

City of Tucson

NSP 3 Action Plan

Originally Posted January 27, 2011
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1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Kaselemis, Chris
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Phone Number	520-837-6956
Mailing Address	City of Tucson Housing and Community Development Department, P.O. Box 27210, Tucson AZ 85726-7210

2. Areas of Greatest Need

Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.

Response:

The primary data source used to determine the area of greatest is the HUD NSP 3 Mapping Tool. Other data sources include the American Community Survey, the NSP 3 Market Analysis and Planning by the National Community Stabilization Trust, and PolicyMap. Below is some of the data from these sources used to make the determination of the area of greatest need.

The score for Tucson's target area from the HUD NSP 3 Mapping Tool is 17.03. Other data generated by the mapping tool include:

- Percent of Persons Less than 120% AMI: 86.33%
- Percent of Persons Less than 80% AMI: 71.6%
- Residential Addresses Vacant 90 or more days (USPS, March 2010): 641
- Percent of Housing Units 90 or ore days delinquent or in foreclosure: 14.91%
- Number of foreclosure starts in past year: 131
- Number of Housing Units Real Estate Owned July 2009 to June 2010: 86

The American Community Survey ("2005-2009 American Community Survey 5-year Estimates") was also used to generate date about the target area. Pertinent data from the ACS includes:

- 65.2% of population is Hispanic or Latino
- 37.8% of population had income in the past 12 months below the poverty level
- Median household income (in 2009 inflation adjusted dollars) of \$22,001
- Per capita income in past 12 months (2009 inflation adjusted dollars) of \$11,625 and
- 64.2% of the housing stock is renter occupied (as opposed to owner occupied).

The National Community Stabilization Trust (NCST) analyzed the City of Tucson's proposed NSP 3 target area and generated eight maps that showed that the target area chosen is the area of greatest need.

Among their findings:

- the target area has elevated foreclosure risk scores as compared to the rest of the City
- the target area has a higher rate of low income residents than the MSA as a whole
- residential vacancy rates of 10 – 12% in the northeast corridor of the target area and 6 – 7% in the western corridor
- the target area is experiencing higher rates of delinquency compared to the City as a whole
- after reviewing a sample of Notice of Defaults filed, NCST found that the value and vintage of properties in our target area varied quite substantially, which the NCST considered to be a “boon to our strategy”

Attached are some of the maps generated by the NCST.

Also, using the PolicyMap website, numerous maps were generated that showed the need in the target area. Among the maps generated were:

- Percent of all owner-occupied homes valued at less than \$60,000 (map shows that a large section of the target area has 50% or more homes valued below \$60,000)
- Per capita income (map shows that almost all of the area falls into the \$13,333 or less category)
- Percent of workers who commuted to work using public transit; average number of vehicles per household
- Percent of all people that are living in poverty; median family income
- Percent of all people who were of a race other than white
- Percent of all households that own a home and rent a home; percent of all homeowners who are burdened by housing costs
- CDBG eligibility status as of FY 2010 (the map shows that only a portion of the area is not) and
- Percent of population below the area low and moderate income threshold in FY 10 (also low-income threshold and very low income threshold)

The PolicyMap maps were very useful because they not only show the target area you are interested in, but also all surrounding areas, so that you can easily contrast the target area with the other areas. This helps pinpoint areas that stand out in terms of need. Attached are some of the maps generated by the PolicyMap website.

All of these sources and the resulting data substantiate the target area selected for the NSP 3 grant.

Determination of Areas of Greatest Need

Describe how the areas of greatest need were established.

Response:

Selection of an NSP 3 target area began with three objectives: 1) find an area where the City of Tucson has already performed some planning work as a result of an identified need, 2) find an area that exceeds the NSP 3 minimum criteria using the NSP 3 mapping tool, and 3) find a area that does not overlap with the target area currently in use for the Pima County NSP 2 \$22 million grant award.

The target area that is proposed for the NSP 3 grant meets all three objectives – it incorporates the Oracle Area Revitalization Plan boundaries, it has a NSP 3 score of 17.03, and it is not within the NSP 2 target area.

