conditions in aging and historic neighborhoods, including incentives for private property owners to maintain, retrofit, rehabilitate, and adaptively reuse historic buildings, technical assistance to low- to moderate-income neighborhoods to obtain historic designation, and maintenance, retrofit, rehabilitation and adaptive reuse of City-owned historic buildings.
4. Address the housing needs of the most vulnerable populations, including those at risk of homelessness.
5. Promote safe, decent, and affordable housing and neighborhoods that support aging in place.
6. Provide housing, human services, public facilities, and economic development programs to end homelessness.
7. Encourage a mix of residential development and promote homeownership throughout the city.

Public Facilities and Infrastructure:

1. Invest in public infrastructure and facilities that are fundamental to economic development, and sustaining and enhancing living conditions including recreation and related opportunities to promote healthy lifestyles.
2. Expand and diversify funding mechanisms for the repair, upgrade, maintenance, and service expansion of public infrastructure and facilities.
3. Collaborate with neighborhoods, the nonprofit and private sectors, schools and other jurisdictions to develop shared use facilities.

Revitalization

1. Build redevelopment and revitalization efforts from existing assets.
2. Redevelop and revitalize in areas with the greatest potential for long-term economic development.
3. Evaluate Brownfields sites, closed public facilities, and underutilized land as opportunities for redevelopment and revitalization.

Economic Development:

1. Support lifelong learning, including early childhood education, literacy, and after-school and continuing education programs.
2. Recruit, retain, and expand businesses and industries within Tucson's key economic sectors to increase high-quality, high-paying job opportunities.
3. Support and expand entrepreneurship through partnerships, technical assistance, and incentives that lead to business development, expansion and job attraction/retention.
4. Collaborate with local institutions to support a well-educated, well-trained workforce with skills matched to local job opportunities and employer needs.

5. Contribute to workforce stability and advancement through support of ancillary services, such as transportation, childcare, nutrition, and healthcare.
6. Promote and support local, minority-owned, independent, and small businesses.
7. Foster the success of commercial areas through targeted investment, incentives, and other revitalization strategies.

Energy Efficiency

1. Encourage energy efficiency technologies and energy conservation practices and strive for net zero energy facilities in residential properties, and City infrastructure and facilities.

Water, Wastewater and Flood Control

1. Plan and manage water supplies, quality, and infrastructure for long-term reliability and efficiency.
2. Rehabilitate and enhance natural drainage systems, water detention and retention basins, and other infiltration areas for multiple benefits.

Healthy Community

1. Reduce barriers to food production and distribution, including home and community gardens.
2. Improve access to healthy, affordable food particularly in underserved areas of the city.
3. Coordinate with nongovernmental health and preventive service providers to make healthcare accessible to the most vulnerable and in-need populations, including finding new ways to provide access to healthcare at home.
4. Increase access to healthcare services through provision of reliable, affordable transportation options.
5. Collaborate with the Pima County Health Department on emergency service preparedness and to improve knowledge about and service to mental and physical health services.

Priority Needs and Activities to Address Priority Needs

Public and stakeholder input, records of past funding, and the needs assessment and market analysis are used to determine the relative priority of activities and the populations who will be served. Assignment of priority does not reflect a lack of need for any particular population or activity; it merely identifies those conditions that are most likely to be addressed with limited funding. High priority activities are likely to be funded during the next five years; low priority activities may be funded as opportunities to address needs occur.

The City's Consolidated Plan Strategic Plan includes six priority needs and related goals to address the following Consolidated Plan areas. The needs of non-homeless special populations are incorporated into each of the priority needs and goals where appropriate:

1. Affordable Owner Housing;
2. Affordable Rental Housing;
3. Homelessness;
4. Human Services and Economic Opportunities;
5. Neighborhood Revitalization, Public Facilities and Infrastructure; and
6. Special Populations.

The following table summarizes the activities, numeric goals and HUD Consolidated Plan resources – CDBG, HOME HOPWA and ESG - that will be used by the City of Tucson to address identified needs. Activities that will be targeted to special populations are indicated. The table is designed to meet HUD requirements and link Consolidated Plan goals to Plan Tucson goals. Numeric goals reflect the decline in HUD resources over the last three years and are for HUD Consolidated Plan resources only. In many cases, federal, state and local resources leverage HUD funding.

City of Tucson 5-year Planned Activities and Goals – HUD Resources					
Planned Activity	**Priority Level**	**5-year Numeric Goal**	**Consolidated Plan Resource(s)**	**Special Population**	**Plan Tucson Goals**
Affordable Rental Housing					
Rehabilitation	High	300 units	HOME	X	HP2, H1, H2, H3, H4, H5, H6, H7, H8, H9, H10, PS4, RR1, RR2, RR4, RR5, RR6
New Construction	High	400 units	HOME	X	BC8, BC9, EC2, H1, H2, H3, H4, H5, H6, H7, H8, H9, H10, H11, HP7, HP8, LT3, LT9, LT10, RR1, RR2
Preservation of Expiring Units	High	75 units	HOME	X	H1, H2, H6, H7, H8, H10
Affordable Owner Housing					
Owner Occupied Housing Rehabilitation	High	1,600 units	CDBG, HOME	X	HP2, H1, H2, H3, H4, H6, H8, H9, PS4, RR1, RR2, RR4, RR5, RR6
Home Purchase Assistance	Low	110 households	CDBG, HOME		BC9, H1, H2, H6, H7, H11, RR1, RR2
New Construction	Low	50 units	CDBG, HOME		BC8, BC9, EC2, H1, H2, H6, H7, H11, HP7, HP8, LT3, LT9, LT10, RR1, RR2
Address Homelessness					
Emergency Shelter	High	11,500 people	CDBG, ESG	X	H1, H2, H3, H8, H10
Add beds	High	50 beds	CDBG, ESG	X	H1, H2, H6, H7, H8, H10
Rapid Rehousing/TBRA	High	700 households	HOME, HOPWA, ESG	X	H1, H2, H6, H7, H8, H10
Prevention	High	4,000 people	HOME, HOPWA, ESG	X	H1, H2, H6, H7, H8, H10
Support Services & Case	High	6,000	CDBG	X	H1, H2, H6, H7, H8,

City of Tucson 5-year Planned Activities and Goals – HUD Resources					
Planned Activity	**Priority Level**	**5-year Numeric Goal**	**Consolidated Plan Resource(s)**	**Special Population**	**Plan Tucson Goals**
Management		people			H10
Emergency & Transitional Housing Improvements	High	400 people	CDBG	X	H1, H2, H6, H7, H8, H10
Human Services & Economic Opportunities					
Human/Public Services	High	75,000 people	CDBG, HOPWA	X	AG3, E1, E2, E4, EQ2, H10, JW5, JW7, PH2 – PH6, PS8
Education & Employment Supports	High	500 people	CDBG, HOPWA	X	BC1-BC4, E4, E5, JW1-JW7
Neighborhood Revitalization, Public Facilities and Infrastructure					
Public Facilities and Infrastructure	High	75,000 people	CDBG, CDBG Section 108	X	EC1, EC6, HP3, HP5, PH1, PI1, PI3, PR2-PR9, PS10, RR1, RR2, RR3, RR6, TQ3, WR1-WR9
Demolition of unsafe/vacant structures	High	35 structures	CDBG	X	RR5
Special Populations					
Tenant-based Rental Assistance	High	40 households	HOPWA	X	H1, H2, H6, H7, H8, H10

Other HUD Required Strategies

In addition to establishing goals related to priority Consolidated Plan needs, the City has established strategies to reduce the incidence of poverty, address lead-based paint hazards and barriers to affordable housing development, and to monitor programs.

Anti-Poverty Strategy

The City of Tucson and Pima County work together through regional and other efforts 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. The County will continue to fund services that support employment including job training and employment preparation, education opportunities, transportation and child care.

While the focus of an anti-poverty strategy is to reduce the incidence of poverty, the County recognizes that stabilization of people in crisis situations is a forerunner to their movement out of poverty. Consequently, the anti-poverty strategy also focuses on creating a stable family and community environment. Public services that provide services to LMI, homeless persons and families are critical. These services include fresh food and hygiene items not provided through other services, support for non-traditional families and special needs populations, transportation services, and activities for youth.

Anti-poverty strategies complement multiple housing activities, providing services to individuals and families receiving rental assistance, living in public housing and residing in homeless facilities. Improvements to LMI housing units reduce maintenance costs, and improvements in LMI neighborhoods increase public safety and encourage economic integration, providing models of economic success for poverty-level households.

Lead-based Paint Hazards Reduction Strategy

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.

Strategy to Address Regulatory Barriers

The City of Tucson identified only two HUD regulatory barriers, both of which require significant changes to the development and permitting processes. The City of Tucson will continue to examine these barriers as additional affordable housing projects are proposed, will utilize the tools and strategies available to expedite affordable housing development and will examine methods of adjusting parking requirements, where appropriate.

Program Monitoring

Program monitoring for CDBG and HOME regulatory compliance will occur on a continual basis during FY 2015-2020. Program monitoring includes the following activities.

Subrecipient Orientation. During the grant application process, subrecipients attend technical assistance workshops designed to assist with developing successful grant applications, and to discuss the regulatory requirements of the CDBG/HOME/ESG/HOPWA programs. Staff also provides one-on-one consultation with subrecipients.

Pre-Award Screening. Prior to award of funds, all subrecipient service providers receive pre-contract assessments to assure that sufficient administrative and fiscal management systems are in place to successfully provide the service identified in the grant applications. During the RFP process, City staff meets individually with agencies to evaluate other program capacity issues.

Post-Award Monitoring. It is the policy of the City to monitor all subrecipient contracts on an annual basis. All subrecipients will, at a minimum, be monitored by means of an office desk-review utilizing a monitoring checklist appropriate for the program/project. The level of post-award monitoring is determined as follows:

- Subrecipients whose risk assessment is high (4 or more factors checked) will receive on-site monitoring.
- Subrecipients whose risk assessment is medium (2 to 3 factors checked) will, time permitting, receive on-site monitoring, with those with the highest number of risk factors being a priority.
- Subrecipients whose risk assessment is low (0 to1 factors checked) will receive a desk-review monitoring.

All subrecipients will receive on-site monitoring in the event it is requested by an authorized city, state or federal official. Additionally, the City may, at its discretion, perform a risk assessment of a subrecipient, and if the risk assessment warrants on-site monitoring, the City may perform same. All public facility projects will require an on-site visit prior to making final payment.

HOME Rental Housing Monitoring will be conducted as proscribed by the HOME regulations. During the period of affordability, the City will perform on-site inspections to ensure compliance with property standards and to verify the income of tenants. Monitoring will occur not less than every three years.

Consolidated Plan Performance. The Consolidated Plan is utilized as the basis for compiling the Consolidated Annual Performance Report and measuring progress towards 5-year goals. HCD conducts weekly management meetings to discuss issues and develop plans to mitigate problems, achieve stated goals, and comply with regulations. Project specific meetings are conducted to discuss issues associated with particular projects. The Department Director and Assistant Director are informed and/or included in project specific meetings as needed.

PIMA COUNTY AND THE CITY OF TUCSON COLLABORATIVE PLANNING, ASSESSMENTS AND STRATEGIES

This section of the Consolidated Plan provides background information related to socio-economic, housing market, homelessness and special populations. Information from this section of the Consolidated Plan is also summarized in Attachment 5. In addition to background information, this section includes several Consolidated Plan elements required by HUD.

Assessment of the Delivery System for Homeless Individuals and Families

HUD places special emphasis on services for homeless individuals and families. 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. Consultation with stakeholders revealed the following challenges of the homeless delivery system:

1. The rollout of coordinated assessment and including all areas of Pima County;
2. Numerous small contracts per agency that dilute the effective use of available funding. TPCH recommended fewer contracts for larger collaborative projects;
3. Increasingly costly Homeless Management Information System (HMIS) reporting and maintenance demands and expansion of the system;
4. The need for non-housing services including an urgent need for funding to obtain identification and other documents required for entry into housing;
5. The need for more navigators to assist chronically homeless individuals who need extended time to stabilize;
6. The need for resources to leverage federal funding, expand homeless prevention efforts, and address the needs of specific subpopulations including Veterans, chronically homeless persons and domestic violence victims.

In addition to consulting TPCH, the City of Tucson and Pima County held a forum to discuss shelter and services. Recommendations regarding the delivery system included:

1. Fewer contracts for larger amounts, consistent funding, and multi-year contract renewals contingent on performance;
2. Prioritizing funding to high-performing agencies serving the most vulnerable populations and to coordinated assessment models and cooperative/collaborative models that include job training, and employment and behavioral health services; and
3. Developing coordination systems with health care institutions to increase understanding of housing as a health foundation.

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. 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, which include 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.

Assessment of the Delivery System for Low and Moderate Income People and People with Special Needs

HUD also requires the City of Tucson and Pima County to assess 1) the availability of services for LMI residents, which are called mainstream services, and 2) the availability of services for people with special needs, specifically people with HIV/AIDS. 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. The only limited services are mobile clinics in the City of Tucson. Mobile health clinics are found throughout rural Pima County.

Assessment of Community Housing Development Organization (CHDO) Capacity

The HOME program includes a 15% set-aside for specially-formed nonprofit organizations called Community Housing Development Organizations or CHDOs. CHDOs must meet specific criteria to access the CHDO set-aside and must demonstrate the capacity to use the CHDO set-aside for development activities. In general, CHDO capacity is sufficient to undertake development activities. However, recent changes to the HOME regulations may be challenging for CHDOs to implement.

Strategy to Improve the Delivery System

The delivery system is challenged by limitations: in shelter and services outside the City of Tucson; insufficient resources to address the full spectrum of needs of all homeless people; the high cost of permanent housing relative to income; and insufficient supportive housing for special populations. The City of Tucson and Pima County will continue working with nonprofit organizations to identify methods of ensuring supportive housing is available for special populations; this housing may be regional. Efforts to reduce the cost of housing or develop permanent affordable housing will also be implemented.

The City of Tucson and Pima County recognize the benefits of increasing administrative efficiencies to improve the delivery system. Planned actions during the next five years include:

1. Reviewing funding / scoring criteria for all available resources to identify common and unique criteria;
2. Evaluating a coordinated application process to reduce the number of applications that must be submitted and the resulting number of contracts;
3. Evaluating renewable (multi-year) contracts contingent on performance;
4. Dedicating resources to coordinated assessment;
5. Adding housing resources to widely-available resource identification systems, such as “Pima Helps” to aide in combined housing and services provision; and
6. Developing tools to jointly address significant conditions, including poverty.

SOCIO-ECONOMIC PROFILE

The socio-economic profile provides context for the Consolidated Plan goals and objectives of the City of Tucson and Pima County. The socio-economic profile presents demographic and economic conditions, trends and projections.

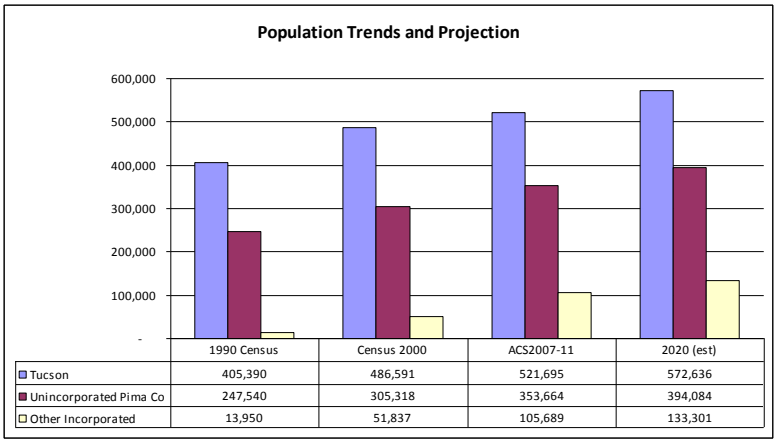
In-fill Development and Revitalization

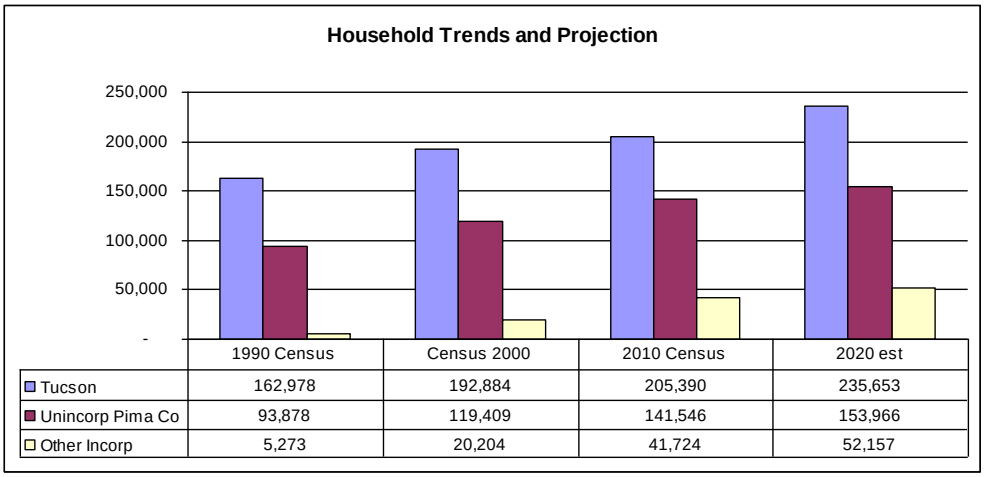
Prior to 2007, Pima County experienced high growth and near doubling of the population due to large tracts of relatively inexpensive land, retirement of baby boomers and investment in second and larger homes. Much of this growth occurred outside the City of Tucson, which has been focused on revitalization and redevelopment for many years. Like the City of Tucson, Pima County is now focused on in-fill development, revitalization, and meeting critical human services and economic development needs.

Population and Households

Since 2007, population growth has been "natural" or about 1.5% annually. Natural population growth is expected to continue during the next 5 years and will result in:

- 572,636 people living in 235,653 households in the City of Tucson.
- 1.1 million people living in 441,776 households in Pima County, including the City of Tucson.
- 394,084 people living in 153,966 households in unincorporated Pima County.
- 133,301 people living in 52,157 households in other incorporated jurisdictions.





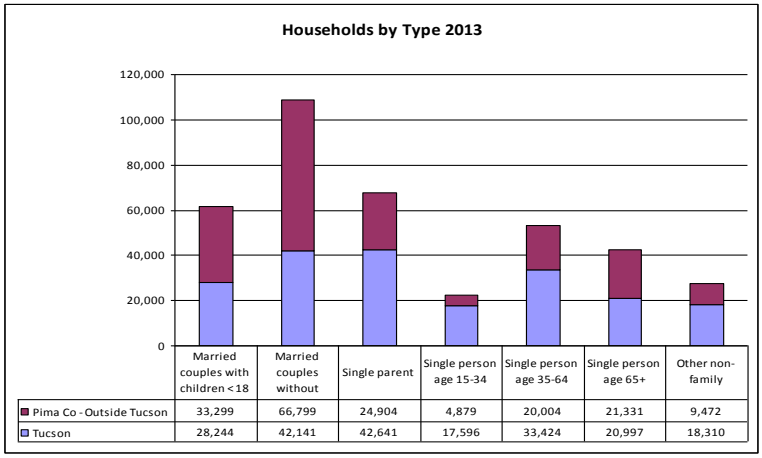
Household Composition

Single parent, single people under age 65 and non-family households are more likely to reside within the City of Tucson City limits. Married couples with and without children, are more likely to reside outside of the City of Tucson City limits.

Pima County and the City of Tucson Single-Person and Single-parent Households

Single-person and single-parent households often have a single income source, resulting in unique housing needs. In 2013 there were:

- 118,231 single person households in Pima County and 36% or 43,328 were age 65 or older.
- 67,545 single-parent households in Pima County and 24,904 lived outside the City of Tucson City limits.
- 72,017 single person households in the City of Tucson and 29% or 20,997 were age 65 or older. There are also 17,596 single person households age 15 to 34. Many of the younger single person households are full-time students.
- 42,641 single-parent households living in the City of Tucson.



Pima County Small Family Households

Four of ten Pima County households are a small family consisting of 4 or fewer people. 20% of households include at least one person age 62-74 years and 13% include children age 6 or younger. The average household size is 2.49 people in Pima County and 2.46 people in the City of Tucson. Average household size ranges from a low of 2.4 people in the Town of Oro Valley to a high of 2.94 people in the City of South Tucson.

HUD Table 6 – Total Households Table (Pima County)					
AMI	0-30%	>30-50%	>50-80%	>80-100%	>100%
Households	44,277	42,424	61,210	37,219	382,380
Small Family	12,195	12,239	20,930	12,488	148,781
Large Family	3,780	3,438	5,620	3,049	30,702
At least 1 person 62-74 yrs	6,038	8,165	11,534	7,645	77,400
At least 1 person age 75 +	4,866	8,191	9,473	5,085	48,024
At least 1 child <=6 yrs old	8,112	6,759	11,328	5,265	51,036
Data Source: 2007-11 CHAS					

Pima County and the City of Tucson Householder Race and Ethnicity

US Census data indicates that the majority of Pima County and City of Tucson householders identify as white.

- 36% of Pima County residents identify as Hispanic and 23% identify as minority.
- 43% of City of Tucson residents identify as Hispanic and 28% identify as minority.

Table 2 - Trends in Race/Ethnicity Tucson and Pima County (1990 to 2013)

	Tucson			Pima County		
	1990 Census	Census 2000	ACS 09/13	1990 Census	Census 2000	ACS 09/13
White	75%	70%	81%	79%	75%	81%
Hispanic or Latino	29%	36%	43%	24%	29%	36%
Black or African American	4%	4%	7%	3%	3%	5%
Asian	2%	2%	4%	2%	2%	4%
American Indian/Alaska Native	2%	2%	4%	3%	3%	4%
Other Race	17%	21%	13%	13%	17%	10%

Areas of Minority Concentration

HUD requires that the City of Tucson and Pima County identify areas of minority concentration. For the Consolidated Plan, areas of minority concentration are defined as those in which the proportion of minorities in a Census Tract is 150% or more than the proportion of minorities as a whole based on the 2010 Census. A list of minority concentration census tracts is included in Attachment 4, in summary:

- 61 of Pima County's 235 Census Tracts have a disproportionate concentration of minorities.
- 52 of 149 City of Tucson Census Tracts have a disproportionate concentration of minorities.

