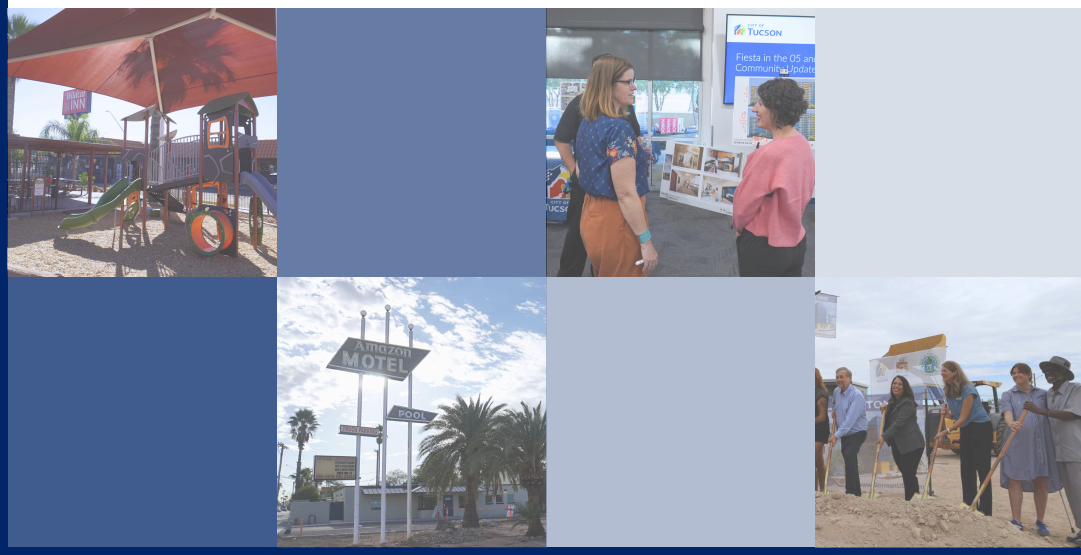
CITY OF TUCSON

Consolidated Annual Performance and Evaluation Report (CAPER)

Public Comment Draft

Program Year: 2025

For the period of
July 1, 2025 to June 30, 2026



CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

(This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.)

This Consolidated Annual Performance Evaluation Report (CAPER) reports the City of Tucson's performance and progress toward the objectives and goals outlined in the Tucson/Pima County 2025-2030 Consolidated Plan and the 2025-2026 Annual Action Plan during HUD Program Year 2025 (July 1, 2025 - June 30, 2026).

HIGHLIGHTED USE OF ENTITLEMENT PROGRAM FUNDS

• Homeowner Assistance (CDBG, HOME, Non-Entitlement Funds): The City's homeowner rehab programs prevent displacement; enable low-income homeowners to remain in safe, decent, and affordable housing; and improve neighborhoods through rehabilitation and repair of aging housing stock. The City provides down payment assistance through its HOME funding allocation, unlocking homeownership opportunity for low-income Tucsonans.

• Eviction and Homelessness Prevention (HOPWA, CDBG): The City's HOPWA homelessness prevention program and CDBG entitlement funded a rent, and utility assistance programs provide emergency rent and utility assistance to prevent homelessness among people living with HIV/AIDS.

• Shelter and Supportive Housing (ESG, HOPWA, CDBG, Non-Entitlement): The City supports overnight and day shelter programs, street outreach, rapid rehousing, and permanent supportive housing to reduce unsheltered homelessness and promote transitions to permanent housing among people experiencing homelessness.

• Affordable Housing (HOME, CDBG): HOME funds are used to provide gap financing for small scale development projects and larger projects competing for State Low Income Housing Tax Credit (LIHTC) to promote the development of affordable rental housing in the Tucson area.

• Human and Public Services (CDBG): The City supports a wide array of services for low-income Tucsonans including but not limited to emergency food assistance, basic needs, domestic violence services, and programs for youth and older adults.

• Public Facilities and Infrastructure (CDBG): The City supports public facility improvement and community infrastructure focused on CDBG target areas and low-income neighborhoods.

SUMMARY OF ACCOMPLISHMENTS – PROGRAM YEAR 2025

- Helping Low-Income Tucsonans Remain in their Homes: 7 low-income homeowners received assistance through the City's Lead Hazard Reduction Program, and 16 low-income homeowners received assistance through the CDBG funded Tucson Home Repair Program.

- Promoting Homeownership: 12 low-income households received down payment/home ownership assistance.
- Preventing and Responding to Homelessness: 348 people at risk of and experiencing homelessness received ESG crisis services.
- Expanding the Affordable Housing Supply: 378 new units of rental and homeowner affordable housing were constructed with HOME funds (Lariat Village Apartments (120), Casa del Pueblo Apartments (96), Shasta Apartments (100) and Ellstone II Houses (3). Amazon Flats Apartments (59)
- Public Facilities and Infrastructure: 2 public facility and infrastructure projects were completed in the Tucson area. In addition to 8 currently underway and on-going projects which will be reported in subsequent reporting years. Projects include park improvements, housing site safety improvements, temporary, and permanent housing.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Table 1 - Accomplishments – Program Year & Strategic Plan to Date will be available in final CAPER document.