The Planning Department for the City of Tucson has spent several years working in an area called the Oracle Area Revitalization Area, or OARP. OARP was originally selected for comprehensive planning work due to the following factors:

It is an area that once was the shining gateway to Tucson and the downtown area that has since become run down, with older motels along the Oracle Road corridor, high crime, many underutilized properties and older, substandard commercial and residential structures, a substantial population of low income persons, and numerous human services agencies that serve the area population in need. Despite this reality, the area boasted many attributes that warranted the allocation of staff resources to push the revitalization effort. Among these attributes:

- The proximity to the downtown area (with the Interstate, it is still considered a gateway to Tucson and the downtown area);
- The proximity to the University of Arizona.
- The potential for revitalization. Several recent investments and developments have begun the march toward revitalization.
- The proximity to the Pima Community College Downtown Campus, which is within the OARP boundaries;
- The historic nature of the commercial properties, with many historic businesses (such as motor court hotels) that catered to the historical purpose of the Oracle Road corridor, which was the primary road into Tucson prior to the construction of Interstate 10.

The primary purpose of the OARP was to establish policies and procedures to encourage the development of employment options, more services to meet surrounding residential needs, social and recreational opportunities, a variety of housing options, sensitivity to the area's historic character, and overall improvement of the built environment. The OARP establishes a framework of goals and recommendations for five plan elements, including historic preservation, economic development, housing, transportation and circulation, and land use and design. The OARP heavily involved area residents and business owners. This included:

- A survey mailed to property addresses in the Plan Area.
- A Citizen Steering Committee (CSC). Twenty-one CSC formal meetings and nine "Brown Bag" discussions were held.
- Field Trip. Bus tour of Plan Area with CSC and Technical Advisory Team members.
- Neighborhood and Stakeholder Visioning Workshops. Nine workshops - one workshop with each of the area's seven neighborhoods, one with area businesses, and one with area social service agencies (almost 1,200 comments were documented during the workshops).
- Conversation with Developers/Investors/Bankers.

The OARP report resulted in the following recommendations:

- Respect and preserve the special character of the Oracle Road / Miracle Mile Corridor.
- Encourage infill development that is compatible with historic buildings
- Pursue a balanced mix of uses throughout the Plan Area and on individual sites.
- Create job opportunities for people who live in the area.

- Encourage increased densities along major corridors to enhance financial feasibility of new development.
- Provide public investments, development incentives, and funding mechanisms to encourage desired development.
- Develop with an emphasis on economic sustainability over time.
- Make housing the initial focus of the revitalization effort.
- Encourage homeownership.
- Encourage more property upkeep and investment.
- Enhance circulation and access within the Plan Area.
- Enhance pedestrian linkages and facilities throughout the area.
- Enhance transit facilities and services to better serve riders and to contribute to the overall identity of the area.
- Enhance bicycle routes and facilities throughout the area.
- Identify key neighborhood access points through gateway treatments and/or signage.
- Coordinate the OARP and the Grant Road Improvement Project to assure complementary plans within the Oracle Plan Area.
- Preserve and strengthen existing neighborhoods.
- Promote land uses that serve residents of, workers in, and visitors to the area.
- Provide a greater mix of uses within the area.
- Protect prominent scenic views
- Promote urban form that helps to preserve the special character and identity of the area.

With all of this recent planning work, the City of Tucson was very interested in exploring the possibility of including the OARP in the NSP 3 target area. Many NSP 3 potential target areas were explored using the mapping tool. The OARP did not by itself meet the minimum NSP 3 score (16.32), so the boundaries were extended to the adjacent residential area to the west in order to include some of the areas hardest hit by the foreclosure crisis. The OARP is more of a mixed area, with commercial and industrial areas, and many rentals. The adjacent area that was added to the OARP area is primarily single family owner occupied dwellings (consisting of the neighborhoods of El Rio Acres, Silvercroft, and Barrio Hollywood, which taken together have an NSP 3 score of 18.49). The City of Tucson has previously worked with these neighborhoods also.

The other consideration in expanding the area was to ensure the pool of foreclosed homes would be large enough to purchase the number of homes needed to help transform the area. According to the mapping tool data, 86 homes were foreclosed the previous year, resulting in a target impact number of approximately 17 homes (20%). The approximately \$2.1 million will allow for the purchase and rehabilitation of a number near this target.

The City of Tucson's Department of Housing and Community Development will administer the NSP 3 grant. The Department has recently analyzed an idea to target other programs, federal and local dollars, and other services into this same NSP 3 target area in order to complement the work that will be accomplished as part of the NSP 3 program. The possibility of using other City resources in this targeted area will also be explored in future months. The goal of targeting is to have a measurable impact on the residents and businesses in this area and transform it. Services and programs that this department is responsible for that can be targeted in this area include:

- code enforcement efforts (within the department is a Code Enforcement Division)
- HOME dollars (proposals could be sought for rental or homeownership projects)

- Human services program funding (both CDBG and City funding)
- Home rehabilitation funding (federal funding sources)
- Historic preservation efforts (the City's Historic Preservation Office is within this department)
- Down payment assistance (federal sources)

The City also operates the Tucson House in this area, which is a high rise public housing structure with 408 units that house elderly and disabled persons. Two projects that have come out of the OARP related to the Tucson House are the proposed development of an on-site community garden, and the upgrade of the transit stop that fronts the complex.