Pima County Disproportionately Greater Housing Needs

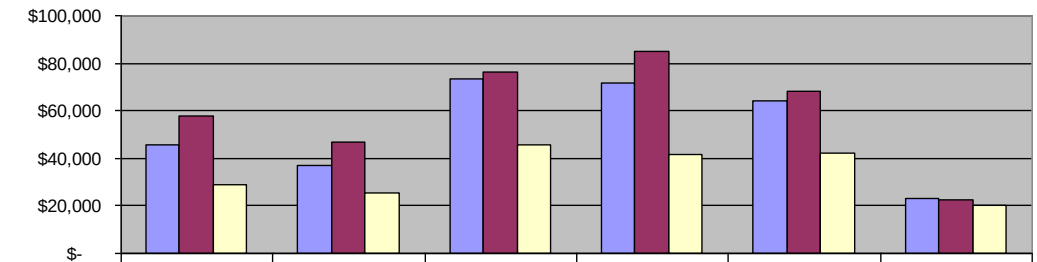
HUD also requires that Pima County identify the housing needs and severe housing needs of minority households and whether those needs are at least 10 percentage points higher than the needs of an income category as a whole.

- Black/African American households with income < 50% AMI are more likely to have disproportionately greater housing problems (housing cost burden, overcrowding and/or substandard housing), and disproportionately greater severe housing problems (severe housing cost burden, severe overcrowding and/or substandard housing).
- Asian households with income 30-80% AMI are more likely to have disproportionately greater housing problems, which may include housing cost burden, overcrowding and/or substandard housing.

Income and Employment

Pima County, the City of Tucson and Other Jurisdictions Median Household Income

Median household income is the measure by which the housing and community development industry defines LMI households that may be eligible for assistance. Median income includes income from employment and income from other sources such as investments, retirement and public assistance. The City of South Tucson median household income is the lowest in Pima County and the Town of Marana median household income is the highest in Pima County.

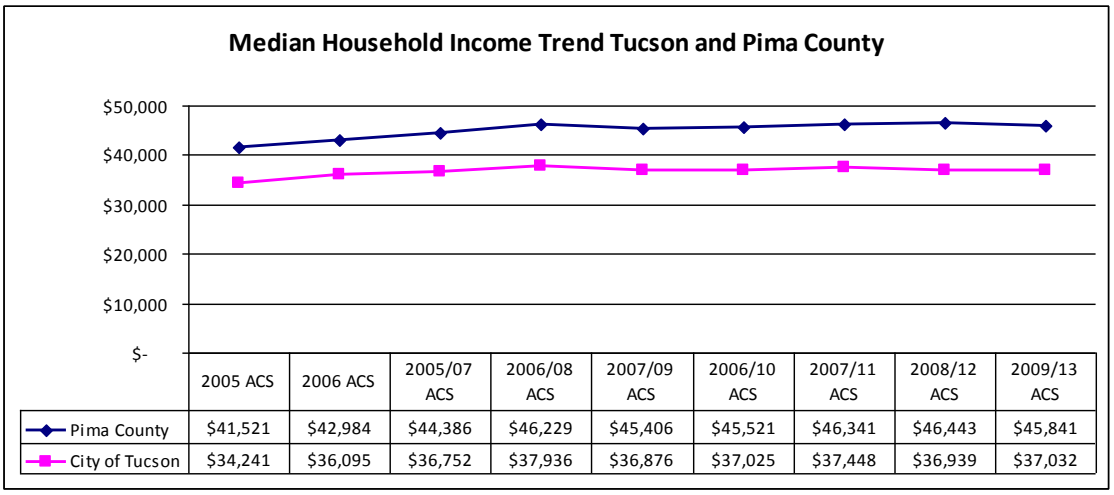


	Pima County	Tucson	Marana	Oro Valley	Sahuarita	South Tucson
Household	$45,841	$37,032	$73,149	$71,950	$64,231	$22,867
Family	$57,757	$46,706	$76,238	$84,968	$68,187	$22,326
Non-Family	$29,136	$25,621	$45,721	$41,417	$42,169	$20,273

Pima County and the City of Tucson Median Income Trend

From 2000 to 2013, the Pima County median household income increased 25% to $45,841. During the same period the City of Tucson median household income increased 5% to 37,032.

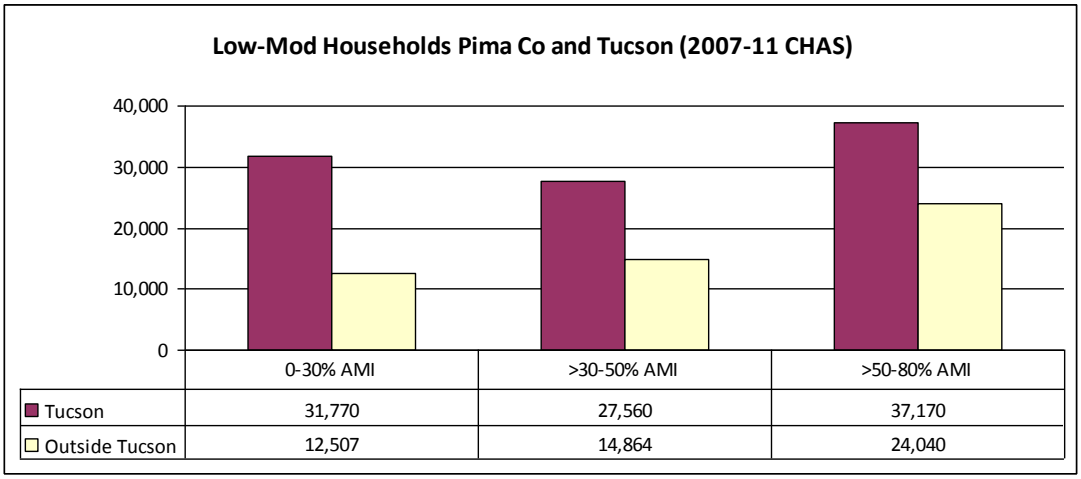
The Tucson 2013 median household income is 81% of the Pima County median, down from 84% in 2000. The median income in other Pima County jurisdictions is 148% of the Pima County median, up from 144% in 2000.



	2005 ACS	2006 ACS	2005/07 ACS	2006/08 ACS	2007/09 ACS	2006/10 ACS	2007/11 ACS	2008/12 ACS	2009/13 ACS
Pima County	$41,521	$42,984	$44,386	$46,229	$45,406	$45,521	$46,341	$46,443	$45,841
City of Tucson	$34,241	$36,095	$36,752	$37,936	$36,876	$37,025	$37,448	$36,939	$37,032

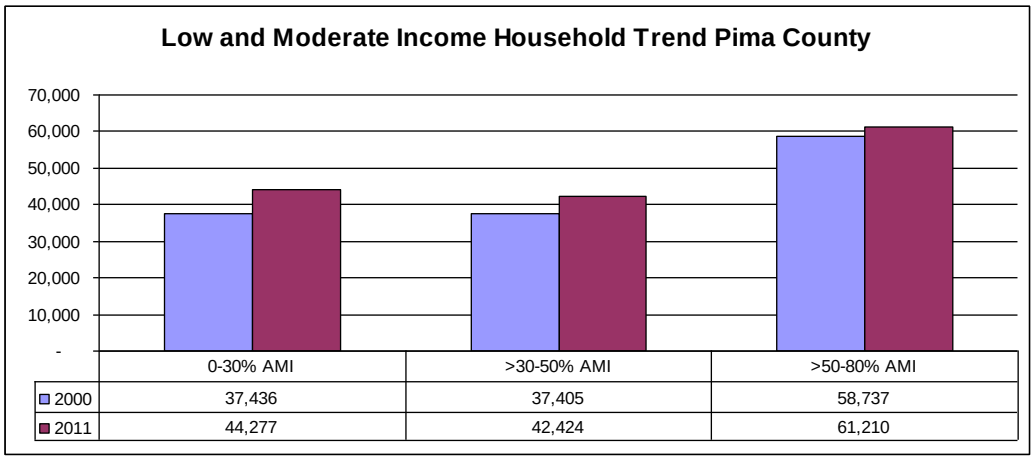
Pima County and the City of Tucson Low and Moderate Income Households

In 2011 there were 147,911 low and moderate income (LMI) households in Pima County. Pima County households that include at least one person under age 6 or over age 75 are more likely to be LMI.



Pima County Extremely Low Income Households

From 2000 to 2011, Pima County households grew by 15%. During the same period, extremely low-income households grew by 18%.

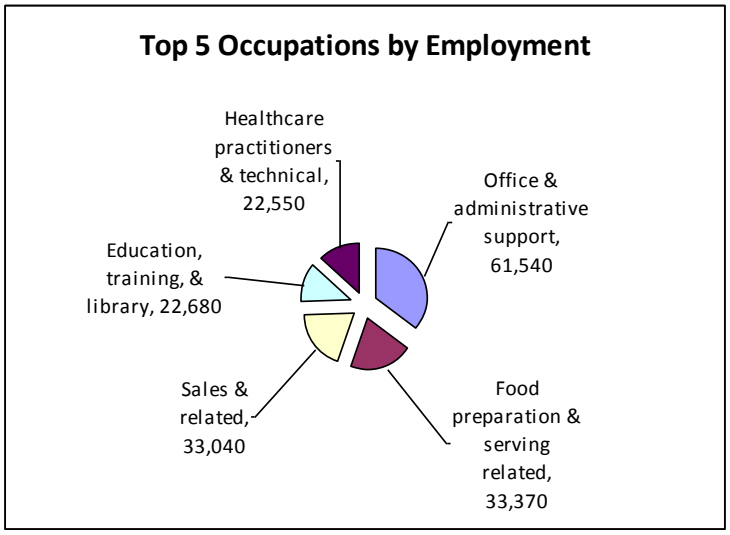


Pima County Occupations by Employment and Median Wage

In 2011, one-half of employed Pima County workers worked in one of five occupations. The largest occupation by employment was office and administrative support. The median wage for all occupations was $32,892, with the highest wage among healthcare practitioners and technical occupations, and the lowest among food preparation and serving related occupations.

About half of the jobs in Pima County are in three sectors – 1) education and health care services, 2) arts, entertainment, accommodations, and 3) retail trade. While many education and health care services jobs are higher-paying, jobs in arts, entertainment, accommodations and retail trade are often low-paying.

Median Full-time Wages (not adjusted for inflation)	
All Occupations	$32,892
Office & administrative support	$29,203
Food preparation & serving related	$18,552
Sales & related	$23,511
Education, training, & library	$37,921
Healthcare practitioners & technical	$60,678
Source: AZ Department of Administration Office of Employment and Population Statistics	



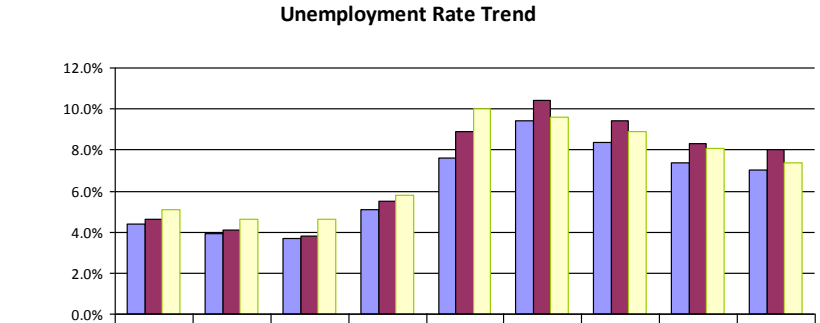
Pima County Median Wage Trend

As the economy expands and the cost of goods and services increases, it is expected that wages will also increase. While the long-term trend is towards increased income, the change since 2008 and the Great Recession points to relatively flat wages, which are not adjusted for inflation. With wages remaining flat or decreasing, many residents' wages are not sufficient to maintain the same standard of living as before the Great Recession; increased housing problems and demand for services with corresponding decreases in discretionary spending can be expected.

Pima County Median Wage Trend (not adjusted for inflation)								
2005	2006	2007	2008	2009	2010	2011	2012	2013
$27,532	$26,128	$29,500	$30,827	$31,681	$32,669	$32,892	$32,426	$32,486
Source: AZ Office of Employment and Population Statistics								

Pima County Unemployment

After peaking at 9.4% in 2010, the unemployment rate has been gradually declining, yet it remains higher than in 2005. While the Tucson/Pima County unemployment rate is generally lower than the State of Arizona and the United States, unemployment remains relatively high.



	2005	2006	2007	2008	2009	2010	2011	2012	2013
Pima/Tucson	4.4%	3.9%	3.7%	5.1%	7.6%	9.4%	8.4%	7.4%	7.0%
Arizona	4.6%	4.1%	3.8%	5.5%	8.9%	10.4%	9.4%	8.3%	8.0%
United States	5.1%	4.6%	4.6%	5.8%	10.0%	9.6%	8.9%	8.1%	7.4%

HUD Business Activity Data

HUD Business Activity data indicates there are more jobs in the City of Tucson than there are workers in the City of Tucson. 64% of jobs are in the City of Tucson City limits and 52% of the workforce resides in the City of Tucson City limits. As a result, there is a jobs-to-workers imbalance in the City of Tucson that is balanced by commuters residing outside the City of Tucson City limits.

Pima County and the City of Tucson Educational Attainment and Median Earnings of the Adult Population

Higher education is directly related to earnings potential and adults without a high school diploma or equivalent would benefit from education opportunities to improve their earnings potential.

- A City of Tucson resident with a Graduate or Professional Degree earns 2.7 times the earnings of a City of Tucson resident without a High School Diploma or Equivalent.
- A Pima County resident with a Graduate or Professional Degree earns 3 times the earnings of a Pima County resident without a High School Diploma or Equivalent. Educational attainment is higher among Pima County residents not living in the City of Tucson City limits. 60% of adults without a HS diploma or equivalent live in the City of Tucson.

Educational Attainment and Median Earnings of the Adult Population – Tucson and Pima County						
	Tucson			Pima County		
	Age 18 to 64		Median Earnings Past 12 months	Age 18 to 64		Median Earnings Past 12 months
	No.	%	No.	%	No.	
Less than high school graduate	64,588	16%	$ 17,747	101,549	14%	$ 18,125
HS Diploma/Equivalent	100,887	25%	$ 22,531	178,813	24%	$ 24,453
Some college or Associate's Degree	149,924	37%	$ 28,824	271,397	36%	$ 31,162
Bachelor's Degree	53,616	13%	$ 36,958	119,246	16%	$ 42,264
Graduate or Professional Degree	31,800	8%	$ 47,365	78,129	10%	$ 54,664
Total	400,815			749,134		
HUD - ACS 2007-11						

Section 3 of the Housing and Urban Development Act

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (Section 3) requires the City of Tucson and Pima County to ensure that employment and other economic and business opportunities generated by HUD financial assistance, to the greatest extent feasible, are directed to 1) public housing residents and other low-income persons, particularly recipients of government housing assistance, and 2) business concerns that provide economic opportunities to low- and very-low income persons. Section 3 requirements apply to housing construction, demolition or rehabilitation, and other public construction projects.

Pima County Section 3 Efforts Provide Employment, Contracting and Training Opportunities

Pima County actions to meet Section 3 requirements include 1) Promoting and distributing Section 3 job and training opportunities through the Pima County One-Stop, other County departments, and local employment agencies; 2) Conducting pre-bid and pre-construction meetings for Section 3 covered projects to inform contractors of Section 3 goals and requirements; 3) Collecting quarterly report information from contractors and sub-recipients; and 4) Submitting an annual report to HUD.

The City of Tucson Section 3 Efforts Provide Employment, Contracting and Training Opportunities

The City of Tucson's role as the countywide Public Housing Authority means they have an extensive Section 3 policy. The City assists residents to identify Section 3 employment and training opportunities and assists contractors in achieving Section 3 goals in numerous ways. Residents who meet eligibility guidelines can contact Pima County One-Stop to complete a job readiness assessment; if deemed eligible for Section 3 participation, the resident's contact information is provided to Section 3 contractors. Eligible Section 3 residents who are not ready for employment can receive a referral to other agencies that are better equipped to address the individual's needs. The Section 3 job-readiness component is a part of the City of Tucson's commitment to provide economic opportunities and training to residents to become gainfully employed.

The City of Tucson assists contractors in achieving Section 3 hiring and contracting goals by 1) providing contractors the contact information for Pima County One-Stop, which may have a list of interested and qualified Section 3 residents; 2) providing contractors with a list of Section 3 business concerns interested and qualified for construction projects; and 3) reviewing the new hire clause with contractors and subcontractors to ensure that the requirement is understood. The City also makes affirmative efforts to award contract opportunities to Section 3 business concerns.

Six Categories of Impediments to Fair Housing Choice in Pima County and the City of Tucson

The City of Tucson and Pima County 2009 Analysis of Impediments to Fair Housing Choice (AI) identified the following impediments to fair housing choice: 1) illegal housing discrimination; 2) lack of knowledge about the law and need for more training; 3) predatory lending; 4) lack of accessibility for people with disabilities; 5) lack of a plan to address fair housing; and 6) challenges faced by refugees. An updated AI is underway.

HOUSING MARKET ANALYSIS

The housing market consists of housing units (supply) and the households who occupy them (demand). While the housing market is an economic market, complex variables beyond supply and demand have influence including: household composition, age of household members, access to employment and education opportunities, cost of goods and services, and preferences of residents. The three primary elements of the homeownership and rental housing markets are:

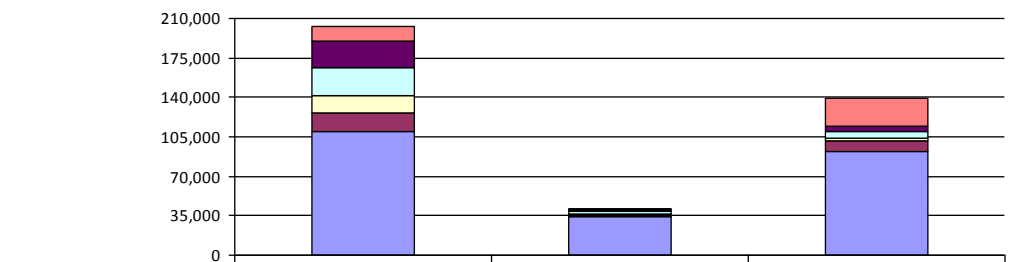
1. Variety - the types of available housing.
2. Quality – unit age and condition.
3. Affordability – household income relative to the cost of available housing.

Housing Variety and Number of Units

A variety of housing types is necessary to meet the diverse housing needs and desires of both owners and renters. Housing variety is driven by many factors - demand for certain types of housing and amenities by households who can afford the desired type and amenities, public policy such as zoning and building requirements, the availability and cost of infrastructure, and the cost of land and construction. High volumes of a certain type or size of housing can impact housing affordability and community sustainability.

Pima County Property Types

- Single-family detached properties are the most prevalent housing type in Pima County outside the City of Tucson, followed by manufactured and mobile homes. Manufactured housing and mobile homes are clustered in areas that are zoned for this housing type.
- Most of Pima County's multi-family housing is located in the City of Tucson.
- There are 58,879 vacant housing units in Pima County- about one quarter are held for seasonal use and another quarter are "other" vacant units, which may uninhabitable or held in bank / investor inventories.



	Tucson	Other Jurisdictions	Unincorporated Pima Co
Mobile home, boat, RV, van	12,866	986	24,539
20 or more	24,685	1,269	4,970
5-19 units	24,276	2,308	5,746
2-4 units	15,543	890	2,649
Single family attached	16,590	1,449	9,451
Single family detached	109,393	34,364	92,067

Manufactured Housing and Mobile Homes in Unincorporated Pima County and the City of Tucson

There are 38,391 manufactured homes in Pima County and 24,539 are in unincorporated Pima County. 18% of the housing stock in unincorporated Pima County is manufactured. Many manufactured housing units and mobile homes are clustered in areas that are zoned for this type of housing. 22% of manufactured housing units and mobile homes in unincorporated Pima County are renter occupied.

There are 12,866 manufactured homes in the City of Tucson. 25% of manufactured housing units and mobiles in the City of Tucson are renter occupied.