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

City of Tucson CDBG Priorities

- Decent Affordable Rental and Homeowner Housing, including Housing Rehabilitation
- Assistance to homeless outreach support services and case management
- Human/Public Services (leveraged with $1.4M local General Fund)
- Assistance to homeless Emergency and Transitional Housing Improvements
- Public Facilities and Infrastructure

Housing Rehabilitation: The City's homeowner/owner-occupied rehab programs are designed to leverage efficiency and coordination among community partners. The City provides homeowner rehabilitation services directly. In Program Year 2025, 23 low-income homeowners received assistance through the City's CDBG and Lead Hazard Reduction homeowner rehab programs. In addition, rehabilitation work is currently under way at the Amphi-8 Center for Housing First, and Stone Avenue

Youth Transitional Housing (FKA Econolodge) properties.

Assistance to Homeless outreach support services and case management and Human/Public Services: The City of Tucson utilized CDBG funding available under the 15% Human/Public Services cap to provide a variety of crisis assistance services, including housing and case management for victims of domestic violence including children, community food banks, and homeless assistance programs including emergency shelter, eviction and homelessness prevention, women's shelter, and temporary shelter for persons experiencing homelessness.

Public Facilities and Infrastructure: CDBG funds were made available for the following activities: Esquer Park Dog Park Watershed Project, Amphi-8 Center for Housing First, Oracle Alturas HAWK, and Wildcat Inn Playground.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

Table 2 – Table of assistance to racial and ethnic populations by source of funds will be available in final CAPER document.

CR-15 - Resources and Investments 91.520(a)

Table 3 - Resources Made Available will be available in final CAPER document.

Table 4 – Identify the geographic distribution and location of investments will be available in final CAPER document.

Narrative

CDBG-funded public facilities and infrastructure improvements are prioritized in the City's CDBG Target Area, as adopted with the Consolidated Plan. All other activities using CDBG, HOME, ESG, and HOPWA resources are targeted to low-/moderate-income households or special populations as required by HUD regulation and may benefit eligible households/populations throughout the City.

The City allocates funds to nonprofit agencies through an RFP process using CDBG funds, ESG funds, HOPWA funds, and City of Tucson General Funds for Human/Public service programs. 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.

The City, through the Tucson-Pima County HOME Consortium, allocates funds to affordable housing developers through an RFP process using HOME funds. Funding supports new construction and

preservation of affordable housing opportunities in Tucson.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

VASH: The PHA maintained 731 HUD-VASH vouchers to subsidize housing and services for U.S. Veterans experiencing homelessness in the City of Tucson and Pima County.

Housing Choice Voucher: The PHA administers the HCV program which provides rent subsidies to over 5,800 households within the City of Tucson and Pima County. The City received $62.8 M in Housing Choice Voucher funding for Fiscal Year 2026 (Program Year 2025).

Public Housing: The PHA administers the public housing program inclusive of 1,098 scattered site units. For FY 2026 (Program Year 2025), $9.6M in Federal funds were received to administer the program, including approximately $1.3 M allocated for Capital expenditures to maintain public housing units.

Use of Publicly Owned Land/Property:

The City owns 4 properties of which low-barrier shelter services were provided for persons experiencing homelessness during the program year.

The City continued to operate 300+ affordable housing units for low-income renters through its El Portal affordable housing portfolio.

The City, through its affiliated non-profit housing development entity, recently completed the 30-unit Amazon Motel permanent supportive housing project—which involved the rehabilitation and conversion of a former motel building. The City began construction on Amazon Flats, a 59-unit affordable housing project as well as Sugar Hill on Stone, a 66 unit affordable housing project. In addition, a major rehabilitation projects also started at Tucson House which will last 30 months and deliver 358 units.

The City secured 9% LIHTC allocations to develop El Rincón, a scattered sites development on two City-owned sites, that is expected to begin construction in mid-2027. Additionally, Stone and Speedway Phase I also received a 9% LIHTC award, which will be co-developed with Gorman & Company, the City's Choice Neighborhoods Housing Implementation Entity,

delivering 44 affordable homes and 12 market-rate homes, consistent with the Choice Neighborhoods guidelines. Craycroft Towers received 4% LIHTC funding for a rehabilitation project expected to start in late 2026, utilizing RAD/Section 18 tools to convert the public housing development into voucher-based units.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	19,161,281
2. Match contributed during current Federal fiscal year	206,520
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	19,367,801
4. Match liability for current Federal fiscal year	112,242
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	19,255,559

Table 5 – Fiscal Year Summary - HOME Match Report

Table 6 – Match Contribution for the Federal Fiscal Year HOME MBE/WBE report will be available in the final CAPER document.

Table 7 – Program Income table will be available in final CAPER document.

Table 8 - Minority Business and Women Business Enterprises table will be available in final CAPER document.

Table 9 – Minority Owners of Rental Property table will be available in the final CAPER document.