The City of Tucson believes that the data shows that the target area selected is the area of greatest need and the area with the most potential for a positive transformation.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	Blighted structures shall be defined by reference to the City of Tucson's Neighborhood Preservation Ordinance (NPO) Section 16-14 titled "Dilapidated and Vacant Buildings and Structures; Building and Structures Constituting a Nuisance" and; Section 16-20 titled Slum Properties, and the definitions section from Arizona Revised Statutes Title 36 - Public Health and Safety Article 3 - Slum Clearance and Redevelopment (1471). (2) and (18)"Blighted Area" and "Slum Area". See attached referenced definitions. The City of Tucson will not set aside any NSP 3 funding for demolition.
Affordable Rents	Affordable rents shall not exceed low HOME rents as defined by HUD by bedroom size (see attached information).

Descriptions

Term	Definition
Long-Term Affordability	All homes will be sold through the Pima County Community Land Trust with a 99-year lease renewable for a second 99-year period. All rentals will be at low HOME rents for perpetuity.
Housing Rehabilitation Standards	The City of Tucson's NSP Rehabilitation Standards can be found at the following link: http://cms3.tucsonaz.gov/sites/default/files/hcd/NSP%20REHAB%20SPECS%201-09.pdf

4. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.

Response:

Total low-income set-aside **percentage** (must be no less than 25 percent): 25%

Total funds set aside for low-income individuals = \$520,942

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.

Response:

The City of Tucson will meet its low-income set-aside requirement by transferring homes purchased with NSP 3 funds to the City's El Portal Rental Program with rents not to exceed low HOME rents, which cannot exceed 50% AMI. El Portal is the City's rental housing stock consisting of 266 units. These homes will be at the low HOME rents for the useful life of the structure.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income)?

No

If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	

6. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

Response:

The Plan will be posted on the City's website for a period of 15 days.

Summary of Public Comments Received.

The summary of public comments received is included as an attachment.

7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled “Activity Number 4,” “Activity Number 5,” “Activity Number 6,” and “Activity Number 7.” If you are unsure how to delete a table, see the instructions [above](#).

The field labeled “Total Budget for Activity” will populate based on the figures entered in the fields above it.

Consult the [NSP3 Program Design Guidebook](#) for guidance on completing the “Performance Measures” component of the activity tables below.

Activity Number 1											
Activity Name	Acquisition and Rehabilitation										
Uses	Select all that apply: <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Eligible Use A: Financing Mechanisms</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Eligible Use B: Acquisition and Rehabilitation</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use C: Land Banking</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use D: Demolition</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use E: Redevelopment</td> </tr> </table>	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	<input type="checkbox"/>	Eligible Use C: Land Banking	<input type="checkbox"/>	Eligible Use D: Demolition	<input type="checkbox"/>	Eligible Use E: Redevelopment
<input type="checkbox"/>	Eligible Use A: Financing Mechanisms										
<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation										
<input type="checkbox"/>	Eligible Use C: Land Banking										
<input type="checkbox"/>	Eligible Use D: Demolition										
<input type="checkbox"/>	Eligible Use E: Redevelopment										
CDBG Activity or Activities	CDBG: Acquisition 570.201 (a), Disposition 570.201 (b), Rehabilitation 570.202										
National Objective	To benefit low, moderate and middle income persons.										
Activity Description	<p>The acquisition and rehabilitation will address local housing market conditions by focusing on abandoned and foreclosed properties that are depressing single family home values and the entire neighborhoods that they are in. The initial impact of rehabilitating the homes results in a cleaned-up curb appeal with landscaping and exterior improvements, which in our experience with NSP 1 and 2, results in neighboring property owners addressing visual issues with their own properties. By selling these homes through the Pima County Community Land Trust or transferring these to the City’s El Portal program, the homes are occupied as soon as possible, eliminating the vacant property issue for neighborhoods. We will purchase the homes at not less than one-percent below appraised value and sell them at market value, which helps stabilize housing prices in these neighborhoods.</p> <p>The Pima County Community Land Trust homes will be leased for a period of 99 years, which is automatically renewable for a second 99 year period. The rental homes will be affordable for households at or below 50% AMI for perpetuity.</p> <p>The expected benefits to income-qualified persons are the ability to acquire or rent an affordable home. The need for affordable housing far exceeds the</p>										