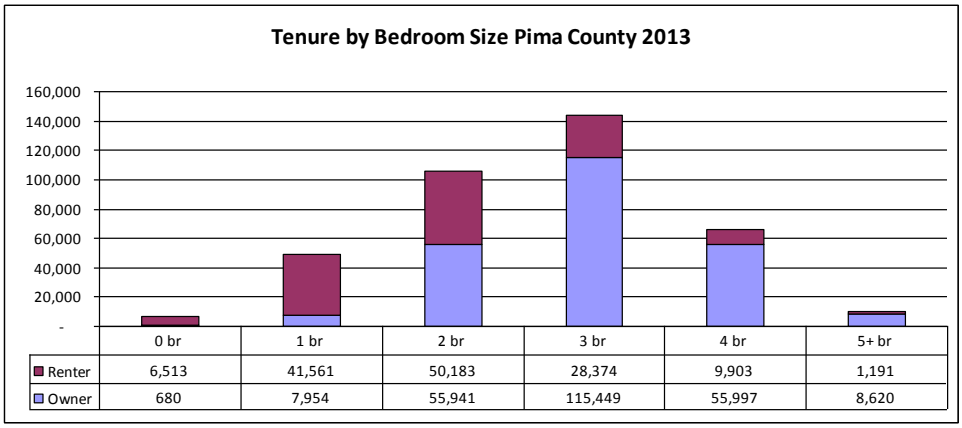
Residential Properties by Type and Tenure (ACS 2009-13**)**								
	Pima County		Tucson		Other Jurisdictions		Unincorporated	
	Owners	Renters	Owners	Renters	Owners	Renters	Owners	Renters
Single family detached	190,201	45,623	81,571	27,822	28,872	5,492	79,758	12,309
Single family attached	16,244	11,246	8,061	8,529	949	500	7,234	2,217
2-4 units	1,849	17,233	1,307	14,236	20	870	522	2,127
5-19 units	1,804	30,526	1,224	23,052	108	2,200	472	5,274
20 or more	907	30,017	658	24,027	23	1,246	226	4,744
Mobile home, boat, RV, van	29,610	8,781	9,719	3,147	763	223	19,128	5,411

Growing Stock of Student Housing In Tucson

Average full-time student enrollment at the University of Arizona for the year ending June 30, 2014 was 41,631. 10,776 full-time students were enrolled in Pima Community College in the fall semester of 2013. Many full-time students are young and unemployed or work part-time and have limited income. Students impact the rental housing market in and around Tucson, often occupying units that would be affordable to other LMI households. Eight new off-campus student housing projects were completed from 2013 to 2014, providing 1,039 additional units and 3,300 beds. One project consisting of 76 units was rehabilitated. Two additional projects are in the planning stages.

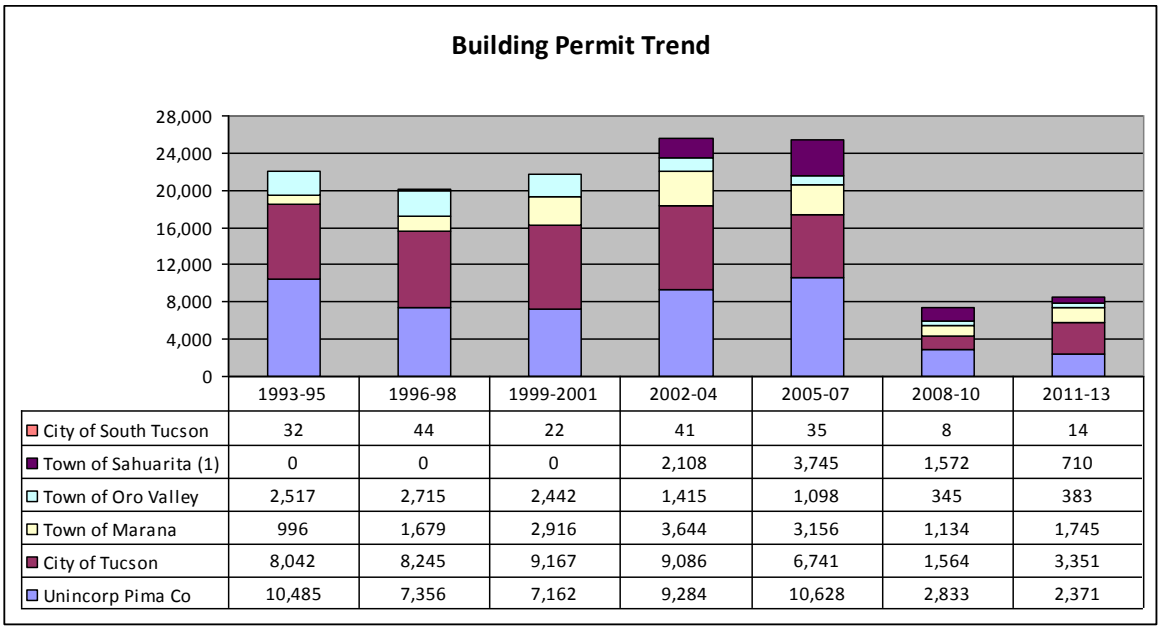
Pima County Tenure by Bedroom Size

38% of Pima County housing units have 3 bedrooms and 20% have 4 or more bedrooms. The majority of units with 3 or more bedrooms are owner occupied.



Building Permit Trend – City of Tucson, Unincorporated Pima County and Other Jurisdictions

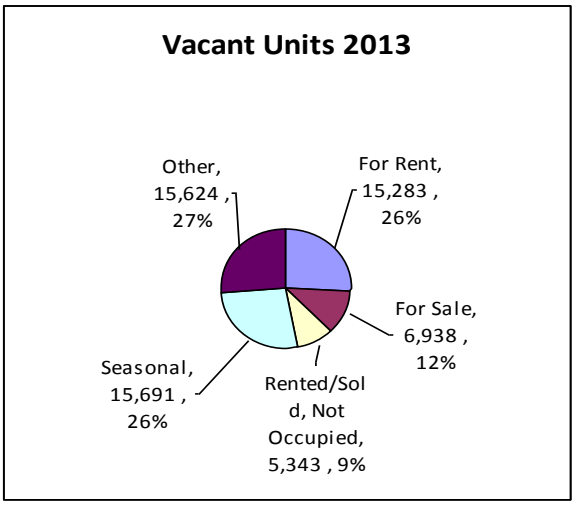
In general, the housing market moves roughly in line with the overall economy over the long term. A boom-bust cycle, where the housing economy is growing and strong and then stagnates or declines is common in Arizona. This market cycle was exaggerated during the Great Recession. The long-term trend in building permits clearly demonstrates the housing boom, housing crisis and slow recovery of the market in Pima County, the City of Tucson and other jurisdictions.



	1993-95	1996-98	1999-2001	2002-04	2005-07	2008-10	2011-13
City of South Tucson	32	44	22	41	35	8	14
Town of Sahuarita (1)	0	0	0	2,108	3,745	1,572	710
Town of Oro Valley	2,517	2,715	2,442	1,415	1,098	345	383
Town of Marana	996	1,679	2,916	3,644	3,156	1,134	1,745
City of Tucson	8,042	8,245	9,167	9,086	6,741	1,564	3,351
Unincorp Pima Co	10,485	7,356	7,162	9,284	10,628	2,833	2,371

Pima County Vacant Housing Units

There are 58,879 vacant housing units in Pima County- about one quarter are held for seasonal use and another quarter are classified as "other" vacant units. From 2000 to 2013, the number of housing units in Pima County increased 21%, while the number of vacant housing units increased 71%. Among vacant unit types, "other" increased most - 184%, followed by rented/sold but not occupied – 144%. "Other" units include those not suitable for occupancy and in bank and investor inventories.



Housing Quality

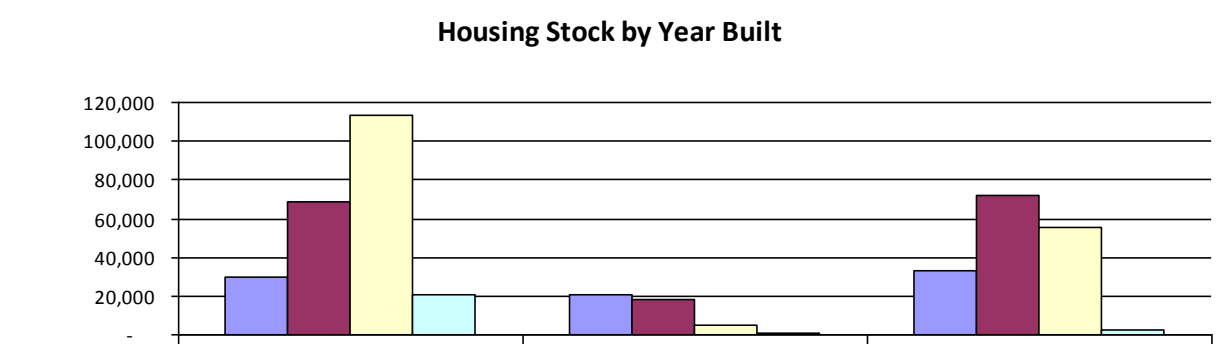
Housing quality encompasses a range of issues that are central to quality of life including safety, design and appearance, maintenance and energy efficiency, and occupant and community health. The quality of the existing housing stock reflects economic prosperity and pride of community. Housing quality is often the first impression that signals the community well-being that attracts employers and economic investment.

The age of the housing stock is one indicator of housing quality. While many older housing units have been well-maintained, other older housing units may have been built to outdated building codes using materials and construction techniques that are no longer considered safe or sustainable. Older units are more likely to require rehabilitation or replacement, and occupants often have higher utility costs. Some materials such as lead paint (in units built prior to 1978) may represent health hazards.

Age of the Housing Stock – Pima County and the City of Tucson

Nearly 200,000 Pima County housing units or 45% of the housing stock was built before 1980 and more than 62,500 Pima County housing units were built before 1960 when local building codes were not yet adopted or enforced in many areas. Prior to 1972 there was no building code in Pima County and some remote areas are still exempt from inspections. There are

- 57,533 pre-1980 housing units in unincorporated Pima County - 36% of the housing stock in unincorporated Pima County.
- 133,978 pre-1980 housing units in the City of Tucson - 58% of the housing stock in the City of Tucson.
- 5,326 pre-1980 housing units in other incorporated jurisdictions - 13% of the housing stock in other jurisdictions.



	Tucson	Other Incorporated	Unincorporated
2000 or later	29,448	21,098	32,713
1980 to 1999	68,457	18,618	71,721
1950 to 1979	113,687	4,741	55,082
1949 or earlier	20,291	585	2,451

Pima County Tenure by Year Built

Pima County renters are more likely to occupy pre-1980 housing units than are owners – 42% of owners compared to 48% of renters.

HUD Table 35 – Tenure by Year Unit Built – Pima County				
Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	52,568	21%	19,351	14%
1980-1999	86,294	35%	50,909	37%
1950-1979	94,720	39%	58,217	42%
Before 1950	11,059	5%	9,248	7%
Total	244,641	100%	137,725	100%
Source: 2007-11 CHAS				

City of Tucson Tenure by Year Built

Owners in the City of Tucson are more likely to occupy pre-1980 housing units than are renters – 61% of owners compared to 56% of renters.

HUD Table 35 – Tenure by Year Unit Built – City of Tucson				
Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	14,833	14%	11,043	11%
1980-1999	27,008	25%	32,016	33%
1950-1979	55,799	52%	46,481	48%
Before 1950	9,543	9%	8,267	8%
Total	107,183		97,807	
Source: 2007-11 CHAS				

Risk of Pediatric Lead Poisoning

There are 34,065 Pima County households with children under the age of 6 years living in pre-1980 housing units, including 20,099 owner households and 13,966 renter households. Children under the age of 6 years living in pre-1980 housing units are at risk of lead-based paint poisoning.

HUD Table 36 – Risk of Lead-Based Paint				
Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	105,779	43%	67,465	49%
Pre-1980 Housing Units with children < 6yrs present	20,099	8%	13,966	10%
Source: 2007-11 CHAS				

In June 2014 the Arizona Department of Health Services (ADHS) released its updated Targeted Lead Poisoning Screening Plan. Acknowledging that many lead sources have been eliminated or reduced in the last few decades, the plan indicated that lead poisoning continues to affect children in Arizona, primarily from paint, imported goods, food, medicines, and spices, leaded crystal and pewter, lead in dust, soil, and mining, drinking water, and occupation and hobbies. Because of ongoing surveillance and analysis, public health professionals are able to target surveillance and intervention efforts on children most at risk.

Based on recommendations and guidance from the CDC, Arizona has moved from universal lead screening to targeted screening. The State's 3-year goal is to increase the utility of the targeted screening plan by 1) increasing screening rates to 85% in targeted zip codes, 2) assessing the indicators used to develop the targeted high-risk zip codes, and 3) reducing the number of targeted high-risk zip codes.

Pima County Zip Codes with High Risk of Lead Poisoning

The Arizona Department of Health Services identified 4 targeted high-risk zip codes in Pima County and outside the City of Tucson or tribal lands:

- Ajo - 85321
- Green Valley, Madera Canyon - 85314
- Sahuarita - 85314, 85629

City of Tucson Zip Codes with High Risk of Lead Poisoning

The Arizona Department of Health Services identified 16 targeted high-risk zip codes in the City of Tucson - 85701, 85704, 85705, 85706, 85710, 85711, 85712, 85713, 85714, 85715, 85716, 85719, 85730, 85735, 85736, 85741, 85745, 85746, 85750, 85756, and 85757.

Manufactured Housing / Mobile Home Rehabilitation or Replacement

Agencies that conduct code inspections and housing rehabilitation indicate a high volume of demand for manufactured housing rehabilitation, particularly pre-1976 units and units located in mobile home parks. One concern expressed by participants in the forum on substandard housing is the condition of renter-occupied units and those in mobile home parks. A limited survey by Pima County Development Services identified 15 hazardous structures that are suitable for demolition – 10 were mobile homes.

The City of Tucson Code Enforcement will identify unsafe substandard mobile homes that are deemed uninhabitable. If owner occupied and the unit is not cost feasible to repair, the occupant will be offered either a public housing unit or a Housing Choice Voucher in response to being displaced by government action. The mobile home will then be demolished and removed under the Vacant and Neglected Structures program (VANS). Pima County is exploring a similar approach.

Pima County and City of Tucson Definitions of Standard Condition and Substandard Condition but Suitable for Rehabilitation

A substandard housing unit is defined by HUD as lacking complete plumbing or kitchen facilities. HUD also requires the City and County to define standard condition and substandard condition but suitable for rehabilitation. These definitions are used in determining the eligibility of a housing unit for rehabilitation.

- Standard: A dwelling unit that meets or exceeds HUD Housing Quality Standards (HQS) and local building codes with no major defects in the structure and only minor maintenance is required. Such a dwelling will have a reliable roof; sound foundation; adequate and stable floors, walls and ceilings; surfaces and woodwork that are not seriously damage; sound windows and doors; adequate heating, plumbing and electrical systems; and adequate water and sewer systems.
- Substandard: A dwelling unit that does not meet HUD Housing Quality Standards (HQS) and local building codes which includes having a major structural deficiency and/or lacking the following: complete plumbing, complete kitchen facilities, efficient and environmentally sound sewage removal and water supply, a proper heating source or is without electricity or with inadequate or unsafe electrical service.
- Substandard Condition but Suitable for Rehabilitation. A dwelling that does not meet HUD HQS or local building codes; is likely to have deferred maintenance and may have structural issues such as a leaking roof, deteriorated interior and exterior surfaces but will have basic infrastructure that allows for economically and physically feasible improvements and upon completion of rehabilitation will meet the definition of a Standard dwelling.

Pima County Overcrowding and Substandard Housing

Overcrowding can lead to health and safety concerns, higher utility costs, and increased maintenance. Overcrowding can be the result of avoiding cost burden or homelessness. According to the HUD CHAS data, 2,744 LMI owners live in overcrowded conditions, including 634 extremely overcrowded, while 7,318 LMI renters live in overcrowded conditions, including 2,448 extremely overcrowded. Overcrowding and severe overcrowding are most prevalent among owners with incomes 50-80% AMI and renters with incomes <30% AMI.

According to HUD CHAS data, there are 607 HUD-defined substandard units occupied by LMI income owner households and 1,591 substandard units occupied by LMI renter households in Pima County. Some of these units may be located on tribal lands.

HUD Table 7 – Other Housing Problems Table Pima County (2007-11 CHAS)										
	Renter Households by HUD Income Category					Owner Households by HUD Income Category				
	0-30%	>30-50%	>50-80%	>80-100%	Total	0-30%	>30-50%	>50-80%	>80-100%	Total
Substandard	659	408	524	255	1,846	240	209	158	87	694
Severely Overcrowded	953	865	630	75	2,523	232	283	119	124	758
Overcrowded	1,855	1,600	1,415	480	5,350	372	543	1,195	484	2,594

Housing Affordability

Housing is considered unaffordable when a household pays more than 30% of household income for housing costs. Housing that is not affordable has costs to families and the community. It can lead to homelessness, place increased demands on community services, and result in deferred maintenance that impacts entire neighborhoods or communities. Households that spend too much for housing make fewer purchases at local businesses, this impacts both businesses and the sales tax base. In addition, when housing costs are high employers may choose to locate where housing is more affordable in order to attract and retain employees.

Both owners and renters may choose to occupy housing that is disproportionately costly for any number of reasons. Location, availability, public transportation and access to services or employment, anticipated income increases, and housing quality are just some of the complex factors that impact housing choice.

Pima County Housing Cost Burden

According to HUD CHAS data, there are 145,065 Pima County households paying more than 30% of household income for housing costs, including 101,300 LMI households.

Lower income Pima County households have higher rates of housing cost burden. Housing cost burden impacts:

- 88% of households with income < 30% AMI;
- 77% with income 30-50% AMI; and
- 56% of with income 50-80% AMI.

Cost Burdened Households by Income Level (2007-11 CHAS)			
Income Level	Households	Cost Burdened	
Zero Income	5,100	5,100	100%
< 30% AMI	39,175	34,595	88%
30 – 50% AMI	42,425	32,640	77%
50 – 80% AMI	61,195	34,065	56%
80 – 100% AMI	37,220	14,730	40%
> 100% AMI	197,250	29,045	15%
All Households	382,365	145,065	38%

City of Tucson Housing Cost Burden

According to HUD CHAS data, there are 87,405 Tucson households paying more than 30% of household income for housing costs, including 68,315 LMI households.

Lower income households in the City of Tucson have higher rates of housing cost burden. Cost burden impacts:

- 89% of households with income < 30% AMI;
- 80% with income 30-50% AMI; and
- 56% with incomes 50-80% AMI.

Cost Burdened Households by Income Level (2007-11 CHAS)			
Income Level	Households	Cost Burdened	
Zero Income	3,195	3,195	100%
< 30% AMI	28,575	25,340	89%
30 – 50% AMI	27,560	22,075	80%
50 – 80% AMI	37,170	20,900	56%
80 – 100% AMI	21,390	7,790	36%
> 100% AMI	87,100	11,300	13%
All Households	204,990	87,405	43%

Healthy, Energy-Efficient and Sustainable Homes

Housing affordability extends beyond the relationship of housing costs to income and includes such costs as transportation and utilities. LMI households and large families occupying older structures are especially impacted by high utility costs. Improving housing affordability and reducing operating costs through improved energy efficiency and resource-efficient design are important strategies. Incorporating appropriate materials and techniques into public and nonprofit facilities can also reduce operating expenses and increase opportunities to serve the community.

The overall goal of energy efficient and resource-efficient building practices is to provide for long-term affordability and sustainability. Forum participants discussed the need to consult with occupants about design elements, locating housing near transit and transportation, designing buildings to standard materials measurements to avoid excess cost and material waste, orienting buildings for both safety and energy efficiency, and creating place-based opportunities for physical activity and social interaction.

The impact of home on health was discussed in a focused forum and was a common theme in forum discussions. Scott Coverdale of Community Home Repair summed up the importance as follows: *"I would like to affirm the importance of the home environment, and how it impacts not just the comfort and convenience of a person or a family, but actually has a profound effect on the whole person—the psychological, emotional and social well-being of the people who call a house "home"".*

Both the City of Tucson and Pima County seek to promote aspects of the environment that improve health and well-being. Plan Tucson and Pima Prosper goals can be furthered with HUD funding and include: conservation of open space and natural areas; higher-density, transportation/transit-oriented and mixed-use development; neighborhood shopping and services districts; safe pedestrian and bicycle paths; affordable housing; and maintenance and improvements to the existing housing stock and public facilities.

The Homeownership Market

HUD programs can be used to help existing homeowners to rehabilitate their homes and first-time homebuyers to enter homeownership. Housing problems of existing owners and the cost of housing are primary considerations in structuring appropriate strategies.

Pima County, the City of Tucson and Other Jurisdictions Trend in Tenure

From 2000 to 2013, the homeownership rate declined 1.6% in Pima County and 3.1% in the City of Tucson. Greater decreases occurred in the City of South Tucson (-11.5%), the Town of Oro Valley (-8.2%) and the Town of Marana (-8.8%).

The decrease in homeownership can be partially attributed to the high number of foreclosures in Pima County during the housing crisis. The higher rate of foreclosures in the Towns of Oro Valley and Marana demonstrate that a high number of foreclosures occurred in areas that developed significantly during the 2003 to 2006 housing boom.

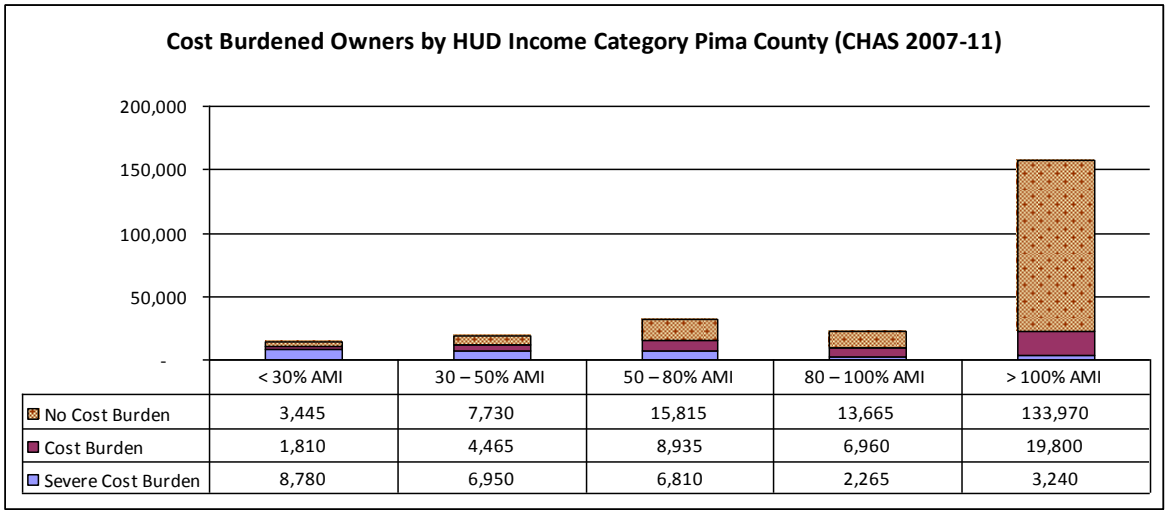
Trend in Tenure by Jurisdiction 2000 to 2013								
	Census 2000		ACS 2005-09		ACS 2009-13		2000-2013 Change in % by Tenure (A)	
	Owner	Renter	Owner	Renter			Owner	Renter
Pima County	213,620	118,730	243,444	139,370	244,175	126,089	-1.6%	3.3%
Marana	4,084	808	9,812	2,933	8,926	2,369	-8.8%	4.3%
Oro Valley	10,370	1,967	12,754	4,219	14,004	3,325	-8.2%	5.0%
Sahuarita	924	230	7,285	1,622	5,425	1,046	0.6%	3.1%
South Tucson	729	1,081	535	1,305	551	1,006	-11.5%	6.6%
Tucson	103,229	89,717	105,036	98,162	109,765	91,748	-3.1%	4.0%
Incorporated	119,336	93,803	135,422	108,241	28,906	7,746	-5.3%	4.4%
Unincorporated	94,284	24,927	108,022	31,129	105,504	26,595	-2.1%	2.9%
(A) includes household growth								

Pima County Owner Housing Cost Burden

In 2013, 62.7% of Pima County households were owners. The Pima County homeownership rate is highest among elderly family households (including those living alone) and lowest among non-family households. LMI owners are more likely to require assistance with unplanned home repairs; the lowest income owners may be challenged to maintain their homes.