Table 10 – Relocation and Real Property Acquisition will be available in the final CAPER document.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

Table 11 – Number of Households will be available in the final CAPER document.

Table 12 – Number of Households Supported will be available in final CAPER document.

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City continues to use CDBG funds to support traditional homeowner/owner-occupied rehab. Local General Funds provide Acute Emergency Home Repairs for low-income homeowners, projects that would be too slow and expensive to administer under CDBG requirements. In PY 2025, 242 of the existing units rehabbed and non-homeless households assisted reported above were served through these programs.

Discuss how these outcomes will impact future annual action plans.

Unfortunately, the demand for these services demonstrates growing community need which outpaces production. In future planned years, the City anticipates continuing to leverage successful targeted housing investment campaigns. Furthermore, the City plans to continue to dedicate CDBG resources to these initiatives in future plan years and to additionally seek non-entitlement resources through new federal and non-federal programs to supplement CDBG funding resources.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Table 13 – Number of Households Served will be available in final CAPER document.

Narrative Information

The City recognizes that severely rent burdened households, households residing in substandard housing, and households experiencing homelessness, particularly persons with disabilities, are disparately impacted by the shortage of safe, affordable housing in the Tucson area. To mitigate these impacts, the City's non-profit housing development corporation broke ground on 3 additional projects in program year 2025 consisting of Sugar Hill on Stone, Amazon Flats, and Tucson House. The City began construction on the Stone Avenue Youth Transitional Housing project at the site of the former Econolodge Motel. Upon completion the project will provide 52 units of transitional housing for local homeless youth. The City's PHA homeless preference program now includes 1,100 units for persons exiting homelessness and/or transitioning out of supportive housing programs and provided acute emergency repairs to address substandard housing needs of 121 households through local funds in addition to the comprehensive home repair programs for low-income homeowners described throughout this report and included in the data tables above.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

On January 20, 2021, the City of Tucson adopted a comprehensive People, Communities, and Homes Investment Plan (P-CHIP) which replaced the prior Human Services Plan and additionally incorporated strategies related for affordable housing development and community re-investment. This plan was developed in alignment with the Tucson Pima Collaboration to End Homelessness' 2022 Community Plan to Prevent and End Homelessness and in furtherance of the 2025-2030 Consolidated Plan.

During the Program Year, the City continued to deliver expanded street outreach services using annual entitlement funds, supplemental CARES Act funds, American Rescue Plan, and City general funds. In its role as the Continuum of Care Lead Agency, the City facilitated the Tucson Pima Collaboration to End Homelessness (TPCH) Community Outreach Coalition which provides a collaboration and coordination forum for street outreach and navigation services targeting individuals and families experiencing homelessness.

The City additionally expanded its Housing First homeless assistance programs during the program year and successfully obtained additional HUD CoC funding to address unsheltered homelessness through the Unsheltered Notice of Funding Opportunity. These teams include dedicated street outreach and navigation staff who work in partnership with community providers to identify, engage, and promote transitions to housing stability among unsheltered persons in the Tucson area.

City funding was provided through subawards and direct purchase and provision of outreach supplies for day shelter/drop-in center programs. Through these efforts, outreach and engagement services reached thousands of unsheltered individuals and families including:

3,668 people seeking housing services were assisted through the City's HUD-funded Supportive Services Only – Coordinated Entry project.

382 people experiencing homelessness were assisted through the City's Housing First street outreach and navigation programs.

The primary purpose of these programs is to identify and engage unsheltered persons for the purposes of assessing and meeting individual service needs with the overarching goal of facilitating exits from homelessness. Outreach and navigation staff use standardized assessments to identify service needs, directly provide basic needs assistance, facilitate shelter referrals acceptable to the unsheltered

individual, and complete housing referral and support through Coordinated Entry and/or other housing resources.

Addressing the emergency shelter and transitional housing needs of homeless persons

As in many communities, the City of Tucson has seen significant increase in unsheltered homelessness. The City has taken decisive action to address the crisis of homelessness since 2020 using multi-pronged strategy to leverage temporary and permanent shelter capacity increases. Primary activates include:

The City has implemented innovative strategies to repurpose city-owned properties into temporary emergency shelters, providing essential low-barrier accommodations for families and individuals experiencing homelessness. By converting former motels and other vacant city-owned properties into shelters, these facilities provide safe, accessible accommodations while helping families remain together in private spaces as they transition to permanent housing.

A key example is the COT Wildcat Residence Bridge Emergency Shelter, which served 469 individuals. The Craycroft Shelter, operated by Pima County, provided non-congregate emergency shelter to 295 people, while the Desert Cove Emergency Shelter, operated by Community Bridges, Inc. served 70 unique individuals. Casa del Pueblo, a low-barrier congregate shelter created through the repurposing of a vacant fire station, serves both males and females and is operated by Old Pueblo Community Services. During the reporting period, Casa del Pueblo assisted 209 individuals.