While owners at all income levels experience cost burden, the rate of cost burden is highest among LMI owners – 67% of LMI compared to 18% of middle and higher income owners. Cost burdened owners by HUD income category are:

- 75% (10,590) with income < 30% AMI;
- 60% (11,415) with income 30-50% AMI; and
- 50% (15,745) with income 50-80% AMI.

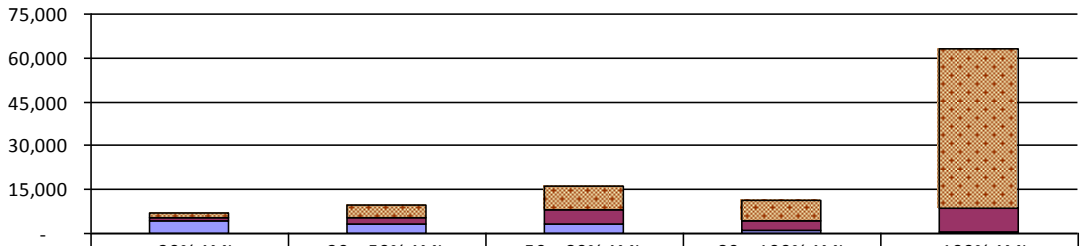


The City of Tucson Owner Housing Cost Burden

In 2013, 50.4% of City of Tucson households were owners. The lowest income owners have the highest rates of cost burden. Cost burdened owners by HUD income category are:

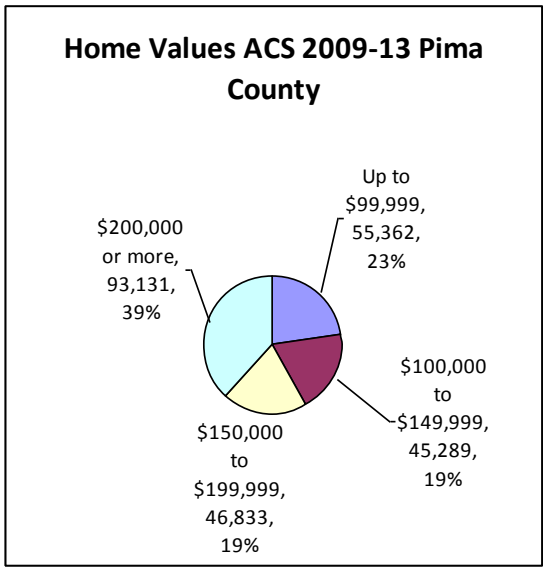
- 76% (5,430) with income < 30% AMI;
- 59% (5,600) with income 30-50% AMI; and
- 52% (8,260) with income 50-80% AMI.

Cost Burdened Owners by HUD Income Category Tucson (CHAS 2007-11)



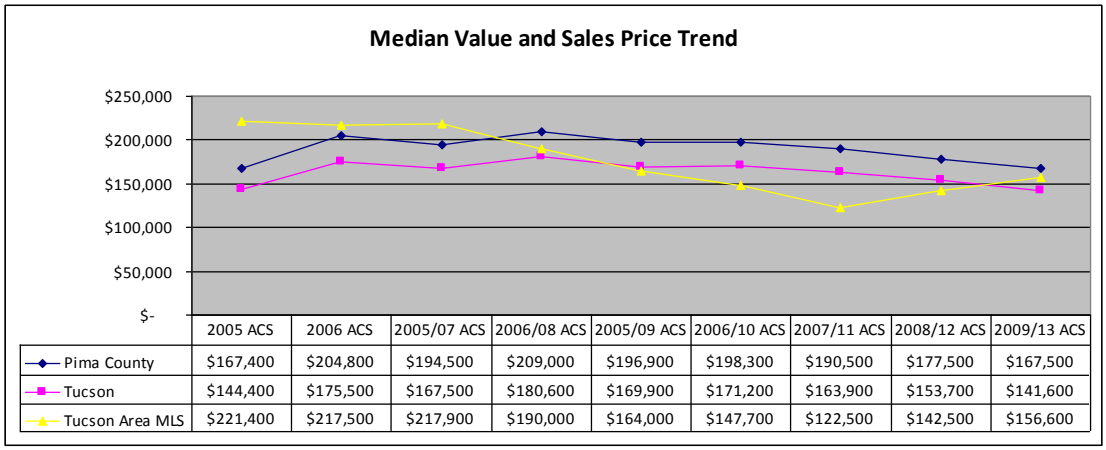
	< 30% AMI	30 – 50% AMI	50 – 80% AMI	80 – 100% AMI	> 100% AMI
No Cost Burden	1,725	3,895	7,660	6,965	54,820
Cost Burden	950	2,270	4,960	3,545	7,700
Severe Cost Burden	4,480	3,330	3,300	860	725

Median Home Values



Housing values directly impact the amount of funds that a buyer can borrow as well as the amount of taxes paid. Lenders provide financing up to a percentage of the value of a housing unit and this is one factor in whether a buyer is able to purchase a unit. While median home values increased 73% in Pima County and 69% in Tucson between 2000 and 2011, it is important to acknowledge the recent market cycle. From 2008 to 2011, median home values decreased 15% in both Pima County and the City of Tucson.

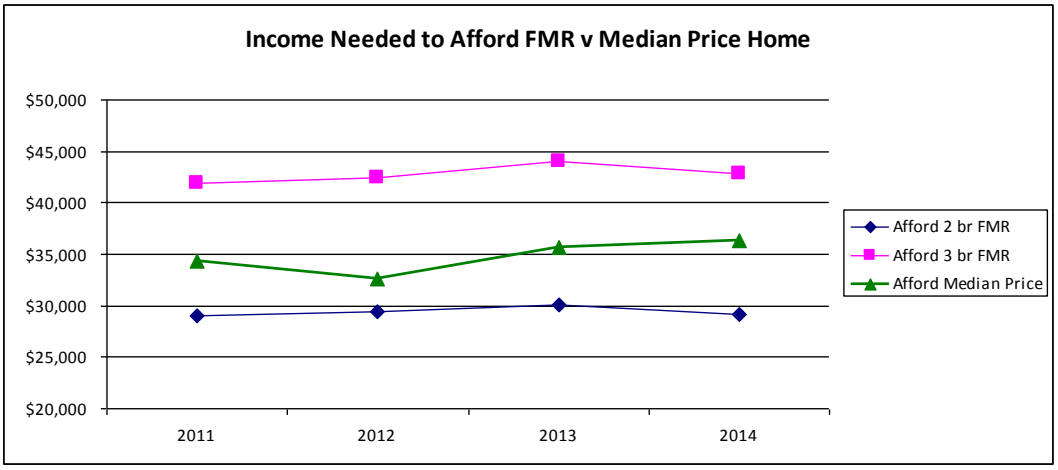
Values are generally reflected in prices but during a time of high demand, as was experienced from 2004 to 2007, prices can exceed values. According to the Tucson Association of Realtors median sales price history, Pima County sales prices during the height of the market were about 17% higher than Pima County values, while prices at the bottom of the market were about 17% lower than values. Sales price data suggests that home prices are increasing.



	2005 ACS	2006 ACS	2005/07 ACS	2006/08 ACS	2005/09 ACS	2006/10 ACS	2007/11 ACS	2008/12 ACS	2009/13 ACS
Pima County	$167,400	$204,800	$194,500	$209,000	$196,900	$198,300	$190,500	$177,500	$167,500
Tucson	$144,400	$175,500	$167,500	$180,600	$169,900	$171,200	$163,900	$153,700	$141,600
Tucson Area MLS	$221,400	$217,500	$217,900	$190,000	$164,000	$147,700	$122,500	$142,500	$156,600

Pima County Cost of Owning v. Cost of Renting

As renters are the pool of eligible first-time homebuyers, it is also important to consider the "competitive" market of rental units. Renting can be as expensive as owning. It is estimated that income of at least $29,200 is needed to afford the 2 bedroom FMR and income of at least $42,900 is needed to afford the 3 bedroom FMR. For renters who are prepared to purchase and need a 3-bedroom unit, purchasing may result in a more affordable monthly payment.



Assistance for First-time and Returning Homebuyers – Pima County and the City of Tucson

For many years strict underwriting criteria made it difficult for first-time homebuyers to purchase a home despite low prices. Arizona's Industrial Development Authorities responded with funds to assist homebuyers, including equity contributions and mortgage revenue bonds. The secondary market (FHA, Fannie Mae, Freddie Mac) are also beginning to offer lower down payment mortgage options that will make it easier to save for homeownership; however, the high cost of mortgage insurance reduces the purchasing power of households unable to make at least a 20% down payment.

Assuming a 30-year fixed rate 5% mortgage, total household debt equal to 10% of gross household income, and a 43% total debt to income qualifying ratio:

- A Pima County renter with the median renter income of $28,312 could afford to purchase a home valued at $126,905. The median value of a home in Pima County in 2013 was $167,500.
- A City of Tucson renter with the median City of Tucson renter income of $24,720 could afford to purchase a home valued at $110,805. The median value of a home in the City of Tucson in 2013 was $141,600.

The Rental Market

Renting provides opportunities for households to learn more about a neighborhood or community before making a homeownership investment and provides for mobility among the workforce. From a household perspective, renting is chosen over homeownership for a variety of reasons including:

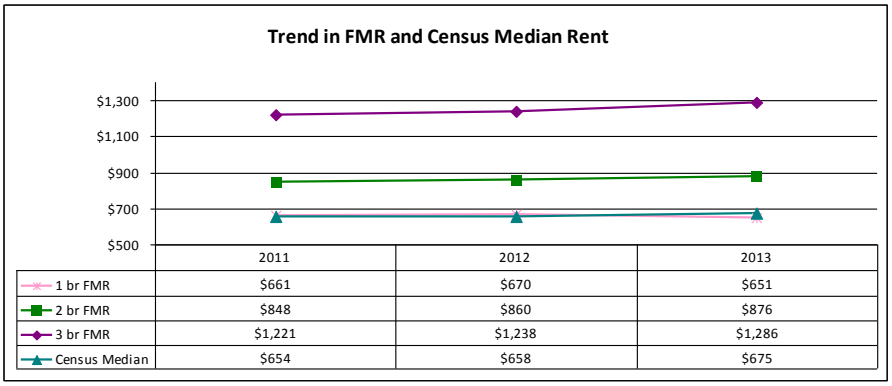
- Renting may be less expensive than owning, especially during the first five years;
- Rental units are maintained and repaired by their owners;
- Less time spent on maintenance and repairs equals more free time;
- Renting carries less financial risk, especially in volatile markets.

Pima County Median Rent

From 2000 to 2013, the median rent in Pima County median decreased $115/month or 15%; $27,000 annual income is needed to afford the median rent.

HUD Change in Median Rent	
Census 2000 Median Rent	$ 795
ACS 2009/13 Median Rent	$ 675
Change in Median Rent	($ 120)
% Change in Median Rent	-15%

Comparing HUD's fair market rents to ACS median rents indicate that ACS median rents reflect 1-bedroom units, yet only 3% of Pima County occupy 1 bedroom units, with a higher rate in the City of Tucson (30%).



Public Housing

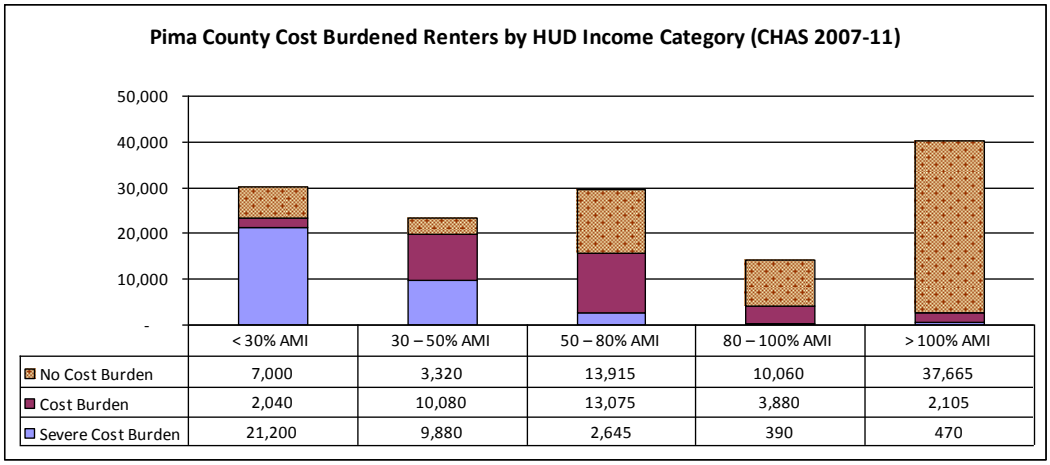
The City of Tucson Public Housing Authority operates 1,505 units of Public Housing, which over the years has been maintained and improved with strategic use of both maintenance and capital funding. Most of the older housing units are in fair condition.

City of Tucson Public Housing Authority Public Housing	
Project Name	Number of Units
Landers	47
Posadas Sentinel	140
Tucson House	407
Martin L. King	135
El Pueblo Center	184
Fairmount	231
Southeast Center	237
Martin L King	68
South Park	28
Silverbell	28

Pima County Renter Housing Cost Burden

Renters at all income levels experience cost burden, yet the rate of cost burden is highest among the lowest income households – 71% of LMI renters compared to 13% of middle and higher income renters. Countywide 58,920 LMI renters are cost burdened, including:

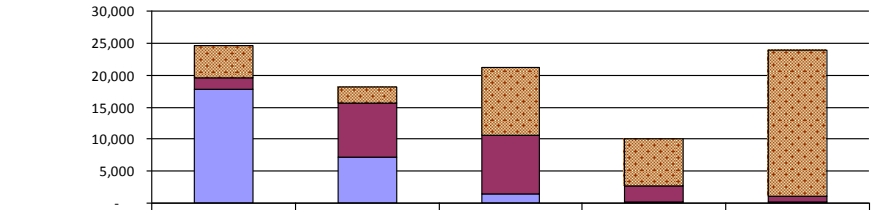
- 23,240 with income < 30% AMI;
- 19,960 with income 30-50% AMI; and
- 15,720 with income 50-80% AMI.



City of Tucson Renter Housing Cost Burden

In the City of Tucson 45,845 LMI renters were cost burdened in 2011, including:

- 19,500 with income < 30% AMI;
- 15,695 with income 30-50% AMI; and
- 10,650 with income 50-80% AMI.



	< 30% AMI	30 – 50% AMI	50 – 80% AMI	80 – 100% AMI	> 100% AMI
No Cost Burden	5,115	2,370	10,600	7,350	22,710
Cost Burden	1,735	8,555	9,155	2,575	955
Severe Cost Burden	17,765	7,140	1,495	95	190

Pima County Extremely Low Income Renter Severe Housing Cost Burden

Severe cost burden or paying more than 50% of household income for housing is most prevalent among extremely-low income renters – 33,725 extremely low income Pima County renters are severely cost burdened, including:

- 5,945 (57%) in unincorporated Pima County. Severe cost burden is also high among renters with incomes 30-50% AMI who cannot benefit from supportive housing – 65% experience severe cost burden.
- 1,380 (54%) in other incorporated jurisdictions outside the City of Tucson. Severe cost burden is also high among renters with incomes 30-50% AMI – 62% experience severe cost burden. The highest rate of severe cost burden among extremely low income renters is in Sahuarita where 100% are severely cost burdened.
- 17,765(72%) in the City of Tucson, many of whom may be full-time students.

Pima County Need for Affordable Rental Units for Extremely Low Income Severely Cost Burdened Renters

2,035 extremely low income Pima County renters pay more than 50% of their household income for housing costs and are considered severely cost burdened. There are 15,717 units that rent for less than $350/month that would be affordable to extremely low income renters and 3,300 student beds have been added in the past two years. Development of additional affordable rental housing or additional monthly rental assistance is needed to ensure these renters have access to decent and safe housing. Assuming a $50,000/unit subsidy $109.2 million would be needed to develop these additional units.

Affordable Rental Units Needed for Extremely Low-income Cost Burdened Renters – Pima County 2011						
Monthly Rent	Severely Cost Burdened Renters 2011	Existing Units 2011	Student Units Added	Net Unit Gap	Monthly Rental Assistance Needed (5-yr Total)	Development Subsidy Needed ($50,000/unit)
<=$349/month	21,200	15,717	3,300	2,183	$ 43,354,380	$ 109,150,000

Pima County Rental Assistance Calculations

Rental assistance is one method of assisting lower-income renters to afford quality units. Most rental assistance programs provide assistance that reduces the monthly rent outlay to 30% of household income for households earning less than 50% AMI. In 2013, Pima County households with income 50% AMI require assistance of $102/month to afford the median rent unit, while households with income 30% AMI require $331/month.

Trend in Median Gross Rent, Income and Subsidy Needed to Afford median Rent – Pima County			
	ACS 2005/09	ACS 2007/11	ACS 2009/13
Median Rent	$ 615	$ 654	$ 675
Median Income	$ 45,885	$ 46,341	$ 45,841
Monthly Rental Gap (30% AMI)	$ 271	$ 306	$ 331
Monthly Rental Gap (50% AMI)	$ 41	$ 75	$ 102

Affordable Rental Housing Projects with Expiring Periods of Affordability

Subsidized rental housing projects have use or affordability periods that last five years or more. Preserving affordable rental units can be a priority when demand is high and a large number will be lost from the affordable housing stock. A list of subsidized affordable housing projects is included as Attachment 2.

There are 49 Low Income Housing Tax Credit (LIHTC) projects in Pima County– one in Ajo (unincorporated), one in Marana, and 47 in Tucson. These projects provide an estimated 3,958 affordable rental units, including 1,043 three- and four-bedroom units to meet the needs of Pima County's large family LMI renters. LIHTC projects have an initial use period of 15 years and States (which administer the LIHTC program) have the option of requiring extended use periods. When projects have extended use periods, the project financing and ownership may be restructured after the initial 15 years. Beginning in 1990, the Arizona Department of Housing required 30-year extended use agreements.

Pima County Outside the City of Tucson

According to USDA, there are two subsidized housing projects in Green Valley with expiring use subsidies in 2018 and 2019. Unless preserved, this rural community will lose 23 subsidized units for small families and 98 subsidized units for elderly people. In addition, there is one LIHTC project in Sahuarita that will expire in 2021 that also includes 7 Pima County HOME-funded units and 4 State of Arizona HOME-funded units.

Rental Housing Projects with Expiring Affordability Periods in Pima County Outside the City of Tucson									
Project Name	Fund Source	Total Units	Low-Income Units	Expires	0 br	1 br	2 br	3 br	4 br
Michelle Manor	USDA	24	23	2018	0	12	12	0	0
Del Coronado (Elderly)	USDA	100	98	2019	0	98	0	0	0
Sahuarita Mission	HOME, LIHTC	52	52	2021	0	0	24	28	0
Source: US Department of Agriculture, Pima County									

City of Tucson

There are 3 LIHTC projects in the City of Tucson that have expiring use periods in 2021 and 2022 and 14 may be restructured during the next five years, including the City of Tucson's Tucson House project. There are also nine locally-funded HOME projects with 92 units that have expiring periods of affordability between 2015 and 2021, and 4 State-funded HOME projects with expiring periods of affordability between 2015 and 2019.

Low-income Housing Tax Credit Projects in the City of Tucson with Expiring Affordability between 2015 and 2022				
Project Name	Units	Low-Income Units	Placed-In-Service Year	Expires
COUNTRY CLUB OF LA CHOLLA	204	41	1991	2021
MOUNTAIN SHADOW	120	120	1992	2022
RANCHO DEL MAR	312	312	1992	2022

City of Tucson HOME Projects Expiring Between 2015 and 2021		
Project Name	Low-Income Units	Expires
Michael Keith	1	10/1/2015
New Beginnings PH 2	24	11/1/2017
New Beginnings PH 1	16	11/1/2017
TMM Lee St – Fourplex	4	11/5/2018
Casitas Esparanzas Byas	8	8/1/2019
1 North 5th	11	6/1/2019
Casita Mia 1 & 2	10	6/1/2021
Mabel & Delano	8	3/1/2021
Casitas San Miguel	10	7/1/2021
Source: City of Tucson		

State-Funded HOME Projects in the City of Tucson Expiring Between 2015 and 2021	
Project Name	Expires
Casa de Encanto Senior Apartments	10/6/2018
El Presidio	10/8/2018
St Luke's in the Desert	12/28/2018
Savoy House Apartments	3/19/2019
Sources: City of Tucson and Arizona Department of Housing	

The National Housing Trust Fund

The newly-funded National Housing Trust Fund is an opportunity to address the need for rental units for extremely low income renters. The successful use of this new resource will depend on the distribution method established by the Arizona Department of Housing, which will receive the funds. During the past three years, HUD HOME program appropriations have declined significantly. As a result, the development of affordable rental units has been dependent on successful applications for Low Income Housing Tax Credits (LITHC). While HOME funds can leverage LIHTC resources and increase the number of units available for very-low and extremely-low income households, additional resources are needed.