Another strategic approach to expanding the City's emergency shelter capacity is STAR Village, a safe outdoor sleeping site operated by The Primavera Foundation. STAR Village serves women and non-binary individuals age 18 and older and has provided shelter to 109 unique individuals. Services at the site include connections to housing, health care, and supportive services. STAR Village is intended to serve as a bridge to permanent housing rather than as a long-term safe sleeping location.

Collectively, these innovative uses of City resources underscore the City's commitment to addressing homelessness and supporting vulnerable populations. These shelters serve both individuals and families and provide vital resources to help bridge the gap between emergency accommodations and long-term housing solutions, promoting stability and sustainable independence. Over PY25, a total of 1,152 unique individuals were served through these emergency shelter projects.

Non-Profit Funding: The City provided funding to non-profit agencies for emergency shelter and transitional housing programs during the reporting year using annual entitlement, State Housing Trust Funds, and local General Funds.

Community Shelter Improvements: The City provided CDBG and HOME-ARP funding to support facility

improvements and adaptations at 3 community shelter and supportive housing programs including Emerge Center Against Domestic Abuse, Sister Jose Women's Center, and Old Pueblo Community Services to sustain and expand existing shelter capacity with improved safety, health, and energy-efficiency.

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

The City of Tucson funds agencies for utility assistance through General Funds and works collaboratively with the Tucson Pima Collaboration to End Homelessness (TPCH) and Pima County to operate Homelessness Prevention programs through the local Coordinated Entry system. TPCH is the HUD Continuum of Care (CoC) for Tucson/Pima County and is a planning entity made up of local stakeholders. The CoC leads homeless planning across municipalities and agencies. 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 housing for domestic abuse survivors. City housing navigators and care coordinators respond to emails and phone calls from persons at imminent risk of homelessness and coordinate service linkages to community agencies. City of Tucson law enforcement agencies have special training to handle emergencies associated with persons with severe mental illness or acute mental health or domestic violence. City staff additionally coordinate with the Pima County Justice Services Department to provide housing navigation services at the Transition Center and are leading discussions for discharge planning from jail with Pima County and other community partners.

The City of Tucson subawards CDBG and ESG funds for the purposes of administering eviction and homelessness prevention services in the Tucson area. The City of Tucson jointly administers the local Continuum of Care's Coordinated Entry system in partnership with Pima County.

- The City continues to advocate to the local Continuum of Care for expanded access to homelessness prevention services to include eligible households transitioning out of hospitals and other institutions.

Additionally, funding received through the HUD Youth Homelessness Demonstration Project includes diversion program funds for young adults which is being used to provide host home support and other resources to prevent homelessness among youth and young adults including youth exiting juvenile justice and child welfare systems.

Lastly, the City's Commission on Equitable Housing and Development awarded Housing Trust Fund funding to TPCH to coordinate homelessness prevention funds. This prevention funding was accessible to all CoC member agencies and provided rapid financial assistance to prevent and respond to homeless

episodes for which financial assistance is sufficient intervention. These funds were deployed in collaboration with nonprofit agencies. In total, 97 households were served from March 19, 2026, through April 7, 2026, with $185,000. On average, households received $1,855 in funds.

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

The City actively works to reduce unsheltered homelessness and its negative impacts on residents who experience it and the general community. Key strategies are described below and accompanied by specific efforts taken related to vulnerable subpopulations.

Promoting Transitions to Permanent Housing: The City requires all homelessness response activities it provides/funds to deliver housing-focused services that promote immediate access to low-barrier shelter and facilitate transitions to permanent housing.

Shortening Lengths of Time Homeless: The City has partnered with the local CoC to reduce lengths of time homeless and adopted evidence-informed dynamic prioritization practices through the local Coordinated Entry system. Despite the overburdened homeless response system and very low vacancy in both housing and shelter, system design changes to coordinated entry have made additional improvements in this area. The local CoC system reports indicate that the median length of time homelessness decreased by 85 days among persons served in emergency shelter and transitional housing projects during the COVID-19 pandemic. In the most recent reporting year, there was an additional decrease of 17 days to the average days homeless.

Facilitating Access to Affordable Housing: The City's non-profit development arm, established in 2022, successfully completed a rehabilitation project which converted a former motel into 30 units of permanent supportive housing, during the program year and broke ground on two additional new construction projects as well as a major renovation of the Tucson House which will result in the redevelopment of 358 units of affordable housing. Currently, the City has a total of 95 units completed and more than 1,200 units of affordable housing in the development pipeline. Additionally, the City has made significant investments in multiple affordable housing development projects led by non-profit and for-profit developers through its HOME gap financing program.

Prioritized Subpopulations:

Chronically Homeless: The City partnered with Pima County and TPCH to achieve multiple system improvements to better address chronic homelessness. These include a) Coordinated Entry system adaptation using evidence-informed dynamic prioritization processes; b) targeted deployment of non-

congregate shelter, housing navigation, and a new shelter dashboard and c) participation in HUD's Housing Central Command initiative which addressed unsheltered homelessness through encampment resolution, particularly among high acuity unsheltered individuals such as those experiencing chronic homelessness.

Families with Children: Coordinated Entry prioritizes families with children for homelessness prevention services, and the City continues to support family shelter and housing services at Emerge Center Against Domestic Abuse, The Wildcat Inn, Our Family Services, and Primavera Foundation.

Unaccompanied Youth: The City led the implementation of the local Youth Homelessness Demonstration Project, which provides additional housing beds and comprehensive supportive services, including family reunification and diversion assistance for youth and young adults experiencing homelessness. The City additionally provided non-profit funding to support services for unaccompanied youth at Our Family Services.

Veterans: The City administers over 650 HUD-VASH vouchers in partnership with the local VA, participates in Veteran case conferencing, and provides community facility funding for Veteran housing at Old Pueblo Community Services.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

During the 2025 plan year, the City of Tucson addressed the needs of the public housing through the following strategic actions:

- Utilized multi-family residential rehabilitation funds to support modernization of public housing inventory. Modernization activities included roofs, cabinetry, flooring, appliances, and major rehabilitation. Additionally, energy-inefficient evaporative coolers have been replaced by more efficient air conditioning units.
- Provided human services funding to support case management and resources coordination for high-needs public housing residents including older adults, persons with disabilities, and persons entering public housing following experiences of homelessness.

Advanced CHOICE Neighborhoods implementation strategies to positively impact neighborhood surrounding Tucson House, the City's largest public housing property.

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

Resident Leadership and Management Participation

In recent years, the Public Housing program has made concerted efforts to increase resident participation in public housing management. Public Housing residents participate in Resident Councils which include training related to parliamentary procedures, meeting facilitation, elections, and other effective governance practices. The program offers a variety of workshops including opportunities to partner with officers from the Tucson Police Department to address activities in their neighborhoods.

Public Housing resident representatives participate in the City of Tucson’s Commission on Equitable Housing and Development, the local Continuum of Care Board, and in various planning and working groups associated with the program. Residents have actively participated in the planning efforts for the Tucson House rehabilitation project as well as in the Action Activity proposal and selection process.

Promoting Homeownership and Family Self-Sufficiency

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.

The HCV Homeownership Program was implemented to assist participants with purchasing a home with their rental subsidy, since the inception there has been one family that has purchased their home, and one family is currently in the process. The program hosts quarterly homeownership workshops to educate participants about the program.

Actions taken to provide assistance to troubled PHAs

The City of Tucson is currently designated as a Troubled PHA. The PHA created Key Performance Indicators (KPI's) to support all divisions by providing measurable data to assess progress, identify challenges, and drive informed decision-making across the organization. Conducting regular review of policies and hiring of key staff and consultants to improve service delivery and overall agency outcomes.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Tucson has continued to take decisive action to reduce administrative and policy barriers to affordable housing creation and preservation. Specific activities include:

- Providing preservation/enhanced vouchers for residents of projects with expiring periods of affordability, contingent upon at least twelve months' notice from the property owner.
- Updating the local Development Impact Fee Ordinance to expand the subsidy available for affordable housing development activities to incentivize affordable housing creation. A subsidy is available per project up to $150,000, permitting for-profit developers to apply for the subsidy, and increasing the affordability level to 100% AMI.
- Updated commercial parking requirements to allow Individual Parking Plans with reduced parking area requirements based on site-specific anticipated parking needs for affordable housing developments to reduce barriers to affordable housing production.
- Established the Community Corridors Tool which allows for greater density and other more flexible zoning requirements along arterial and collector streets to encourage the construction of additional affordable housing units.
- Aligning vouchers opportunities to tenants of Continuum of Care projects when the project is no longer receiving project-based funding.
- Improving the permit process for contractors rehabilitating the existing housing stock and developers undertaking infill projects.
- Establishing the city's first affordable housing density bonus as part of the Sunshine Mile Overlay and Infill Incentive districts.
- Establishing a local Accessory Dwelling Unit (ADU) Ordinance and implementing a CDBG-funded ADU rehabilitation pilot initiative.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

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 deteriorate. The City's General Plan – Plan Tucson - supports a framework of local policies which significantly and positively impact housing and other needs of LMI. During the program year, the City utilized entitlement and General Fund resources to support non-profit agencies that:

- Provide support to seniors including emergency repairs, senior companion program,

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

These services provide a vital safety net to address underserved needs and to prevent and interrupt distress among LMI households and neighborhoods. Toward these aims, the City of Tucson non-profit grantmaking and delivery of direct services by the Housing and Community Development Department:

- Provided shelter, housing navigation, and other services for Tucsonans experiencing and/or at risk of homelessness.
- Supported safe, reliable transportation and mobility among low-/moderate-come Tucsonans.
- Promoted physical, emotional, and behavioral health among Tucsonans experiencing challenges to well-being, food insecurity, and financial distress.
- Supported housing and financial stability for Tucson residents with disabilities and older adults through family caregiver support, attendant care, and disability services.
- Combated the long-term impacts of poverty on Tucsonans through education, employment, and financial wellness programs benefiting persons.
- Provided community safety net services for Tucsonans experiencing domestic abuse and/or other crisis situations.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

In 2025, the City of Tucson closed out its previous Lead Hazard Reduction + Healthy Homes grant and received a new $4.05 million grant from the U.S Department of Housing and Urban Development (HUD) Office of Lead Hazard Control to implement a $3.3 million Lead Based Paint Hazard Reduction (LHR) Program and a $750,000 Healthy Homes Program within Tucson City limits.