The National Housing Trust Fund (HTF) is a permanent federal fund authorized by the Housing and Economic Recovery Act of 2008. HERA requires Fannie Mae and Freddie Mac (GSEs) to transfer a percentage of their new business to finance the HTF. On December 11, 2014, the Federal Housing Finance Agency announced that it was directing the GSEs to begin setting aside funds for the HTF beginning January 1, 2015.

Each state will receive HTF resources according to a needs-based formula developed by HUD. HTF resources must generally be used to benefit extremely low-income families with income <30% AMI. Eligible HTF rental activities are production, preservation, and rehabilitation of rental housing. Up to 10% of the funds may be used for the production, preservation, and rehabilitation of housing for homeownership, including down payment assistance, closing cost assistance, and assistance for interest rate buy-downs.

HOMELESSNESS IN TUCSON AND PIMA COUNTY

Homeless individuals and families in Pima County reflect the diversity, complex characteristics, and special needs of all homeless people in the United States. Almost all homeless people are extremely poor. Homeless persons face many obstacles to attaining personal safety and security. Many are without appropriate identification and have no credit history. Others have pets who are their only family and abandoning them for shelter is not considered a viable choice. Still others are hampered by crime- and drug-free housing policies that keep them homeless; for some there is no second chance to attain safe, decent shelter or housing. A lack of resources for basic needs - housing, food, clothing, health care - is also common.

Some homeless people require limited assistance to regain permanent housing and self-sufficiency. Others, especially people with special needs, require extensive and long-term support. While many people save money in emergency shelter or transitional housing, the cost of housing leaves little for the basic necessities; many continue to live paycheck to paycheck and one crisis can lead to repeat homelessness. Supportive services and affordable housing are essential to preventing homelessness. Individuals and families with limited income and earnings potential often struggle to obtain childcare, medical care, food, and housing, and many are in imminent danger of becoming homeless. Those earning the minimum wage, especially if they have children, cannot afford rental deposits and fees.

The Continuum of Care is the methodology followed by organizations utilizing HUD funding to address the needs of individuals and families experiencing homelessness. The Tucson Pima Collaboration to End Homelessness (TPCH) uses the following sources of statistical information to quantify homelessness:

1. The annual point-in-time count of homeless persons and families conducted by the TPCH.
2. Data collected by shelters and service providers that indicates the number of persons served.

Need for Shelter and Services

Good statistics on homelessness are notoriously difficult to produce, in part because many homeless people do not want to be found, residing in hidden washes, abandoned buildings, and mountain encampments. There is anecdotal evidence that homelessness exists in rural Pima County with people sleeping in their trucks or in the desert. Yes services for homeless people outside the City of Tucson are extremely limited and the statistics do not accurately capture those in small towns or more remote areas in the vast unincorporated County.

The 2014 point-in-time count identified 3,116 homeless individuals, including 714 who were unsheltered. The 2014 count indicated a 13% decrease from the total count of 3,571, with a 54% decrease in the unsheltered count.

Both forum participants and TPCH indicated that HUD's focus on chronic homelessness and rapid re-housing has left a void in transitional housing for subpopulations needing more time than offered to reach stability.

Subpopulations. Single women without children, youth age 18-25, families (particularly Veterans) with children, domestic violence survivors, ex-offenders (especially sex offenders), and individuals being discharged from hospitals to homeless shelters have growing needs. The number of children in CPS care grew 50% during the last year and 30% of existing homeless youth have aged out of foster care. About 40% of homeless youth identify as LGBT, and services for LGBT youth and adults as well as transgendered individuals are limited. And, while VASH Vouchers and other resources for Veterans housing have increased significantly, corresponding funding for related services and supports is needed.

Emergency and Transitional Shelter. Emergency shelter and alternatives are needed. TPCH identified harm reduction/safe haven, scattered-site shelter, motel vouchers, and seasonal shelter with on-site case management (especially for single women) as primary emergency shelter needs. TPCH suggested HOME TBRA to fill the need for longer-term housing and supports.

Prevention. Recognizing the high cost of homelessness, both TPCH and forum participants identified the need for prevention resources, including eviction and foreclosure prevention funding, ongoing social supports and renter education to prevent repeat homelessness, and permanent affordable and supportive housing, including housing for zero-income and poverty-level households.

Recommendations. Forum recommendations for reducing homelessness included: providing services without shelter for those individuals not wanting housing but needing services; recognizing the time needed to transition from outdoor living to traditional living with options such as tents, tiny houses, accessory dwelling units and reuse of vacant school sites; and more public housing and vouchers for homeless individuals and families.

Emergency and Transitional Shelters and Other Assistance for Homeless Individuals and Families

The Continuum of Care reports 3,239 beds are available for homeless individuals and families in Pima County. The City of Tucson and Pima County work with numerous organizations to support facilities and services that are part of the Continuum of Care. A list of beds by facility type is included as Attachment 3.

- Emergency Shelter - 598 emergency beds for adult individuals and 130 for mixed populations.
- Safe Haven - 15 beds for adult individuals.
- Permanent Supportive Housing - 1,080 beds for adult individuals, and 637 VASH vouchers for homeless Veterans.
- Rapid Re-Housing - 43 beds for families, 16 for mixed populations, and 348 for adult individuals.

- Transitional Housing -294 beds for families, 71 for mixed populations, 7 for youth under age 18, and 1,177 for adult individuals.

The *Green and Healthy Assessment of Pima County's Emergency Shelters and Transitional Housing* (Poster Frost Mirto July 23, 2012) reported consistent short-comings in energy efficiency and health of 19 emergency shelter and transitional housing facilities. Consistent energy efficiency problems include: site and design; recycling; fenestration and insulation; disability accessibility; and inefficient HVAC, appliances and plumbing fixtures. Remediation recommendations included addressing: mold, fungus and obnoxious odors; pest infestation; holes in walls and broken/damaged windows or doors; and electrical systems. Other recommendations included: developing food-production gardens, planting low-allergenic desert plants, and using low VOC paint.

NON-HOMELESS SPECIAL POPULATIONS

Non-homeless special needs populations have unique housing and supportive services needs. These needs are identified through data analysis, consultation with agencies serving special populations, and review of client volume in agencies receiving City and County funding. Special Populations as defined by HUD include:

1. Elderly and Frail Elderly
2. Persons with Disabilities
3. Persons with Severe Mental Illness
4. Alcohol/Other Drug Addicted
5. Persons with HIV/AIDS & their families
6. Public Housing Residents
7. Locally-defined Populations
   i) Ex Offenders
   ii) Poverty-level Households

Stakeholder and Resident Discussions

Stakeholders and residents made multiple recommendations regarding housing and services for elderly people and people with disabilities. Housing recommendations included housing rehabilitation, adaptive reuse of central facilities, and subsidized graduated living opportunities with supportive services including transportation and recreation. Congregate meals, recreation opportunities at neighborhood recreation sites, place planning, and supports for care givers – respite, support groups, and training – were also recommended.

Stakeholders discussed funding and the delivery system and expressed the need to acknowledge that no population has greater needs than another. Recommendations included predictable funding allocated proportionately to fill gaps in funding for special populations; focus on agency partnerships that include behavioral health; proximity to other services or likelihood of services being brought to the place; and accessibility improvements. Stakeholders also suggested development of a central database of referral sources for first responders. A coalition of agencies that serve elderly people have requested a City planner dedicated to addressing the needs of seniors.

To improve their own capacity, stakeholders identified multiple strategies including promoting private sector involvement; facilitating action-focused discussions that promote collaboration; expanding and coordinating the volunteer base; serving as employer models by hiring clients; and a public awareness campaign focused on the need to adapt before aging.

Elderly and Frail Elderly Households

Older individuals are a valuable community resource. They often utilize their time and expertise to help others and many volunteer and/or participate in the workforce. Many elderly people and people with disabilities need assistance with daily living, advocacy, and transportation, and opportunities for socialization to avoid the isolation that often occurs. Grandparents raising grandchildren are a growing segment of the senior population with unique housing and related services needs.

Consultation with stakeholders and the public identified housing as the foundation for other services, with home repairs, maintenance and adaptations topping the list of housing needs. Subsidized transportation was identified as the 4th most serious problem of both elderly and disabled households. Many elderly and disabled individuals need daily living assistance, assistance with advocacy, and opportunities for socialization to avoid isolation.

Stakeholders identified multiple barriers that have resulted in a long waiting list for services among seniors and disabled individuals - limited resources of the individuals, eroding funding for daily supports/living assistance, and an information and referral system that is not working.

Pima County Elderly Households

HUD defines an elderly household as one that includes a person age 62 to 74 and no person over the age of 75, and a frail elderly household as one that includes a person age 75 or older. According to HUD CHAS data there are 118,686 Pima County households that include at least one elderly or frail elderly person and 45,841 (39%) are LMI. Nearly half (47%) of frail elderly people are LMI as are one-third of elderly people age 62 to 74.

Pima County Frail Elderly Households

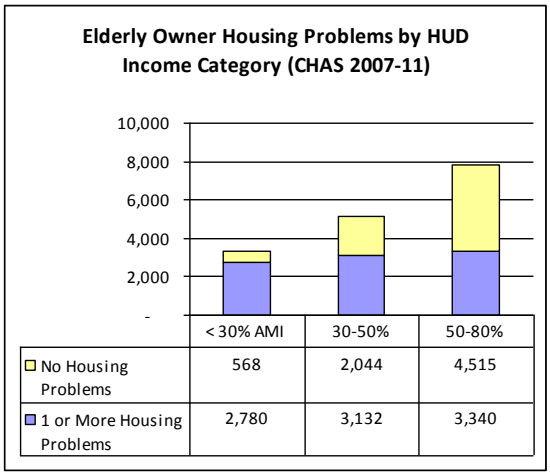
There are 45,936 Pima County households with at least one person age 75+ and 65% are homeowners. According to agencies that serve the elderly, the fastest growing segment of the aging population is individuals over 85. These are the most vulnerable older adults who tend to need long-term care and whose numbers are expected to double by 2020. Although functional loss and disability are not necessary consequences of the aging process, both tend to increase with age due to underlying chronic disease. Fifty percent of the age 85+ population have one or more chronic conditions that require assistance with Activities of Daily Living (ADL) such as bathing, toileting, and grooming. According to the US Census Bureau (ACS 2007/11) 53% of frail elderly people have a disability. As the 85+ age population continues to grow, demand for services is increasing.

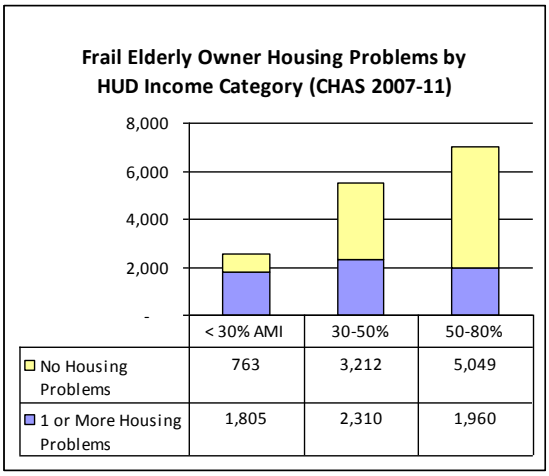
Pima County Elderly and Frail Elderly Owners with Housing Problems

Proportionately more owners and renters age 62-74 have housing problems; as this cohort ages, the housing needs for age 75+ households will increase.

According to HUD CHAS data, there are 59,655 elderly and 35,380 frail elderly homeowners in Pima County.

- Among the 16,379 LMI age 62-74 owners, 9,252 (56%) have housing problems, including 83% (2,780) of those with income < 30% AMI.
- Among the 15,099 LMI age 75+ owners, 6,075 (40%) have housing problems, including 70% (1,805) of those with income < 30% AMI.

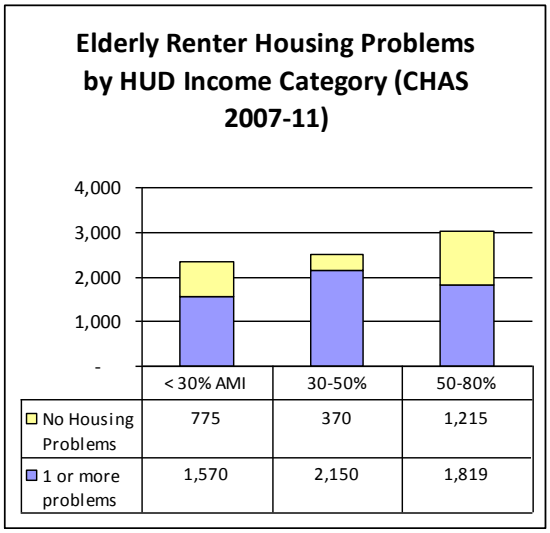


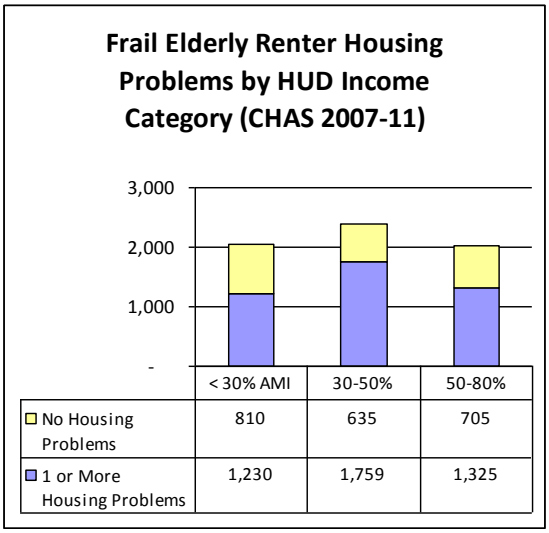


Pima County Elderly and Frail Elderly Renters with Housing Problems

According to HUD CHAS data, there are 13,095 elderly and 10,106 frail elderly renters in Pima County. Seven of ten elderly and frail elderly renters have housing problems.

- Among the 7,899 age 62-74 LMI renters, 5,539 (70%) have housing problems, including 85% (2,130) of those with income 30-50% AMI.
- Among the 6,4,64 age 75+ LMI renters, 4,314 (67%) have housing problems, including 73% (1,759) of those with income 30-50% AMI.





Pima County Grandparents Raising Grandchildren

According to ACS 2007-11, 22,533 Pima County grandparents are raising grandchildren under age 18, up from 9,356 in 2007. Along with housing problems, insufficient financial resources, legal challenges, physical and health concerns for themselves, and communication barriers are all significant challenges for older persons caring for children.

<u>Pima County Householders with Disabilities</u>

People with developmental and physical disabilities and their families have layered, complex needs that demand broad strategies and resources. The unemployment rate for disabled people is nearly double the rate of people without disabilities, and many have unrealized potential that results from inadequate economic, housing and social supports. Individuals with disabilities experience many of the same social, economic and housing challenges as the elderly. Stakeholder and public input indicated that 12% of people have disabilities and livable wages are a primary concern.

Pima County LMI Owner and LMI Renter Housing Problems

According to HUD CHAS data, there are 38,840 householders with disabilities in Pima County and 20,645 (53%) are LMI. The homeownership rate for LMI householders with a disability is 53%.

- Among the 11,000 LMI owners with a disability, 5,275 (48%) have housing problems, including 69% (1,580) of those with income < 30% AMI.
- Among the 9,645 LMI renters with a disability, 7,150 (74%) have housing problems, including 85% (2,765) of those with income 30-50% AMI.

Housing Problems of Householders with Disabilities by Tenure and Income						
	Owners			Renters		
		Housing Problem			Housing Problem	
		No.	%		No.	%
< 30%	2,275	1,580	69%	3,590	2,745	76%
30-50%	3,465	1,840	53%	3,265	2,765	85%
50-80%	5,260	1,855	35%	2,790	1,640	59%
>80%	14,910	2,780	19%	3,285	800	24%
	25,910	8,055	31%	12,930	7,950	61%
Source: 2007-11 CHAS						

People with Alcohol and Other Drug Addictions – Pima County

The Arizona Department of Health Services (ADHS) FY 2013 Report on Substance Abuse Treatment Programs indicated that 16,064 Pima County individuals are enrolled in public health care and substance abuse treatment services. Co-occurring mental health issues such as depression, anxiety and psychotic disorders are commonly noted with substance abuse, and ADHS reports 24% of substance abuse clients had a co-occurring General Mental Health Disorder and another 24% had a Serious Mental Illness (SMI). The 2014 point-in-time homeless count identified 664 individuals with substance abuse disorders, up from 605 in 2010.

People with Severe Mental Illness – Pima County

According to the Arizona Department of Health Services FY 2014 Annual Report, 11,962 Pima County individuals with serious mental illness (SMI), as defined by a qualifying diagnosis and disability, are enrolled in public health care. About 1/3 of SMI individuals enrolled in the public health care system also have substance abuse issues.

The majority of enrolled individuals with SMI receive case management, rehabilitation, medical and pharmacy services, and about 1/3 receive supported employment and living skills training. Many individuals with SMI are not employed and receive SSI, which in 2014 is $721/month; individuals with a qualifying disability may receive SSDI and the 2104 average payment is $1,148/month. Individuals with SMI are particularly vulnerable to homelessness as there are insufficient permanent supportive housing units available.

Victims of Domestic Violence

Consultation with stakeholders revealed about 12,000 calls from victims of domestic violence annually with insufficient beds to meet shelter demand. Emerge!, the primary provider of services and shelter for domestic violence victims reports serving 4,600 people annually. Experts agree that only about 10% of domestic violence is reported and typically only physical abuse is reported. Agencies that serve domestic violence victims indicate that limited resources have resulted in refinement of eligibility for shelter with priority given to those in physical danger. Agencies are seeing a greater level of domestic violence intensity, trauma and lethality and lethality assessment by first responders is critical.

Public Housing Residents

As of February 1, 2015, there were over 5,218 families on the public housing waiting lists and 4,972 on the Section 8 Housing Choice Voucher waiting list. Because the PHA serves very-low and low-income tenants, a combination of

factors including lack of affordable housing and other socio-economic conditions such as divorce, domestic violence, a low-level of education and sometimes substance/alcohol abuse and physical and/or developmental challenges result in highly variable needs.

The average annual income of Public Housing residents and Section 8 Housing Choice Vouchers is very low; public housing residents have an average annual income of $12,400 and Section 8 participants have an annual average income of $10,626. The average household size in both programs is three people. Approximately 26% of public housing residents and 19% of Section 8 participants are elderly. About 5% of public housing resident families include a person with a disability, which may include physical, developmental and other disabilities. To meet the needs of families that request accessible units, the PHA has modified 138 units to meet the needs of a person who uses a wheelchair for mobility and also makes other reasonable accommodations.

People with HIV/AIDS – Pima County

Housing and services for persons with HIV/AIDS and their families are managed by the Southern Arizona AIDS Foundation (SAAF). The clients served through SAAF are predominantly low income, with 94% of clients living below 80% of area median income, and 56% living at or below 30% of area median income. Low-income people living with HIV/AIDS require subsidies to maintain safe, affordable housing, and a continuum of supportive services in order to access health care and other resources needed to maintain housing stability and access care services. Most persons with HIV/AIDS live in single person households. The individuals and families served by SAAF benefit from the unique combination of HOPWA entitlement funds from the City of Tucson and HOPWA competitive funds from Pima County.

SAAF tracks the number of clients that have requested housing assistance. There is a considerable need for additional housing for persons living with HIV/AIDS. SAAF estimates that there is a need for at least 80 additional units of tenant based rental assistance for persons living with HIV/AIDS and for approximately 90 units of transitional housing assistance to provide an intermediate level of support between shorter term rent and utility assistance and permanent supportive housing units. All of these persons require case management and supportive services.

HUD Table 26 – HOPWA Data – Alternate Table	
Current HOPWA formula use:	
Cumulative cases of AIDS reported	2,410
Area incidence of AIDS (as reported by SAAF)	1,347
Rate per population	135.73 per 100,000 population (AIDS) 251 per 100,000 population (HIV+AIDS)
Number of new cases prior year (3 years of data)	79
Rate per population (3 years of data)	2.64 per 100,000 population

HUD Table 27 – HIV Housing Need		
Type of HOPWA Assistance	**Units Designated or Available**	**Estimates of Unmet Need**
Tenant based rental assistance	8	80
Short-term Rent, Mortgage, and Utility	128	60
Facility Based Housing (Permanent, short-term or transitional)	115	60

Ex-Offenders - Pima County

The average daily inmate population in Pima County jails is 2,000; many people cycle through the jail every year. The BJA Second Chance Act FY2014 Competitive Grant Announcement states that a majority of incarcerated individuals have needs that, if unaddressed negatively impact their ability to live productive, pro-social, crime-free lives. Needs of offenders include assistance with housing, employment, relationship and family issues, and substance abuse/mental health services. Behavioral health conditions are often first identified in justice settings where limited resources are available and a collaborative, coordinated system is necessary to ensure people with behavioral health needs are identified and served.