The City of Tucson's LHR Program is built on a foundation of previous experience administering 5 Lead programs (begun in 2007, 2012, 2016, 2019, and 2024); the City's existing partnerships with community-based non-profits, certified contractors and local health organizations; and the in-house expertise of six (6) EPA certified Lead Inspectors/Risk Assessors and four (4) EPA Lead Supervisors on staff with the City of Tucson Housing and Community Development Department (HCD).

The LHR program is designed to both intervene and pre-empt the irreversible impact that lead exposure can have on a child and household over time; to create safe and healthy housing for Tucson's most vulnerable residents; and to empower the community to work collectively toward a lead-free environment while facilitating access to a safe, decent and affordable housing stock.

During the program year, the LHR and Healthy Homes Program provided direct assistance to 7

vulnerable households testing high or at risk of lead based-paint poisoning through intervention, interim controls, stabilization, abatement and prevention in combination with healthy housing repairs and post intervention strategies; coordinated the local inter-agency referral system for blood lead level testing and lead hazard controls in the home; and conducted a community-wide education campaign to build capacity and relationships among residents and agencies for an overall impact on health.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The People, Communities, and Homes Investment Plan (P-CHIP), adopted in January 2021, establishes key strategies related to the Plan priority of reducing poverty and its effects on Tucson residents. Specific activities undertaken with entitlement and leveraged resources during the program year include:

- Provision of education, employment, career planning, and social services to support employability, upward economic mobility, and financial stability for 20 public housing residents and 89 Housing Choice Voucher recipients participating in the City's Family Self-Sufficiency program (109 participants total were served in PY25 with a maximum program capacity of 124).
- Non-profit grant funding to support the Financial Wellness programs at Jewish Family & Children's Services.
- Leveraged economic development initiatives undertaken by the City's Department of Economic Initiatives to promote business growth and opportunity among low-income workers.
- Promoted living wages across economic categories through ongoing implementation of HUD Section 3 requirements and activities to promote employment of persons with lived and living experience of poverty.
- Continued implementation of the City's Choice Neighborhoods Transformation Plan which includes strategies to reduce neighborhood poverty and increase opportunities for residents to achieve sustainable, inclusive, and equitable growth. These include promoting equitable economic mobility for local residents, pursuing economic development through investments in workforce development, establishing mixed-use nodes with neighborhood serving retail, and promoting the unique economic character of the area.

In addition to these activities intended to reduce the number of Tucsonans living in poverty, the City provides, directly and through non-profit agency partners, a vast array of social services and other activities to reduce the negative impacts of poverty among those who experience it.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City of Tucson Department of Housing and Community Development continues to rise to the challenges posed by the current economic climate and the reduction or end of temporary/stimulus financial resources resulting from the COVID-19 pandemic. HCD capacity-building efforts achieved in recent years include:

- Re-structuring the Department's executive leadership team to include the Director and Deputy Directors to promote strategic leadership and advance City priorities.
- Continuation of the Strategic Planning and Community Engagement (SPACE) division charged with implementing strategic goals, community-based planning, data analysis and visualization, public information coordination, and affordable housing development.
- Founding of the City's non-profit affordable housing development corporation which is working in partnership with co-developers and local agencies to expedite affordable housing creation in the Tucson area.
- Creation of the Commission on Equitable Housing and Development which provides community-driven guidance for HCD activities and priorities.
- Establishing competitive call for projects and solicitation processes for the distribution of CDBG, ESG, HOPWA and HOME eligible projects and programs to improve community transparency and expand funding opportunities.
- Preparing a five-year strategic plan to guide HCD's work in tandem with its 2025-2029 Consolidated Plan.
- Continued implementation of the Housing Affordability Strategy for Tucson.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City benefits from a strong city-wide network of housing and community development partners including non-profit housing rehabilitation agencies, Pima County Community and Workforce Development Department, and the Tucson Pima Collaboration to End Homelessness (TPCH), the local Continuum of Care. Since 2019, the City has served as the Collaborative Applicant and CoC Lead Agency for the Continuum of Care, providing centralized coordination between this coalition of approximately 50 social services, faith-based, and government agencies and the City's public housing and entitlement programs. The City will continue to create partnerships between public institutions, nonprofit organizations, and private industry for the delivery of affordable housing and community development activities for low- and moderate-income households, neighborhoods, and at-risk populations. The partnership with nonprofit agencies to deliver such services has expanded over the past several years, thus increasing the coordination and cooperation between the City and these entities. The City will continue to market HOME funding options to private developers, businesses, and nonprofit agencies to ensure opportunities for development of low-income housing.

Additionally, the City of Tucson has established a Resident Services team serving residents of the City's largest public housing property, the Tucson House, and initiated on-site health, behavioral health, case management, and housing stabilization services.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City of Tucson contracts with the Southwest Fair Housing Council (SWFHC) to plan, implement and review fair housing activities related to the Consolidated Plan. SWFHC advocates for and facilitates enforcement of the Federal Fair Housing Act.

During the program year, Southwest Fair Housing Council (SWFHC) activities included Intake and processing of 69 pre-complaints, conducted 8 educational presentations for a total of 171 individuals, and conducted 23 systemic tests. Additionally, SWFHC placed online streaming ads on a variety of media outlets. These services are available and provided throughout the Tucson/Pima County area. The population targeted by the activities were those most likely to be discriminated against as a member of a protected class, as well as those that generally served those people as both housing providers and direct service providers.

The City conducted fair housing outreach and community awareness activities including the issuance of a Fair Housing Month proclamation by Mayor Regina Romero and media outreach.

Actions to Overcome Impediments: The City displays Fair Housing information in its facilities and marketing materials. The PHA has maintained a scattered site policy for public housing and Housing Choice Vouchers. In 2019, the City partnered with the local Continuum of Care and SWFHC to record an online training module which provides an overview of Fair Housing law. Beginning in 2021, the City required both City staff and community agency staff working in community development and homeless assistance programs funded through ESG, CDBG, or HOME funds to complete Fair Housing training annually.

The majority of the City's entitlement funding is directed to programs that are city wide. This is intended to provide access to services to a broad spectrum of low-/moderate-income persons both within and outside areas of minority concentration. Targeted outreach and community engagement events are conducted to promote awareness and access to City-funded services among disparately impacted groups.

The City additionally funds projects in areas designated low income or for the mitigation of spot blight. The City makes these investments to upgrade facilities in areas where there is a disproportionate need or a disparity in the facilities available to the surrounding area. Since 2016, the City has collaborated with Pima County, the University of Arizona and SWFHC to develop data sets and data sharing systems that are designed to affirmatively further fair housing by reducing environmental risks in concentrated areas of poverty while educating vulnerable citizens regarding their housing choices.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

This section will be updated after the public comment period ends and will be available in the final CAPER document.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

During PY25 the City did not make any changes to its CDBG program objectives. As reported in prior CAPER submissions, the People, Communities, and Homes Investment Plan (P-CHIP) and Housing Affordability Strategy for Tucson (HAST) lay out priorities, goals, and strategy areas. The plan is a roadmap for Tucson Housing and Community Development actions for the next five years. Entitlement funding allocations for programs and projects will continue to align with these plans.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

N/A

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 24 CFR 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

The list below includes all properties which were due for completion inspection (prior to IDIS close-out), initial ongoing inspection (within 12 months of project completion), and semi-annual ongoing inspection (every three years thereafter):

Catalunya Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Council House Apartments

Inspection Type: Recurring

Issues Identified: No issues identified

Desert Dove Apartments

Inspection Type: Initial

Issued Identified: No issues identified

El Portal (Scattered Sites)

Inspection Type: Recurring

Issues Identified: All issues remedied

Fry Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Gateway Apartments

Inspection Type: Recurring

Issues Identified: No issues identified

Ghost Ranch Phase 1

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Ghost Ranch Phase 2

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Knights Inn (NCS)

Inspection Type: Initial

Issues Identified: No issues identified

Milagro on Oracle Apartments

Inspection Type: Initial

Issues Identified: All issues remedied on site

Newport at Rodeo Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Rio Mercado Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Stone Point Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

TMM Fairhaven North Apartments

Inspection Type: Recurring

Issued Identified: All issues remedied on site

TMM Fairhaven South Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

West Point Apartments

Inspection Type: Recurring

Issues Identified: All issues remedied on site

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

The HOME Program staff sends a HOME Program Affirmative Marketing Certification to each HOME assisted project with the Compliance Report for the property managers to complete and return prior to scheduling a monitoring visit. The process begins with a review of the completed report, verification that the equal housing opportunity logo and/or statement is on their brochures/advertisements, and that they advertise and use resources that will reach out to those who may otherwise not be aware of, or able to apply for, affordable housing programs. The property manager certifies the following (by signing):

"I hereby certify that the above actions have been taken to provide information and otherwise attract eligible people from all racial, ethnic, and gender groups, regardless of disability and/or familial status, in the housing market area of this project as per the Fair Housing Act of 1968 and the Fair Housing Amendments Act of 1988. I understand that if these actions are determined unacceptable or otherwise unsuccessful, the City of Tucson may take corrective actions."

During on-site monitoring, staff ensure they are providing outreach as stated on the certification.

The City of Tucson prioritizes local HOME funds for rental projects within the City limits that are included in competitive applications for the allocation of Low-Income Housing Tax Credits (LIHTC). The local government contribution and commitment amount will remain flexible to address annual changes to the State of Arizona’s Qualified Allocation Plan (QAP) guidelines and to award HOME funds on a case-needed basis if other sources of local contributions, such as fee waivers or incentives, are available to satisfy the requirement. The set-aside of HOME funds as a source of local government contribution for LIHTC projects will continue to be a high priority for the City of Tucson in the development, rehabilitation and preservation of affordable rental housing.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

The total amount of HOME Program Income received during the PY2025 was $534,792.63. Expenses applied during the program year were $7,548.34. The amount available for carry-forward at year end was $527,244.29.