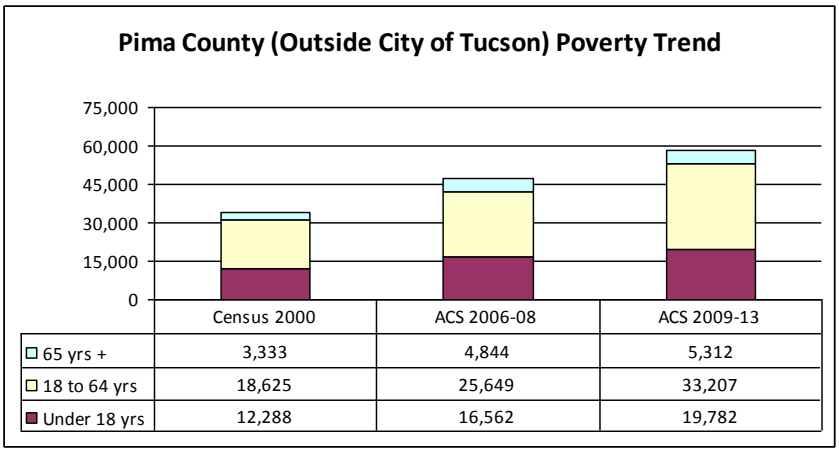
Poverty in Pima County

Families and individuals living in poverty are particularly vulnerable to housing, social and economic problems. Poverty is often a cycle of crisis and intervention, and those living in poverty need additional resources to become stable and productive members of the community. Countywide, 19% of the population lives below the poverty level, including 27% of children, 19% of adults age 18 to 64, and 9% of adults age 65 and older.

The Pima County poverty rate increased 53% from 2000 to 2013 with a higher rate of increase outside the City of Tucson. The largest increase in poverty was among adults age 18 to 64, underscoring the challenges of finding suitable employment and supportive services outside the City of Tucson.

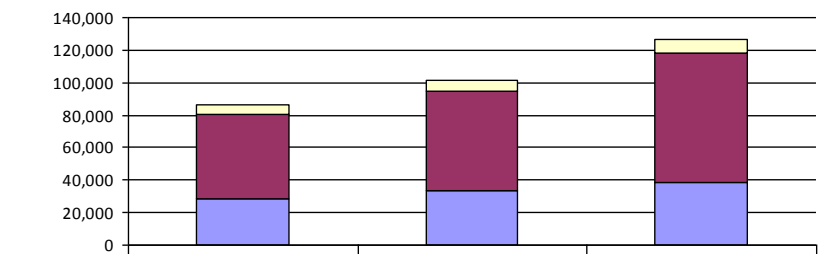
Pima County Trend in Poverty 2000 to 2013						
	Census 2000	ACS 2006-08	ACS 2009-13		2000 – 2013 change	
			No.	%	No	%
Total	120,778	148,564	184,668	19%	63,890	53%
Under 18 yrs	40,606	50,160	58,591	27%	17,985	44%
18 to 64 yrs	70,546	86,390	112,793	19%	42,247	60%
65 yrs +	9,626	12,014	13,284	9%	3,658	38%

According to the USDA Economic Research Service, non-metro poverty tends to grow more during economic recessions with generally slower recovery. Limited availability of basic services and access to health care, schools, and communication networks can understate poverty in rural areas.



Poverty in the City of Tucson

The poverty rate in Tucson is higher than the Pima County rate, with 25% living below the poverty level including 34% of children, 25% of adults age 18 to 64, and 13% of adults age 65 and older. The Tucson poverty rate increased 46% from 2000 to 2013. The largest increase in poverty (53%) was among adults age 18 to 64.



	Census 2000	ACS 2006-08	ACS 2009-13
65 yrs +	6,293	7,170	7,972
18 to 64 yrs	51,921	60,741	79,586
Under 18 yrs	28,318	33,598	38,809

Services for Special Populations – City of Tucson and Pima County

There are multiple nonprofit organizations that serve the most vulnerable residents in the City of Tucson and Pima County. Services include:

- Elderly and Frail Elderly. There are 13 Tucson sites that provide congregate meals and opportunities (up to 100 meals/day at each) and similar facilities are located in both incorporated and unincorporated communities outside the City of Tucson. While these sites fill some needs, there is a need for additional affordable rental units for elderly and frail elderly households with income < 50% AMI. Grandparents raising grandchildren are currently served by a dedicated 12-unit rental project; additional housing is needed for this segment of seniors. Home-based services connected with adaptations and housing are available but generally inadequate to fill the demand. Other available services include congregate meals, independent living opportunities, adult day programs, counseling, and elder abuse shelter, counseling, support groups and prevention services. Available supports for caregivers include counseling, support groups, training, subsidies and respite services.
- People with Disabilities. People with disabilities have access to center-based employment, independent living skills training and peer mentoring, counseling services, day treatment, friendly phone calls and visits, home-delivered meals, hearing, visual/reading and mobility aids, and transportation. Available supports for caregivers include counseling, support groups, training, subsidies and respite services.
- Alcohol/Other Drug Addicted. The Arizona Department of Health Services is the primary provider of services to eligible low-income individuals with alcohol and other drug addictions. Reductions in mental health services at the State-level have created gaps in services and care. Eight nonprofit agencies provide services and those services are generally covered by public health insurance for qualifying individuals. The range of services includes outreach, education, prevention, in-patient and out-patient treatment, and support groups.
- Persons with Severe Mental Illness. The Arizona Department of Health Services is the primary provider of services to eligible LMI persons with severe mental illness. State reductions in mental health services have created gaps in services and care. Additional supportive housing is needed for this segment of the population. Services are provided by eight nonprofit agencies. Individual, couple and family counseling, and support groups are available to address a broad range of mental and behavioral health needs.

- Victims of Domestic Violence. There are two agencies that provide services to victims of domestic violence. A 24-hour crisis hotline and emergency and transitional housing are available. Consultation with stakeholders indicates that additional behavioral health services for trauma victims, additional shelter for victims of both physical and non-physical abuse, and permanent affordable housing without supportive services are critical to the safety of this segment of the population.
- Persons with HIV/AIDS and Their Families. Housing and services for persons with HIV/AIDS and their families are managed by the Southern Arizona AIDS Foundation (SAAF). The individuals and families served by SAAF benefit from the unique combination of HOPWA entitlement funds through the City of Tucson and HOPWA competitive funds through Pima County. SAAF provides case management, housing, and support services for people living with HIV/AIDS and their families; comprehensive prevention and education programs to reduce the rate of infection; and trainings and opportunities for community members to fill critical roles. SAAF is a member of the Pima County HIV/AIDS Consortium and the Tucson-Pima Collaboration to End Homelessness. Services and assistance provided by SAAF are based first on the housing status of the individual or family.
- Poverty-Level Households. The City and County fund a variety of agencies that provide services to poverty-level households. Available services include clothing, food, health and dental care, legal assistance, utility assistance, consumer and financial services and basic financial assistance, counseling, enrichment and the full range of services also available to other special populations.
- Ex-Offenders. To reduce recidivism and jail time, Pima County is implementing a Transition from Jail to the Community Toolkit, administering the Risk Recidivism Score or "Proxy" instrument in the County jail to pre-screen individuals at booking. Using a risk triage matrix, offenders are matched with interventions and services. Medium-to-high risk individuals are directed into intensive behavioral health programs, while low-risk offenders are directed to alternatives to incarceration. Through the Behavioral Health Treatment Court Collaborative, participating judges and probation officers receive specialized training to coordinate efforts, eliminate duplication, increase effectiveness, and enhance efficiency in and among the existing behavioral health treatment courts. Nonprofit organizations participating in the Community Re-entry Coalition work with ex-offenders to provide post-release mentoring and assistance with transitional housing, case management, and job development.
- Stable Housing and Employment. The effectiveness of moving homeless individuals and families from shelter to transitional housing to permanent housing is closely linked to employment opportunities within the community. One resource for homeless people is the Sullivan Jackson Employment Center (SJEC). SJEC is a satellite operation of the Pima County One-Stop Career Center providing a full array of employment services to homeless people seeking to enter the workforce. This successful model will continue to provide stable employment and housing to homeless families, individuals, youth, and Veterans in the next five years.

ATTACHMENT 1 – PUBLIC AND STAKEHOLDER CONSULTATION

October 14, 2014 – Seniors and Special Populations

Challenges/needs:

- Livable wages
- Daily living assistance
- Home repairs, maintenance and adaptations at top of list
- Subsidized housing on NW side of Tucson (Oracle Rd Corridor) in high demand (PCOA)
- Funding is eroding for daily supports/living assistance
- Subsidized transportation (4th most serious problem)
- Supports for care-givers – respite, support groups, training
- Isolation
- Self-advocacy a challenge
- Limited resources
- Increase in older adults living on the edge
- Long waiting list for services
- Shift is away from "ballroom dancing" to case management
- Information and referral system is not working
- Baby Boomers coming from someplace else to retire/lack family and social supports
- Housing is foremost need/foundation – stable housing is essential to provide necessary counseling and services
- People living longer – age 85+ fastest growing segment
- Alzheimer's is leading cause of death among seniors
- Grandparents raising grandchildren a growing population; housing is a huge problem
- Having a pulse is no indicator of living
- Moving toward integrated health model that starts with behavioral health services (special populations)
- 13 Tucson sites provide congregate meals and opportunities (up to 100 meals/day each)

Recommendations:

1. Referral sources for first responders
2. Use neighborhood recreation sites as focal points for health (diet and exercise) services
3. Facilitate action-focused discussions that promote collaboration
4. General funds / other services funding needs to be decisive "we are committed to X, and we don't revisit it regularly"
5. "Be a Great Place to Grow Old"
6. Needs of seniors are equal to needs of children and adults with disabilities – funds need to be allocated proportionately and to fill gaps
7. Public awareness campaign – awareness of needing to adapt before aging
8. Promote private sector involvement
9. Fund rehabilitation and adaptive reuse focused on this population
10. More public places in private spaces – "place planning"; transportation, congregate meals, recreation
11. Concentrate on focal points – agency partnerships that include behavioral health, proximity to services, likelihood of services being brought to the place, accessibility improvements
12. Independent living attached to assisted living with transportation to off-site recreation (e.g. Manor House) but needs to be subsidized so affordable

13. Promote advancement of employment for people with disabilities – pre-employment training and employment soft skills
14. Use work training component in HOPWA
15. Hire people receiving services for agency jobs – answer phones, front office, grounds maintenance, etc.
16. Nonprofit organizations can serve as models by hiring clients
17. Off-hours use of public facilities for shelter
18. Expand and coordinate volunteer base
19. Develop central database for functional needs support services (FEMA); could be with Pima County Emergency Management

October 13, 2014 – Economic Development

Challenges/needs:

- Building capacity to be more competitive in
- Four sector clusters – aerospace and defense, solar and natural resources, logistics and transportation, bio-tech
- Goal is 7,000 net new jobs annually
- For every 2,500 net new jobs in clusters – 2 more supporting jobs (retail, etc.) are needed
- Aging workforce – need to improve attractiveness to under age 40 = education, livable community, urban renaissance
- Job growth v. wage growth – need to focus on higher wage jobs
- Can take a long time to fill the skills gaps
- Projects are lost due to need for skilled labor
- Tucson known for low-wage, low-skilled workforce
- Insufficient trailing spouse opportunities
- High concentration of Veterans
- Low HS graduation rate
- 12% of people have disabilities
- 2,600 – 3,000 prisoners re-entering annually; many have poor education and skills
- Older workforce is higher educated and skilled but is nearing retirement
- Young population primarily Hispanic and lower rates of education; need remedial course work
- Eligibility requirements for some programs make it difficult to compete, especially for under and unemployed
- Secondary education is not fast-track
- Living expenses continue while in education and training
- Cross-border trade with Santa Cruz County an opportunity
- High demand for Spanish language small business training; many desire entrepreneurship
- Many entrepreneurs are socially underserved or disadvantaged and have high-risk of business closing; TA can help
- TREO working on recruitment and retention – blueprint provides background
- Retail happens after recruitment and retention
- Where is wealth generated? Is it labor force or community wealth or both?
- 20-25% of new jobs will be middle-skill jobs
- Talent building is key
- Need more fellowships

Recommendations:

1. Improve quality of K-12 education
2. Maintain focus of economic development efforts and collaborate
3. Energy efficiency/technologies education
4. Food and agriculture sector needs to be a focus
5. Focus on technical training and on-the-job training
6. Examine educational attainment of Veterans (high concentration)
7. Support CTE and Industry partnerships
8. Adult education and training
9. Upgrade training for currently employed
10. Map competencies most needed by primary / growth industries
11. Support externships with soft skills
12. Support Spanish-language small business training
13. Boots to Business for Veterans
14. Waive/offset fees for small business training and TA
15. Convert houses to solar to build construction jobs
16. Increase cross-boarder trade for small businesses
17. Support education systems
18. Re-imagine the water and food supply and create resiliency
19. Fund green knowledge among neighborhood leaders
20. Support green industries
21. Identify "nurturing" economic opportunities for disadvantaged, who are often seeking opportunities to engage; important to mental health maintenance
22. Support business incubators – low cost space and office support systems
23. Support incubators without walls – e.g. vehicle and home-based businesses
24. Focus on low-mod corridors and build business cooperatives along these

October 14, 2014 – Poverty, Basic Goods and Services

Challenges/needs:

- Can't continue to hope that real wages will increase – no assumptions
- Definitions inadequate to describe experience of poverty
- Economic cycles most challenging for people living on edge
- Low-wage jobs
- Effective income inequality
- Family support services are expensive – cost/availability of child care and transportation
- Alternatives for education needed
- Cost of living is high in relation to income
- Subsidized care access
- Healthy foods access
- Income discrimination prevalent
- Resource starvation = inadequate income for education and high cost make getting out of poverty nearly impossible
- Inconsistent qualify of education – poor schools for poor people
- Inadequate scalable federal resources – more funding needed to build family assets
- Persistent pockets of poverty

- Cannot monetize value of basic needs – food and shelter
- Predatory lending
- Loss of child care subsidies (State)
- Affordable housing
- Urban agriculture not aligned with health department requirements and need for local food
- Declining behavioral health supports
- Increase in children in foster care
- Lcak of universal access to child care and early childhood education
- Teen pregnancy rate is very high due to abstinence-only education model; perpetuates poverty
- Income poverty is not the same as asset poverty – needs better definition
- 40% of 250,000 clients earn less than $10,000/year
- U of A study – benchmarking
- Not just a government and nonprofit issue – big impacts on businesses
- Will take 127 years to meet affordable housing needs
- Jared Bernstein – fuel inflation to build assets

Recommendations:

1. Review what worked with the last plan
2. Focus on building assets – a network, housing, informal economy to allow asset accumulation
3. Continue asset-based approach from Hierarchy of Human Dignity
4. Engage businesses and philanthropy
5. Define collective impact – big investments should have big payoffs. How do we do better?
6. Engage people experiencing poverty
7. Define support strategies
8. Reduce silo-ing of humans by income level
9. Define prevention – what does it look like?
10. Support microenterprises
11. Support IDAs for business development, education, housing
12. Look to community schools as base
13. Coordinate "job plus" – workforce + private sector + government + social services
14. Social impact bonds – shift financing to preventive models and pay for performance
15. Build a sustainable community – support time banks
16. Stop focus on higher/abstract education
17. Schools as major partner in rebuilding economy by building skills needed for actual jobs
18. Value technical education
19. Maintain "out-of-the-box" conversations
20. Use SNAP to take family-centered approach to asset-building (e.g. Primavera pilot with utility and rental assistance)
21. Don't eliminate the safety net but build on it
22. Focus Consolidated Plan on method to leverage private and philanthropic resources
23. Support wrap-around case management services for families through network to convey out of homelessness; use volunteer advocates
24. Use multi-family housing as centers of service – much like schools
25. Use county bond funds for low-hanging fruit
26. Focus on food and water secturity
27. Nonprofit organizations hire more poverty-level and unskilled – serve as models/example
28. Nonprofit organization can broker

29. Build on healthy community
30. Build advocacy with state legislators and federal reps
31. Get more involved in public education systems
32. Neighborhood clean-ups and improvements to reduce toxic stress
33. Boots on the ground in neighborhoods
34. Bring jobs and services to the neighborhoods
35. Support homeless shelters for Veterans
36. Invest in homeless facilities
37. Model through volunteerism
38. Brush with Kindness - Habitat model for neighborhood improvement
39. Support child care in community schools
40. Outreach to residents – what are your dreams and your assets?
41. Focused-area revitalization
42. Formalize home repair volunteer collaboratives
43. One-stop center for "all" resources to help poverty-level families (if not in Plan will be backlash) – include community assets, opportunities for needy and for volunteers
44. Have humans answer phones; not machines
45. Need to listen to the people
46. Examine Bridges Out of Poverty model
47. Focus on youth
48. Invest in sexual health education for youth

October 2, 2014 Neighborhood Revitalization

Challenges/needs:

- Absence of big dollars (e.g. HOPE VI)
- How to replace big dollar programs
- Focus on student housing detracts from need for family housing
- A lot of housing is inappropriately sized for the population
- Does size matter?
- Is the model more important than the strategy?
- Neighborhoods don't know how to plan; need technical assistance
- Child care
- Scale is important to effective revitalization
- Overabundance of investor-owned rental properties; limits affordable purchase options
- Every neighborhood is different – no single toolbox
- Don't prioritize but do make a neighborhood wish list
- Identifying agreements rather than disagreements
- 2,500 new beds for students will impact market

Recommendations:

1. Focus on green – water harvesting, community gardens, etc.
2. Ensure historic preservation
3. Fund the Community Land Trust
4. Build a revolving loan fund for acquisition, rehab and resale
5. Use community schools as a base
6. Involve neighborhoods in processes

7. Coordinate neighborhood reinvestment program with affordable housing bonds
8. More community and neighborhood planning needed
9. Identify highest and best uses of land and existing structures
10. Recognize that neighborhoods are not public service areas
11. Don't lose focus on homeownership as neighborhood stabilizer

October 2, 2015 Transit-Oriented Development

Challenges/needs:

- Infrastructure necessary to secure financing is not always in place
- 50% cost burden a big issues
- Schools need to be considered in planning
- Since 2011, multi-family has become larger and more expensive
- Public participation and buy-in are both time and cost intensive
- Sustainability of transit systems
- Reductions in both housing and transportation resources
- Transit-oriented development must be intentional
- Transit oriented development is not same as transit adjacent development; define
- Best practices in New York and San Francisco are not Tucson best practices

Recommendations:

1. Focus on mixed-use, higher-density and pedestrian-oriented development
2. Balance mixed-income with need for affordable housing
3. Focus on vertical mixed-use
4. Develop at least ½ of affordable rental and homeownership units along transit corridors
5. Identify opportunity sites for density and reuse
6. Incorporate LEED standards to facilitate financing options
7. Help HUD to understand nodal transit areas – it is the future of financing
8. Define best practices for Tucson and how different from coastal communities
9. Don't eliminate non-transit-oriented development through over-emphasis on transit-oriented
10. Abate taxes to avoid gentrification
11. Connectivity of TOD with adjacent neighborhoods
12. Neighborhoods need to be educated
13. Zoning needs to recognize interdependence of housing and transportation

October 2, 2014 Healthy Communities

Challenges/needs:

- Low-income built environment is not a healthy or wealthy environment
- Engaging public and addressing their concerns rather than public concerns
- School connectivity an opportunity
- Built environment impacts social, environmental and behavioral health and patterns
- Experience of poverty is dependent on place
- Context matters – access to opportunities, education and asset building as important as build environment
- Tucson poverty corridor = I-10 and I-19
- Place matters less as we get older
- Housing reduces long-term cost of aging and aging care

- Tucson poverty appears more dignified than poverty in other areas; unique
- Buildings built to code are not necessarily healthy buildings
- Affordable Care Act requires public health institutions invest in community health and wellness
- Access to health care services is not same as access to insurance/payor
- Charter school dynamic influences public health and use of school system
- Nonprofit hospitals generate community benefit reports

Recommendations:

1. Incorporate "determinants of health" into Consolidated Plan
2. Leverage philanthropic resources
3. Look at IRC community/cultural garden as a model
4. Educate medical community
5. Leverage health institution resources required by Affordable Care Act
6. Public schools are catalysts for healthy communities
7. Coordinate services and housing
8. Identify and invite philanthropic and other resources (e.g. ALTCS) for home repairs/modification
9. Recognize the needs of different aging populations (young, middle and old "old")
10. Focus more on services than facilities
11. Invest in multi-use community centers – social and behavioral health
12. Partner with school districts – they have real estate and facilities
13. Fund transportation vouchers
14. Fund accessibility improvements in private and public spaces
15. Leverage health care providers for housing rehab activities
16. Establish systems to ensure people being discharged from hospitals have appropriate accessibility improvements in their homes (avoid institutionalization)
17. Prevent emergency room visits through housing assessments
18. Fund meals on wheels
19. Put healthy homes information in doctor's offices
20. Focus on mixed-use development
21. Tweak codes and zoning to allow for different housing types – e.g. EDUs
22. Make "healthy" a priority in funding – extra points for
23. Invite financial institutions to participate in healthy home development
24. Don't lose focus on transitional housing

November 12, 2014 Fair Housing

Challenges/needs:

- Rural communities need education too
- Training for college students on landlord-tenant act needed
- People don't understand their responsibilities and rights
- Discrimination based on body art
- Access to neighborhood banking a barrier

Recommendations:

1. Include landlord-tenant and fair housing information in U of A student welcome packets
2. Build a you tube video on landlord-tenant and fair housing for younger population

November 13, 2014 Shelter and Services

Challenges/needs:

- Data needs to be nimble, adaptive and accessible
- Not all agencies are created equal and some will not survive changes to vulnerability assessment, testing and data systems
- 1,800 calls/month (duplicated) during 1st six months of 2014
- 145 callers were screened and 75% couldn't be served due to lack of ESG resources
- 6% of callers were assisted with shelter and 2% find their own solution
- Lacking shelter and services for single women without children, people with pets, youth 18-25, couples without children, sex offenders, CPS situations
- Small, one-year grants are inefficient for government and for agencies
- 12,000 DV calls annually
- About 10% of DV is actually reported; physical only
- Emerge! Assists 4,600 DV victims annually
- 50 beds plus overflow insufficient to meet demand for DV beds
- Limited resources has resulted in refinement of eligibility – physical danger is a priority; emotionally abused get no help
- Seeing a greater level of DV intensity, trauma, lethality
- Lethality assessment by PD is critical
- 120 days in shelter is insufficient for most; DV victims are usually fleeing and starting over
- Limited behavioral health services for trauma
- Too much focus on chronic means invisible homeless are not receiving shelter and services
- Society is not ready to acknowledge true extent of homelessness problem
- Documentation (e.g. birth certificates, etc) are problematic
- 40% of homeless youth identify LGBT; but only 10% of population
- 30% of homeless youth have aged out of foster care
- 30% of transgendered people turned away from shelter
- Being protected class under fair housing doesn't show up in day-to-day coordination
- Zoning an issue for alternative housing types – e.g. tent cities, "tiny-house"
- Too much focus on rapid re-housing; some homeless do not want to be housed but would still benefit from services
- Transition time from streets to permanent housing is very lengthy; initial stages particularly challenging as entire change in lifestyle (e.g. rugged to traditional living)
- Health institutions drop newly-discharged patients at shelters
- 50% increase in youth in CPS care in past year; needs to be addressed now
- Major provider of services to independent youth (age 12-17) closed last year

Recommendations:

1. Develop coordinated assessment model
2. Determine if Pima County is appropriate HMIS administrator
3. Focus on most vulnerable populations and agencies that serve them
4. Focus on prevention
5. Fund multi-year contracts contingent on funding and performance
6. Fund after-shelter housing/transitional; many need permanent housing without supportive services
7. Put women and children first

8. Educate philanthropy and other funders about how HUD funding limits ability to assist broad population needing services
9. Retain focus on Housing First
10. Model effectiveness of housing in improving health outcomes
11. Treat the whole person
12. Zone for ADUs and alternative types of housing
13. Increase minimum amount of funding in each contract; raise the minimum in scoring/selection process
14. Advocate for cooperative/collaborative model that includes job training, behavioral health, etc.
15. Reuse empty schools as homeless shelters or tent cities; VA could be good partner for this
16. Fund energy upgrades for long-term cost efficiency
17. Forge relationships with banks to have them donate/sell at book REO properties
18. Public education campaign to reduce stigma
19. Increase post-hospital release coordination
20. Pilot school reuse for shelter; start small and include regulators and law enforcement
21. Create employer program for hiring of homeless/recently re-housed
22. More public housing and vouchers for homeless

November 13, 2014 Public and Subsidized Housing

Challenges/needs:

- 10 applications required – one for each public housing property
- $1.3 million for capital improvements insufficient
- Scattered site public housing increases emulation out of poverty but is very costly
- Section 8 has estimated $30 million economic impact annually
- Portability very costly to PHA
- 12,000 applicants last time HCV list opened
- Public housing units and major systems are aging
- Very low rate of project-based Section 8 compared to communities of similar size
- $4,500 - $5,000 annual operating per unit is higher than affordable rent for lowest income
- Low volume of public housing relative to population due to lack of public support
- NIMBY continues to be an issue
- LIHTC rents are not low enough

Recommendations:

1. Increase relationships to provide services to most vulnerable public housing residents and HCV clients; PHA is a property manager not a service provider
2. Set-aside/dedicate HOME funds for LIHTC projects with VLI units
3. Assess actual capital investment needed to update public housing
4. Waive/reduce fees for deeply-targeted affordable housing units
5. Be creative with use of CDBG for economic development
6. Increase collaboration between PHAs and private developers; PHAs have financial resources and developers have capacity
7. Encourage bonds/4% credits for large projects; supplement with HOME funds
8. Focus on mixed-income housing
9. Reuse closed schools for housing
10. Fund energy-efficiency to reduce operating costs

November 13, 2014 Owner Housing

Challenges/needs:

- Foreclosure rates back up; cases are harder to correct than during crisis
- Financial literacy essential
- High demand for housing education and pre-purchase counseling
- Credit repair
- Without a middle class there is no demand for homeownership – increase asset wealth
- Affordable inventory for low-mod not available
- Lack of portfolio products
- CRA has lost its teeth
- Mortgage Insurance too costly

Recommendations:

1. Focus on pre-purchase education – on-line education okay but needs to be followed by one-to-one counseling
2. Develop rent-to-own option
3. Develop volunteer mentor system for financial literacy
4. Support HHS AFI
5. Support Community Land Trust and other affordable models
6. Require use of durable materials in rehab and construction
7. Fund a maintenance/repair reserve for Community Land Trust homes

November 13, 2014 Creative Financing

Challenges/needs:

- A system for identifying money and incentives based on project type
- Adequate return on investment / equity return for investors in affordable housing
- Complex legal / ownership models necessary to accomplish mixed-income, mixed-use development
- Large parcels needed to integrate lowest-income housing into mixed-income, mixed-use development

Recommendations:

1. Develop searchable system for identifying government money and incentives based on project type and location; reduce need for developer to figure it out
2. Coordinate with social investors and philanthropy
3. Long-term leases for City / County owned land developed for multi-family affordable housing
4. Form-based code
5. Design guidelines for affordable housing to avoid it detracting from neighborhood character and/or redevelopment

October 23, 2014 Multi-family Housing Design

Challenges/needs:

- Clear picture of how many households paying more than 50% of income for housing
- Waiting list for public housing too long
- Focus on multi-family rehab v. single-family rehab; competing needs
- Resources for rehabilitation insufficient to correct problem
- Appraisals on affordable multi-family housing not coming in high enough to support borrowing
- Total picture v. neighborhood-centric picture – needs to be balanced

Recommendations:

1. Define volume of units in need of rehabilitation and actual cost of rehabilitating 100% of units in need
2. Contribute local funds to LIHTC projects or provide vouchers
3. Take a neighborhood view to rehabilitation
4. Involve all sectors – public, private, philanthropic in financing
5. Focus on core infrastructure to support appropriate development
6. Create overlay zones for higher densities to attain affordability
7. Create a property tax incentive district and provide tax break for low-income and rehabilitated units
8. Target health care nonprofits as source of financing
9. Identify alternative funding to replace dwindling federal funding
10. Donate city-owned land to affordable housing development
11. Support nonprofit fundraising efforts; give leverage points for
12. Focus on demographic-based demand; e.g. co-generational housing

October 23, 2014 Resource Efficient Housing

Challenges/needs:

- Initial cost high; user value assessment critical to balance initial v. long-term cost
- Water and drainage in desert environment
- Lack of vision for resource efficiency and sustainability
- Cost of high-quality materials
- Difficult to measure

Recommendations:

1. Use design standards, such as durable and green materials and dimensional-design to reduce maintenance, waste and long-term costs; require outside rating system (e.g. HERS)
2. Incorporate water harvesting into design standards
3. Require end-users be involved in design
4. Incorporate healthy living into design standards
5. Educate the building industry
6. Incorporate resource efficiency into rehabilitation and fund improvements
7. Create bulk-purchasing cooperative to reduce cost of materials purchase
8. Coordinate with DOE Build America Program

October 23, 2014 Rural Issues

Challenges/needs:

- High volume of manufactured and mobile homes
- Funding methodology outdated
- Capacity of County to implement projects in unincorporated areas could be benefit

Recommendations:

1. Fold funding methodology into City-County coordination discussion; needs to be balanced

November 14, 2014 Substandard Housing

Challenges/needs:

- Defining substandard
- Standard has varying definitions – systems/components are operable and were permitted, IPMC compliant, meets Neighborhood Preservation ordinance requirements, free of pests and debris, meets Tucson property maintenance ordinance requirements
- What is real cost to community – all sectors?
- Cost of Tucson VANS is about $150,000/year with average $8,000 to $10,000/unit cost
- At least $2 million/year CDBG funds for owner-occupied
- Renter-occupied a challenge – relocation, etc.
- Balance of people v. unit needs; direct relationship
- Pre-1976 manufactured/mobiles – high volume outside City
- Complex process to correct pre-1976 mobiles
- Lack of defined responsibility for units in mobile home parks
- Condemnation authority doesn't eliminate danger of existing units; demolition is voluntary
- Relocation is expensive and difficult
- Absentee landlords
- Many occupants in personal crisis
- State law does not "age out" mobile homes
- Duplication of emergency repairs; multiple visits to one unit

Recommendations:

1. Build on efforts that are working – code enforcement referrals to rehab programs, emergency repair programs, use of volunteers, Tucson Vacant and Neglected program,
2. Expand funding / donor collaborative to private sector, philanthropic, insurance companies, health-care providers, utility companies
3. Seed a private-sector collaborative
4. Fully adopt IPMC – Pima county
5. Ensure rehabilitation collaborative has broad range of organizations with varying foci to address different levels of need; conduct an agency inventory of skills, foci, etc
6. Train code enforcement officers to assist with applications for rehabilitation assistance
7. Build the volunteer base; identify opportunities for faith, private and other sectors to participate
8. Increase funding for voluntary demolition
9. Support nonprofit relocation services for tenants displaced by condemnation
10. Waive fees for voluntary rehabilitation when LMI occupied
11. Implement co-assessment process for both unit and occupant
12. Develop a resource and referral list for contractors and occupants

13. Support training for inspectors, rehabilitation contractors
14. Prohibit placement or moving of pre-1976 manufactured/mobile homes
15. Assess the cost to remedy and manage against the cost of not remedying or managing
16. Build on FEMA right-to-demolish program
17. Create high-level collaborative with social service agencies for cross-referrals to rehabilitation assistance and services; view each other as customers
18. Develop a multi-level pilot program focused on mobile home parks and mobile homes that includes referrals for code violations to rehabilitation agencies, involves manufacturers in providing replacement units, encourages voluntary demolition at a scale large enough to be economical, and proactive code enforcement
19. Implement proactive code enforcement programs; consider non-CDBG funding due to URA requirements
20. Model multi-department coordination at City and County levels
21. Seek healthy homes funding to support pilot and/or general effort
22. Include Pima County health department in rehabilitation effort
23. Make voluntary rehabilitation attractive for property owners; carrot without stick

ATTACHMENT 2 – SUBSIDIZED RENTAL HOUSING PROJECTS

Low-income Housing Tax Credit Projects in Tucson									
Project Name	Units	Low-Income Units	Placed-In-Service Year	Expires	0 br	1 br	2 br	3 br	4 br
COUNTRY CLUB OF LA CHOLLA	204	41	1991	2021					
MOUNTAIN SHADOW	120	120	1992	2022					
RANCHO DEL MAR	312	312	1992	2022					
ALVERNON HACIENDA	36	36	1993	2023	0	120	52	0	0
FARRELL PARK APARTMENTS	7	7	1993	2023	0	60	60	0	0
FONTANA GARDENS APARTMENTS	30	30	1993	2023	0	156	156	0	0
MIDWAY MANOR APARTMENTS	18	18	1993	2023	24	0	0	12	0
MISSION ANTIGUA II	220	220	1993	2023	0	6	1	0	0
YAVAPAI APARTMENTS	18	18	1993	2023	0	18	0	12	0
YAVAPAI HACIENDA APARTMENTS	30	30	1993	2023	9	1	8	0	0
DEL MORAL APARTMENTS	152	152	1994	2024	0	96	96	0	28
DONNA RAHN III	15	15	1994	2024	0	8	10	0	0
FONTANA HACIENDA	30	30	1994	2024	0	18	0	12	0
HACIENDA FONTANA APARTMENTS	36	36	1994	2024	0	0	0	76	76
SAHUARO APARTMENTS ASSOCIATES	23	23	1994	2024	15	0	0	0	0
BOULDER TERRACE	6	6	1995	2025	0	18	0	12	0
LAS MONTANAS VILLAGE	88	88	1995	2025	0	24	0	12	0
CASA DE COLINAS	129	129	1996	2026	7	8	8	0	0
DEL BAC TOWNHOMES	4	4	1998	2028	0	0	0	6	0
SHALOM HOUSE	24	24	1998	2028	0	0	0	44	44
TUCSON CABO DEL SOL APARTMENTS	103	80	1999	2029	0	28	70	0	31
LA POSADA APARTMENTS	125	95	1999	2029	0	0	0	8	0
LAS VILLAS DE KINO	240	240	1999	2029	0	0	12	12	0
LAS VILLAS DE KINO	108	82	1999	2029	0	12	30	62	0
TUCSON HOUSE I & II	408	408	1999	2029	0	19	28	71	0

Low-income Housing Tax Credit Projects in Tucson									
Project Name	Units	Low-Income Units	Placed-In-Service Year	Expires	0 br	1 br	2 br	3 br	4 br
MISSION VISTA APARTMENTS	80	80	2000	2030	0	80	112	48	0
ST LUKE'S IN THE DESERT,	64	64	2000	2030	0	8	45	55	0
PARKSIDE TERRACE	41	40	2001	2031	169	183	56	0	0
CATALINA VILLAGE ASSISTED LIVING	107	104	2002	2032	0	8	31	41	0
COLORES DEL SOL APARTMENTS	125	98	2002	2032	0	64	0	0	0
LOMA VERDE APARTMENTS	96	95	2002	2032	0	2	37	2	0
WINGS OF FREEDOM	22	14	2003	2033	0	104	0	0	0
CASA BONITA I & II	30	20	2004	2034	0	9	58	58	0
CASA BONITA III, IV, AND V	60	49	2004	2034	0	49	47	0	0
SOUTH PARK HOPE VI	45	45	2004	2034	0	5	8	9	0
CASA DE ENCANTO	60	60	2007	2037	0	60	0	0	0
SILVERBELL HOMES	26	25	2007	2037	0	0	9	25	14
COUNCIL HOUSE APTS	149	142	2008	2038	0	0	15	30	15
GLENSTONE VILLAGE	72	72	2010	2040	0	60	0	0	0
MARTIN LUTHER KING BUILDING AT DEPOT PLAZA	68	68	2010	2040	0	24	4	0	0
PASCUA YAQUI HOMES I	40	40	2012	2042	0	137	12	0	0
PASCUA YAQUI HOMES II	56	56	2012	2042	32	27	13	0	0
SENTINEL PLAZA	143	142	2012	2042	0	68	0	0	0
TRINITY PLACE	88	88	2012	2042	0	0	0	18	22
GHOST RANCH LODGE SENIOR	60	40	8888		0	0	0	45	11
LA PROMESA II	23		8888		0	143	0	0	0
MISSION TIERRA APARTMENTS	219	219	8888		0	0	0	44	44
Sources: US Department of Housing and Urban Development LIHTC data base, Pima County									

Low-income Housing Tax Credit Projects in Pima County (outside Tucson)										
Project Name	City	Units	Low-Income Units	Placed-In-Service Year	Expires	0 br	1 br	2 br	3 br	4 br
MARANA APARTMENTS	MARANA	80	80	2003	2033	0	12	28	40	0
VALLE DEL SUR TOWNHOMES	SOUTH TUCSON	60	56	2005	2035	16	14	0	0	0
CURLEY SCHOOL APARTMENTS	AJO	30	17	2007	2037	4	10	12	4	0
SAHUARTIA MISSION APTS	SAHUARITA	52	52	2000	2030	0	0	24	28	0
Sources: US Department of Housing and Urban Development LIHTC data base, Pima County										

ATTACHMENT 3 – FACILITIES SERVING HOMELESS INDIVIDUALS AND FAMILIES

EMERGENCY SHELTER FOR ADULT INDIVIDUALS		
Organization Name	**Program Name**	**Total Beds**
Arizona Youth Partnership	Emergency Motel Vouchers	13
Church on the Street	Church on the Street	26
Emerge! Center Against Domestic Abuse	Wings of Freedom ES	51
Franciscan Ministries	Inner City Harvesters Winter Shelter	63
Gospel Rescue Mission	Men's Shelter	129
Old Pueblo Community Services	HCHV/EH Water Street Rapid Emergent Housing	40
Open Inn	Crisis Assistance and Shelter	8
Open Inn	LGBT-TLP HHS	9
Our Family Services	Emergency Shelter	6
Primavera Foundation	Men's Shelter	100
Primavera Foundation	Motel Vouchers	27
Salvation Army	Project Hospitality	22
Salvation Army	Motel Vouchers	28
Salvation Army	Hospitality House	51
Salvation Army	Hospitality House- Transitional & JEC	8
Sister Jose Hobday Shelter	Sister Jose Hobday Shelter	12
Sullivan Jackson Employment Center	Motel Vouchers	5
		598
EMERGENCY SHELTER FOR MIXED POPULATIONS		
Gospel Rescue Mission	Gospel Rescue Mission Women and Children's Center	130
		130
SAFE HAVEN ADULT INDIVIDUALS		
La Frontera	Sonora House	15
		15
PERMANENT SUPPORTIVE HOUSING FOR ADULT INDIVIDUALS		
Organization Name	**Program Name**	**Total Beds**
CODAC	Project Bienestar	45
CODAC	SPC2	44
CODAC	Supportive Housing Program	26
CODAC	ESHP	28
CODAC	SPC/TRA	107
CODAC	Solitude	36
Compass Health Care	SPC II- Rodger Plaza	18

Compass Health Care	SPC II -Vida Nueva	41
Compass Health Care	SPC II – Prince Rd	4
Compass Health Care	SPC II - Serene Life	3
Compass Health Care	Project Bienestar	27
Compass Health Care	Safe Harbor/Glenstone	28
Compass Health Care	Serene Life	5
Compass Health Care	Libertad	31
COPE Community Services, Inc.	SPC2	25
COPE Community Services, Inc.	S+C TRA - Pima	92
COPE Community Services, Inc.	Life Works	35
Esperanza En Escalante	Shelter Plus Care IV	72
La Frontera	Pathways	13
La Frontera	Shelter Plus Care-TRA - Pima	33
La Frontera	SPC3	50
Open Inn	Frontiers	27
Southern Arizona AIDS Foundation	Project Bienestar	19
Southern Arizona AIDS Foundation	SAAF - HOPWA Comp Permanent	14
Southern Arizona AIDS Foundation	SAAF - SHP PHOP II	7
Southern Arizona AIDS Foundation	SAAF - SHP Savoy	12
Southern Arizona AIDS Foundation	SAAF - HOPWA Comp TBRA	87
Southern Arizona AIDS Foundation	Project Bienestar	20
Southern Arizona AIDS Foundation	SAAF - HOPWA Formula TBRA	9
Southern Arizona AIDS Foundation	SAAF - SHP - Pathways	10
Southern Arizona AIDS Foundation	SAAF - SHP PHOP I	23
Southern Arizona AIDS Foundation	SAAF Shelter Plus Care II	79
TMM Family Services	SPC 3	18
		1,080
OTHER PERMANENT HOUSING FOR ADULT INDIVIDUALS		
Southern AZ VA Health Care System	VASH Vouchers	637
		637
TRANSITIONAL HOUSING FOR FAMILIES		
Organization Name	**Program Name**	**Total Beds**
Catholic Community Services	Pio Decimo Center Transitional Housing	73
Our Family Services	Teens in Transition - RHY Program	22
Our Family Services	Casa II La Promasa	48

Primavera Foundation	CASA I	20
Primavera Foundation	CASA II	86
Salvation Army	CASA for Families	45
		294
TRANSITIONAL HOUSING FOR MIXED POPULATIONS		
Emerge! Center Against Domestic Abuse	Wings of Freedom TH	28
TMM Family Services	Family Journey	43
		71
TRANSITIONAL HOUSING FOR YOUTH UNDER 18 YRS		
Open Inn	TALP	4
Open Inn	HHS Basic Center	3
		7
TRANSITIONAL HOUSING FOR ADULT INDIVIDUALS		
Arizona Housing and Prevention	New Chance	22
CODAC - Comin' Home	Advent	15
CODAC - Comin' Home	VIP Vets	16
CODAC - Comin' Home	VIP Vets II	20
COPE Community Services, Inc.	Bridges - Casa de Anna	29
Esperanza En Escalante	GPD - Esperanza En Escalante	84
Esperanza En Escalante	Transitional Housing for Women	10
Exodus	Transitional Housing Program	74
Gospel Rescue Mission	Gospel Rescue Mission Women and Children's Center	14
Old Pueblo Community Services	GPD1 - Sparkman	11
Old Pueblo Community Services	GPD2 - Bell - Seneca	12
Old Pueblo Community Services	GPD3 - Old Pueblo	18
Old Pueblo Community Services	Men in Transition	12
Old Pueblo Community Services	New Chance	24
Old Pueblo Community Services	Oasis Project	46
Old Pueblo Community Services	SATP	16
Old Pueblo Community Services	SATP - Aftercare	16
Old Pueblo Community Services	Steps for Vets	9
Old Pueblo Community Services	Substance Abuse Programs	78
Open Inn	Bridges	5
Open Inn	CASA	9
Our Family Services	Teens in Trans.-La Casita	10
Our Family Services	Your Place	5

Our Family Services	Blacklidge Youth Transitional	2
Our Family Services	Common Unity	41
Primavera Foundation	Women in Transition	12
Primavera Foundation	Catalina House	20
Primavera Foundation	Casa Paloma	15
Primavera Foundation	8th Street Program	13
Primavera Foundation	Five Points	28
Primavera Foundation	Bridges	48
Salvation Army	Advent	21
Salvation Army	CASA	9
Tucson Prep	La Casita	6
		1,177

ATTACHMENT 4 – MINORITY CONCENTRATION CENSUS TRACTS

Minority Concentration Census Tracts					
Census Tract	Minority %	Hispanic %	Census Tract	Minority %	Hispanic %
2	35.6%	69.3%	37.06	43.5%	85.6%
3	33.8%	42.4%	37.07	43.6%	87.1%
9	27.9%	52.1%	38.01	45.0%	92.0%
10	50.2%	58.0%	38.02	40.3%	91.0%
11	41.4%	86.8%	39.01	39.1%	89.3%
12	54.9%	67.7%	39.02	36.4%	88.2%
13.02	38.3%	44.4%	39.03	39.0%	88.1%
13.03	28.9%	60.2%	40.34	28.6%	32.9%
13.04	37.2%	52.6%	41.10	41.0%	84.4%
1400	32.0%	25.3%	41.12	37.2%	69.4%
2000	30.7%	64.6%	41.13	32.6%	33.0%
2100	45.2%	75.6%	41.14	32.9%	79.8%
22.01	40.6%	82.6%	41.15	40.0%	76.1%
22.02	47.6%	72.3%	41.16	36.1%	68.4%
2300	50.7%	78.4%	41.17	43.6%	74.7%
2400	41.9%	87.9%	41.22	47.9%	75.2%
25.01	36.6%	72.4%	43.10	32.7%	63.8%
25.03	35.5%	72.9%	43.11	32.5%	68.2%
25.04	34.3%	75.6%	43.12	35.7%	70.5%
25.05	43.0%	77.8%	43.20	38.2%	72.1%
25.06	41.7%	74.2%	43.21	39.2%	74.4%
26.02	27.0%	38.3%	43.22	40.5%	70.0%
26.03	41.2%	49.1%	43.33	37.9%	68.0%
26.04	35.6%	49.7%	43.34	34.0%	64.0%
35.01	34.4%	51.2%	44.07	48.7%	73.8%
35.02	29.5%	39.9%	44.14	32.6%	55.2%
35.03	34.0%	48.7%	44.22	24.5%	48.5%
37.02	42.8%	87.9%	45.04	27.2%	51.3%
37.04	37.2%	86.5%	10.501	30.2%	44.0%
37.05	44.3%	84.8%	10.502	35.5%	44.3%
Source: 2010 Census & Southwest Fair Housing Council					

ATTACHMENT 5 – SUMMARY OF IDENTIFIED HOUSING, HOMELESSNESS, SPECIAL NEEDS AND NON-HOUSING COMMUNITY DEVELOPMENT ASSESSMENTS

The following conditions were identified through the Consolidated Plan needs assessment and market analysis. More detailed information regarding these conditions may be found in the housing market analysis and needs assessment section. These conditions are collated with stakeholder and citizen input, records of past performance, and other plans to identify priorities.

Affordable Owner Housing

- Declining Homeownership Rate. From 2000 to 2011, the homeownership rate declined 1% in Pima County and 3% in Tucson. Significant decreases in the homeownership rate occurred in South Tucson (-28%), Oro Valley (-11%) and Marana (-8%). The decrease in homeownership can be partially attributed to the high number of foreclosures in Pima County, which was hard hit by the housing crisis; many of the foreclosures occurred in areas that developed significantly during the 2003 to 2006 housing boom.
- Median Home Values Decreased. While median home values increased 73% in Pima County and 69% in Tucson between 2000 and 2011, it is important to acknowledge the long market cycle. From 2008 to 2011, median home values declined 15% in both Pima County and the City of Tucson.
- Low and Moderate Income Households Require Assistance to Purchase. To purchase a median value Pima County home, a household with income 80% of the County median would require assistance of $6,100, while a household with income 50% of the County median would require $72,315. Because incomes are lower in Tucson than in Pima County as a whole, a Tucson household with income 80% the Tucson median would require assistance of $19,540, while a household with income 50% of the Tucson median would require $76,290.
- Owning May be More Affordable than Renting for Large Families. For renters who are prepared to purchase and need a 3-bedroom unit, purchasing a median value home would result in a more affordable monthly payment.
- 22,540 Low-income Owners Pay More than 50% of Income for Housing – 11,110 in Tucson. There are 37,750 LMI cost burdened owners in Pima County; 22,540 (60%) are severely cost burdened. There are 19,290 LMI cost burdened owners in Tucson; 11,110 (56%) are severely cost burdened. Rates of cost burden and severe cost burden are highest outside of Tucson where housing costs are higher. Countywide, severe cost burden is most prevalent among owners with incomes < 30%.
- 15,327 LMI Elderly Owners Have Housing Problems - 9,252 Age 62-74 and 6,075 Age 75+. There are 16,379 LMI elderly owners. Among LMI elderly owners, 9,252 (56%) have housing problems, including 83% (2,780) of those with income < 30% AMI. There are 15,099 LMI frail elderly owners. Among LMI frail elderly owners, 6,075 (40%) have housing problems, including 70% (1,805) of those with income < 30% AMI.
- 5,275 LMI Owners with Disabilities Have Housing Problems. There are 11,000 LMI owners with a disability. Among LMI owners with a disability, 5,275 (48%) have housing problems, including 69% (1,580) of those with income < 30% AMI.
- Need for Manufactured Housing Rehabilitation and Replacement. Agencies that conduct code inspections and assist occupants with housing rehabilitation indicate a high volume of demand among occupants of manufactured housing, particularly pre-1976 units and units located in mobile home parks. There are 38,584 manufactured homes in Pima County. Of the 24,330 manufactured homes in unincorporated Pima County 79% are owner occupied. Of the 13,296 manufactured homes in Tucson, 74% are owner occupied.
- Nearly 200,000 Pima County housing units built before 1980; 134,000 units are in Tucson. Forty-five percent (45%) of the Pima County Housing stock was built prior to 1980 and two-thirds of pre-1980 units

are in Tucson. More than 62,500 units were built before 1960 when local building codes were not yet adopted or enforced in many areas.

- 34,000 Households with Young Children at Risk of Lead Poisoning. There are 34,065 Pima County households with children living in pre-1980 housing units, including 20,099 owners. Because of ongoing surveillance and analysis, public health professionals are able to target surveillance and intervention efforts on the children most at risk. There are 20 targeted high-risk zip codes in Pima County, 16 are in Tucson.
- Vacancies Remain High. From 2000 to 2013, the number of housing units increased 21%, while the number of vacant housing units increased 71%. Among vacant unit types, "other" increased most - 184%, followed by rented/sold but not occupied – 144%. Other units include those not suitable for occupancy and in bank and investor inventories.
- Healthy Homes and Communities. CDNC has been working cooperatively with the Pima County Health Department to further policies that promote healthy homes and communities. One goal is to secure funding for healthy homes assessments and couple those assessments with investments in home repairs for LMI and other vulnerable populations.

Affordable Rental Housing

- Renters have Lower Incomes. The median income of Pima County renters is 62% of the County median. The median income of Tucson renters is 55% of the County median
- Despite Decreases Median Rent is Unaffordable for Most Renters. The Pima County median rent is affordable to a household with an annual income of $26,320 or 92% of the Pima County median renter income. The Tucson median rent is affordable to a household with an annual income of $24,800 or 97% of the Tucson median renter income. Higher rents outside Tucson mean that the median rent is affordable to a household with an annual income of $39,160 or 137% of the Pima County median renter income.
- 33,725 Extremely-low-income Renters Pay More than 50% of Income for Housing – 26,400 in Tucson. There are 58,920 LMI cost burdened renters in Pima County; 33,725 (57%) are severely cost burdened. There are 45,845 LMI cost burdened renters in Tucson; 26,400 (58%) are severely cost burdened. Rates of cost burden and severe cost burden are highest outside of Tucson where housing costs are higher. Countywide, severe cost burden is most prevalent among renters with incomes < 30% - nine of 10 experience severe cost burden.
- 9,853 LMI Elderly Renters Have Housing Problems – 5,539 Age 62-74 and 4,314 Age 75+. There are 7,899 LMI elderly renters. Among LMI elderly renters, 5,539 (70%) have housing problems, including 85% (2,130) of those with income 30-50% AMI. There are 6,464 LMI frail elderly renters. Among LMI frail elderly renters, 4,314 (67%) have housing problems, including 73% (1,759) of those with income 30-50% AMI.
- 7,150 LMI Renters with Disabilities Have Housing Problems. Among LMI householders with a disability, 47% are renters. There are 9,645 LMI renters with a disability. Among LMI renters with a disability, 7,150 (74%) have housing problems, including 85% (2,765) of those with income 30-50% AMI.
- 2,183 Rental Units Needed for Extremely Low Income Cost Burdened Renters. There are 21,200 severely cost burdened renters in Pima County with income <30% AMI, including 4,385 elderly renters and 2,745 renters with disabilities. 3,300 affordable units have been developed for students.
- Nearly half of Pima County renters occupy units built before 1980 – Most in Tucson. Renters rely on owners to maintain the properties they occupy. Owners of rental property are generally seeking financial benefit through current income generation, increased property value (appreciation), and tax benefits (depreciation). All or some of these factors play a role in rental housing maintenance and older rental housing may offer few of these benefits to owners. Consequently, housing quality and occupant safety

concerns can multiply when older housing stock is renter-occupied. In 2011, nearly half of Pima County renters occupied housing built prior to 1980, as did more than half (56%) of Tucson renters.

- Eighteen Subsidized Rental Projects with Expiring Affordability. Subsidized rental housing projects have use or affordability periods that last five years or more and preserving affordable units can be a priority when a large number will be lost from the affordable housing stock. Beginning in 1990, the Arizona Department of Housing required 30-year extended use agreements for all LIHTC projects; no LIHTC projects in Pima County will expire during the next 10 years. However, 3 Tucson LIHTC projects have expiring use periods in 2021 and 2022. According to USDA, there are two subsidized housing projects in Green Valley with expiring use subsidies – one in 2018 and one 2019. Unless preserved, this rural community will lose 23 subsidized units for small families and 98 subsidized units for the elderly. There are also nine locally-funded HOME projects with 92 units that have expiring periods of affordability between 2015 and 2021, and 4 State-funded HOME projects with expiring periods of affordability between 2015 and 2019.
- Need for Manufactured Housing Rehabilitation and Replacement. Agencies that conduct code inspections and assist occupants with housing rehabilitation indicate a high volume of demand among occupants of manufactured housing, particularly pre-1976 units and units located in mobile home parks. There are 38,584 manufactured homes in Pima County. Of the 24,330 manufactured homes in unincorporated Pima County 21% are renter occupied. Of the 13,296 manufactured homes in Tucson, 26% are renter occupied.
- Nearly 200,000 Pima County housing units built before 1980; 134,000 units are in Tucson. Forty-five percent (45%) of the Pima County Housing stock was built prior to 1980 and two-thirds of pre-1980 units are in Tucson. More than 62,500 units were built before 1960 when local building codes were not yet adopted or enforced in many areas.
- 34,000 Households with Young Children at Risk of Lead Poisoning. There are 34,065 Pima County households with children living in pre-1980 housing units, including 13,966 renters. Because of ongoing surveillance and analysis, public health professionals are able to target surveillance and intervention efforts on the children most at risk. There are 20 targeted high-risk zip codes in Pima County, 16 are in Tucson.
- 200 Persons with HIV/AIDS and their Families in need of housing assistance. An estimated 200 families are in need of housing assistance and related supportive services.

Homelessness

- Need for Shelter and Services Continues. The 2014 point-in-time count identified 3,116 homeless individuals, including 714 who were unsheltered; less than half the unsheltered count of 1,561. Overall, the count indicated a 13% decrease from the count of 3,571 in 2010.
- Emergency Shelter and Services for Single Women, Youth Age 18-25, Families with Children, Domestic Violence Victims and Refugees Most Needed. Both forum participants and TPCH indicated that HUD's focus on chronic homelessness and rapid re-housing has resulted in a void in shelter and services for other populations. Forum participants indicated shelter and services for single women without children, youth age 18-25, and families with children are in greatest need; TPCH expanded shelter and services needs to include domestic violence survivors and refugees. Youth homelessness is a growing problem - the number of children in CPS care grew 50% during the last year and 30% of homeless youth have aged out of foster care. Emergency shelter and emergency shelter alternatives are also needed. TPCH identified harm reduction/safe haven, scattered-site shelter, motel vouchers, and seasonal shelter with on-site case management (especially for single women) as primary emergency shelter needs.
- Options for Ex-Offenders and Those Being Released from Institutional Care Are Limited. Shelter and services for ex-offenders (especially sex offenders), and individuals being discharged from hospitals to

homeless shelters are needed. 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. The average daily inmate population in Pima County jails is 2,000; creative strategies are needed to reduce recidivism and jail time and successfully reintegrate ex-offenders into the community and workforce.

- Large Need for Non-Housing Services. TPCH consultation indicated a growing number of homeless Veterans with families and challenges meeting their needs. While VASH Vouchers and other resources for Veterans housing have increased significantly, corresponding funding for related services and supports is needed. According to TPCH, the housing first model has been successful, particularly with homeless Veterans, yet implementation of rapid re-housing programs has also brought about the need for more navigators to assist chronically homeless individuals, who need extended time to stabilize. About 40% of homeless youth identify as LGBT, and services for LGBT youth and adults as well as transgendered individuals are limited. In addition to navigators, the need for non-housing services and supports is critical, with an urgent need for funding for obtaining identification and other documents required for entry into housing. Resources are also needed to leverage HUD funding and support 1) basic needs such as food and child care, 2) promotion of economic self-sufficiency (e.g. microbusiness grants), 3) specific subpopulation supports, such as safety for domestic violence survivors, and 4) health and safety.
- Homelessness Prevention Less Costly. Recognizing the high cost of homelessness, both TPCH and forum participants identified the need for prevention resources, including eviction and foreclosure prevention funding, ongoing social supports and renter education to prevent repeat homelessness, and permanent affordable and supportive housing, including housing for zero-income and poverty-level households.
- Administrative Supports Needed. TPCH members participating in the City/County consultation indicated several important factors in implementing homelessness services and housing programs: 1) the rollout of coordinated assessment that should include all areas of Pima County; 2) numerous small contracts per agency that dilute the effective use of available funding with a corresponding recommendation to issue fewer contracts for larger collaborative projects; 3) increasingly costly HMIS reporting and maintenance demands; 4) a need for leveraging federal funding; and 5) a need to implement more homelessness prevention efforts. TPCH expressed concern regarding data collection, limitations of the point-in-time count, and quantifying homelessness in rural areas. TPCH also discussed the challenges of the coordinated assessment rollout and simultaneous expansion of the Homeless Management Information System (HMIS) and need for more navigators while addressing the needs of homeless Veterans and chronically homeless persons. Resources to support outreach in and assist people in rural areas having a housing crisis were also recommended.
- Transitional Housing Options Needed. Some subpopulations, such as domestic violence victims and refugees, generally need more time than offered by alternative programs – such as rapid re-housing or refugee sponsorship – in order to reach stability.
- Upgrades to Nonprofit Facilities Essential. The *Green and Healthy Assessment of Pima County's Emergency Shelters and Transitional Housing* (Poster Frost Mirto July 23, 2012) reported consistent short-comings in energy efficiency and health of 19 emergency shelter and transitional housing facilities.
- Moving Homeless Individuals and Families to Self-Sufficiency Requires Training and Employment Supports. The effectiveness of moving homeless individuals and families from shelter to transitional housing to permanent housing is closely linked to employment opportunities within the community. One resource for homeless people is the Sullivan Jackson Employment Center (SJEC). SJEC is a satellite operation of the Pima County One-Stop Career Center providing a full array of employment services to Pima County's Homeless population seeking to enter the workforce.
- Rural Homelessness. Homeless persons in rural areas often live in cars or camps on the edges of more developed areas. While the rural homeless are not hidden, they are exceptionally difficult to count. Case

management and financial assistance, financial education and counseling, legal aid, and prevention services are critical.

Human Services and Economic Opportunities

- Funding Needed for Basic Needs of LMI Households. The Pima County Community Action Agency served approximately 2,400 households and the One-Stop assisted 6,000 job seekers. This high demand indicates that supportive services are essential to resident stability. There are 13 Food Deserts in Pima County revealing the need for access to healthy and nutritious food.
- Economic Development Essential to Increasing Income and Decreasing Housing Problems. Effective economic development strategies address both employer/business development and workforce development. Economic development in the Tucson region is focused on five primary economic development needs 1) High-skilled, high-wage jobs; 2) Educational excellence; 3) Urban renaissance; 4) Livable communities; and 5) Collaborative governance and stewardship.
- Workforce Development Needs are Extensive. Besides skill-specific training, barriers faced by the adult workforce include housing, childcare, drug and alcohol treatment, remedial and basic skills, technology literacy, language, transportation, medical care, workplace protocol skills, clothing, tools, and support during the trial employment period.
- Support Services Critical to Success Employment and Training Program Participation. Support services may include transportation services, gas cards, child care, one-time housing assistance, certifications/ licensing/ testing, tools, uniforms, clothing, eye care, utilities, relocation assistance, and needs-related payments. Referrals may also be made to community based organizations that provide the identified support service.
- Six Categories of Impediments to Fair Housing Choice. The City of Tucson and Pima County 2009 Analysis of Impediments to Fair Housing Choice (AI) identified nine impediments. An updated AI is underway. The 2009 AI identified the following impediments to fair housing choice: 1) illegal housing discrimination; 2) lack of knowledge about the law and need for more training; 3) predatory lending; 4) lack of accessibility for people with disabilities; 5) lack of a plan to address fair housing; and 6) challenges of refugees.
- Section 3 Provides Employment, Contracting and Training Opportunities by ensuring that, to the greatest extent feasible, opportunities for employment, training and contracting in federally-funded construction projects are directed to public housing residents and other low-income persons, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very-low income persons.
- Financial and Housing Education Critical. Recognizing the high cost of homelessness, TPCH and forum participants identified renter education to prevent repeat homelessness as a critical need. Recognizing that successful homeownership results from sound financial management, pre- and post-purchase education and counseling are critical for homeowners.
- Diverse Needs in Pima County include transportation and child care, health care, streets and flood control, recreation and other community facilities, water and wastewater, and public safety.
- Pima County Pay for Success. CDNC is exploring Social Impact Financing as an alternative to the decline in federal and state grant funds for social programs. Pay for Success and Social Investment Bonds have been implemented in various locations as strategies to induce private and philanthropic investments and fund evidence-based practices for social interventions that lead to preferred outcomes. An example includes interventions that reduce the incidences of recidivism or repeat offenses.

Community Development, Public Facilities and Infrastructure

- Infrastructure Critical to Essential Industries. The Aerospace and Defense industry generates $5-6 billion in revenue annually from more than 200 companies. Pima County has acquired land to create a 1,400-acre buffer zone to prevent encroachment of incompatible land uses on the Raytheon Missile Systems site and will construct a new roadway and other Business Park Infrastructure; planned road and infrastructure improvements will connect major employment centers, and link the business park to the Mexican border and the Port of Tucson. Pima County One-Stop will develop the Business Resources One-Stop Center at the Aerospace Defense Research Park to provide workforce recruitment and training and match businesses with resources and solutions.
- Pima County Bond Election. Pima County is in the process of planning for a 2015 bond election that, if voter approved, will fund priority community development projects in both incorporated and unincorporated/rural areas in 7 categories: 1) Libraries and community facilities; 2) Museums and tourism; 3) Historic, cultural and natural area conservation; 4) Parks and recreation; 5) Neighborhoods, affordable housing, public health, justice and law enforcement; 6) Flood control and governmental facilities; and 7) Job growth, education and workforce training.
- Brownfields a Redevelopment Opportunity. There are sites throughout the County's oldest neighborhoods that have been deemed a liability of reuse and redevelopment due to potential for or perception of contamination from prior uses. These sites are called Brownfields. The County actively assesses Brownfields and develops remedial site plans to promote reuse by new businesses, promoting business development and creating jobs while encouraging private investment in the surrounding area. The County recently applied for a grant to work with Habitat for Humanity Tucson to produce an area-wide revitalization plan that will facilitate public involvement and community outreach, and assist in the development of a catalyst site into affordable housing.
- Pima County Vacant Uninhabitable and Unsafe Structures. Pima County conducted an assessment of vacant uninhabitable structures in the unincorporated community of Ajo. This assessment identified twenty-four vacant, abandoned or damaged properties. Based on information provided by the Pima County Sheriff's Office these units are an attractive nuisance for criminal activity, youth, and homeless people. Ajo is considered an appropriate demonstration given the unique manner in which building and property codes are adopted. The County will continue to assess vacant uninhabitable structures in other unincorporated areas.
- Diverse Needs in Pima County include transportation and child care, health care, streets and flood control, recreation and other community facilities, water and wastewater, and public safety.
- Growing Urban Transportation and Transit Network. Tucson residents can access employment and services via public transit, including buses, modern streetcar, and shuttle. Access to public transportation is limited outside the City of Tucson. Residents of areas in close proximity to Tucson can access commuter buses; significant transit and transportation planning is currently taking place to extend public transportation outside the City of Tucson.
- City of Tucson CIP projects relevant to the Consolidated Plan include 1) Acquisition, rehabilitation and resale of approximately four single-family foreclosed homes located citywide; 2) Approximately six foreclosed homes will be acquired increasing affordable housing citywide; and 3) Community Development Block Grant Public Facilities Neighborhood Enhancements for Parks and/or Transportation to provide and meet objectives of the United States Department of Housing and Urban Development Consolidated Annual Action Plan.
- City of Tucson Section 108 Program is a request for loan guarantee assistance from HUD to promote and foster both economic and community development efforts that will have positive economic and community development benefits, including permanent job creation. The City request for loan guarantee

assistance was approved by HUD on March 7, 2012, and a $20,000,000 loan pool was established to capitalize the City of Tucson Community Development Loan Fund. This fund will be utilized to fund individual projects in a target range of $2 million to $10 million. Projects that are planned for the loan guarantee program are included in the City of Tucson Annual Action Plan.

- Vacant Uninhabitable and Unsafe Structures. The stabilization of the built environment is expanded through code enforcement and demolition activities. City of Tucson Code Enforcement identifies vacant, unsafe, substandard structures for the Vacant and Neglected Structures program (VANS). Owners are given an opportunity to repair. If the owner fails to comply, then the blighted structure is demolished and removed.