PI was applied to support Tenant Based Rental Assistance in PY2025.

The total amount of HOME Recaptured Funds received during the PY2025 was $373,430.46. Expenses applied during the program year were $65,866.33. The amount available for carry-forward at year end was $307,564.13.

HP was applied to Down Payment Assistance in PY2025

The City of Tucson currently has nine rental and homeownership development activities open in IDIS (currently under construction/constructed and not yet occupied):

- Rincon Manor Apartments, 2 HOME units, $500,000, Rental Development, New Construction
- Corazon Del Pueblo Homeownership Project, 7 HOME units, $280,000, Homeownership Development, New Construction
- Rodeo Addition Homeownership Project 11 HOME units, $440,000, Homeownership Development, New Construction
- Lariat Village Apartments, 4 HOME units, $1,000,000, Rental Development, New Construction
- Casa del Pueblo Apartments, 11 HOME units, $500,000, Rental Development, New Construction
- Amazon Flats Apartments, 2 HOME units, $500,000, Rental Development, New Construction
- Shasta Apartments, 2 HOME units, $500,000, Rental Development, New Construction
- Elstone II Houses, 3 HOME units, $750,000, Rental Development, New Construction
- Tucson House, 2 HOME units, $1,000,000, Substantial Rehabilitation

Project owners include non-profit and for-profit affordable housing developers, tenant populations for these projects include low-income households with multiple projects targeted for low-income older adults and HOME-ARP qualifying populations including persons experiencing homelessness and fleeing/attempting to flee domestic abuse.

As highlighted throughout this CAPER, the City of Tucson continued to take action during PY 2025 to foster and maintain affordable housing. Highlighted activities include:

- Construction of 483 units of affordable housing
- Operation of a City-administered not-for-profit affordable housing development corporation to increase affordable housing production in Tucson
- Advancing local policy priorities to reduce policy barriers to affordable housing development

(Community Corridors Tool and Middle Housing initiative).

- Implementation of the Housing Affordability for Strategy for Tucson

CR-55 - HOPWA 91.520(e)

Identify the number of individuals assisted and the types of assistance provided

Table for report on the one-year goals for the number of households provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities developed, leased, or operated with HOPWA funds.

Table 4 – HOPWA number of Households Served will be available in final CAPER document.

Narrative

The HOPWA CAPER is a separate document and will be available on the City of Tucson Housing and Community Development website and will also be attached and submitted in IDIS for the final CAPER document.

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	2	3	0	0	0
Total Labor Hours	2,200	157,277			
Total Section 3 Worker Hours	1,141	61,405			
Total Targeted Section 3 Worker Hours	157	8,902			

Table 14 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.		1			
Direct, on-the job training (including apprenticeships).		1			
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	1				

Outreach efforts to identify and secure bids from Section 3 business concerns.	**1**	**1**			
Technical assistance to help Section 3 business concerns understand and bid on contracts.	**1**				
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	**1**	**1**			
Held one or more job fairs.	**1**	**1**			
Provided or connected residents with supportive services that can provide direct services or referrals.	**1**	**1**			
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.		**1**			
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.	**1**				
Assisted residents to apply for, or attend vocational/technical training.	**1**				
Assisted residents to obtain financial literacy training and/or coaching.	**1**	**1**			
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					

Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	**1**	**1**			
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	**1**	**1**			
Other.					

Table 15 – Qualitative Efforts - Number of Activities by Program

Narrative

Under the CDBG program, of the two projects that required Section 3 compliance, one met benchmarks and the one project did not meet benchmarks.

Under the HOME program, there was one HOME project and two HOME-ARP projects. The HOME project did not meet all benchmarks, however, the HOME-ARP projects both met or exceeded the benchmarks.

CR-60 - ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in *e-snaps*

For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

Recipient Name	TUCSON
Organizational DUNS Number	072450869
UEI	
EIN/TIN Number	866000266
Identify the Field Office	SAN FRANCISCO
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	

ESG Contact Name

Prefix	Ms
First Name	Ann
Middle Name	
Last Name	Chanecka
Suffix	
Title	Interim Director

ESG Contact Address

Street Address 1	P.O. Box 27210
Street Address 2	
City	Tucson
State	AZ
ZIP Code	-
Phone Number	5208376691
Extension	
Fax Number	
Email Address	HCD-Director@tucsonaz.gov

ESG Secondary Contact

Prefix	Mr
First Name	Andrew
Last Name	Paredes
Suffix	
Title	Community Services Administrator
Phone Number	5208375422
Extension	
Email Address	andrew.paredes@tucsonaz.gov

2. Reporting Period—All Recipients Complete

Program Year Start Date	07/01/2025
Program Year End Date	06/30/2026

3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name
City
State
Zip Code
DUNS Number
UEI
Is subrecipient a victim services provider
Subrecipient Organization Type
ESG Subgrant or Contract Award Amount