	<p>supply in Tucson and Pima County. Housing can stabilize a family that can now have one less basic need to worry about. The target area will benefit with NSP 3 funding as vacant and foreclosed homes become occupied. The City of Tucson will leverage other services and funding in the target area to bring about a transformational change to the area and its residents. Services and programs that this department is responsible for that can be targeted in this area include:</p> <ul style="list-style-type: none"> - code enforcement efforts (within the department is a Code Enforcement Division) - HOME dollars (proposals could be sought for rental or homeownership projects) - Human services program funding (both CDBG and City funding) - Home rehabilitation funding (federal funding sources) - Historic preservation efforts (the City's Historic Preservation Office is within this department) - Down payment assistance (federal sources) <p>The targeted effort by the City of Tucson will result in an increase in private sector investment, which will speed the transformation of the area. With the public attention that has resulted from the City's planning work in the Oracle Area Revitalization Plan area, several large private sector investments have been made.</p> <p>The City of Tucson will follow the Section 3 regulations and the City's Section 3 Plan and ensure that not less than 30% of new hires by contractors and sub-contractors will be Section 3 eligible persons. All contractors are notified during contract signings of these requirements and they must sign documents as part of the construction contract that they will abide by these regulations.</p>	
Location Description	The City of Tucson has identified a target area for NSP 3. The map is attached to this application and is described in detail in Section 2 above.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$1,875,394 (90% of grant amount of \$2,083,771)
	(Other funding source)	\$
(Other funding source)	\$	\$1,875,394
Total Budget for Activity		
Performance Measures	The City of Tucson projects that up to 16 homes will be purchased and rehabilitated with the NSP 3 funding. Approximately 12 homes will be	

	<p>transferred to the Pima County Community Land Trust for sale and approximately 4 homes will be transferred to the City's El Portal program for permanent rental.</p> <p>Specific goals and outputs/outcomes include:</p> <ol style="list-style-type: none"> Goal: Stabilize neighborhood home values and improve tax base; Output/Measure: Percentage change in the number of vacant properties; Outcome: Increase or stabilization in assessed valuations. Goal: Increase homeownership in target area; Output/Measure: Number of qualified buyers in the Land Trust; Outcome: Increased level of homeownership. Goal: Removing influences that contribute to the decline in appearance and upkeep of neighborhoods; Output/Measure: Number of units rehabilitated; Outcome: Stabilized property values and improved appearance and upkeep of neighborhood. 	
Projected Start Date	June 2011 (estimated)	
Projected End Date	June 2014 (within three years of HUD signing the Grantee Agreement)	
Responsible Organization	Name	City of Tucson Department of Housing and Community Development
	Location	310 N. Commerce Park Loop
	Administrator Contact Info	Chris Kaselemis, (520) 837-6956, chris.kaselemis@tucsonaz.gov

Activity Number 2		
Activity Name	Program Administration	
Uses	Select all that apply:	
	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms
	<input type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/>	Eligible Use C: Land Banking
	<input type="checkbox"/>	Eligible Use D: Demolition
	<input type="checkbox"/>	Eligible Use E: Redevelopment
CDBG Activity or Activities	NSP-eligible use: 10% cap on planning and administrative costs. CDBG eligible activity: 24 CFR 570.206 (a) General management, oversight, and coordination.	
National Objective	Not applicable	
Activity Description	The City of Tucson anticipates spending 10% of the grant amount, \$208,377, on administrative costs associated with the acquisition and rehabilitation work.	
Location Description	Administrative activities will occur at our main office for the City of Tucson's Housing and Community Development Department at 310 N. Commerce Park Loop in Tucson Arizona.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$208,377

	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$208,377
Performance Measures	Not Applicable.	
Projected Start Date	June 2011 (estimated)	
Projected End Date	June 2014 (within three years of HUD signing the Grantee Agreement)	
Responsible Organization	Name	City of Tucson Department of Housing and Community Development
	Location	310 N. Commerce Park Loop
	Administrator Contact Info	Chris Kaselemis, (520) 837-6956, chris.kaselemis@tucsonaz.gov

8. Certifications

Certifications for State and Entitlement Communities

- (1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
- (3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.
- (6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction certifies that it will be abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Almont Elwood
Signature/Authorized Official

2-11-2011
Date

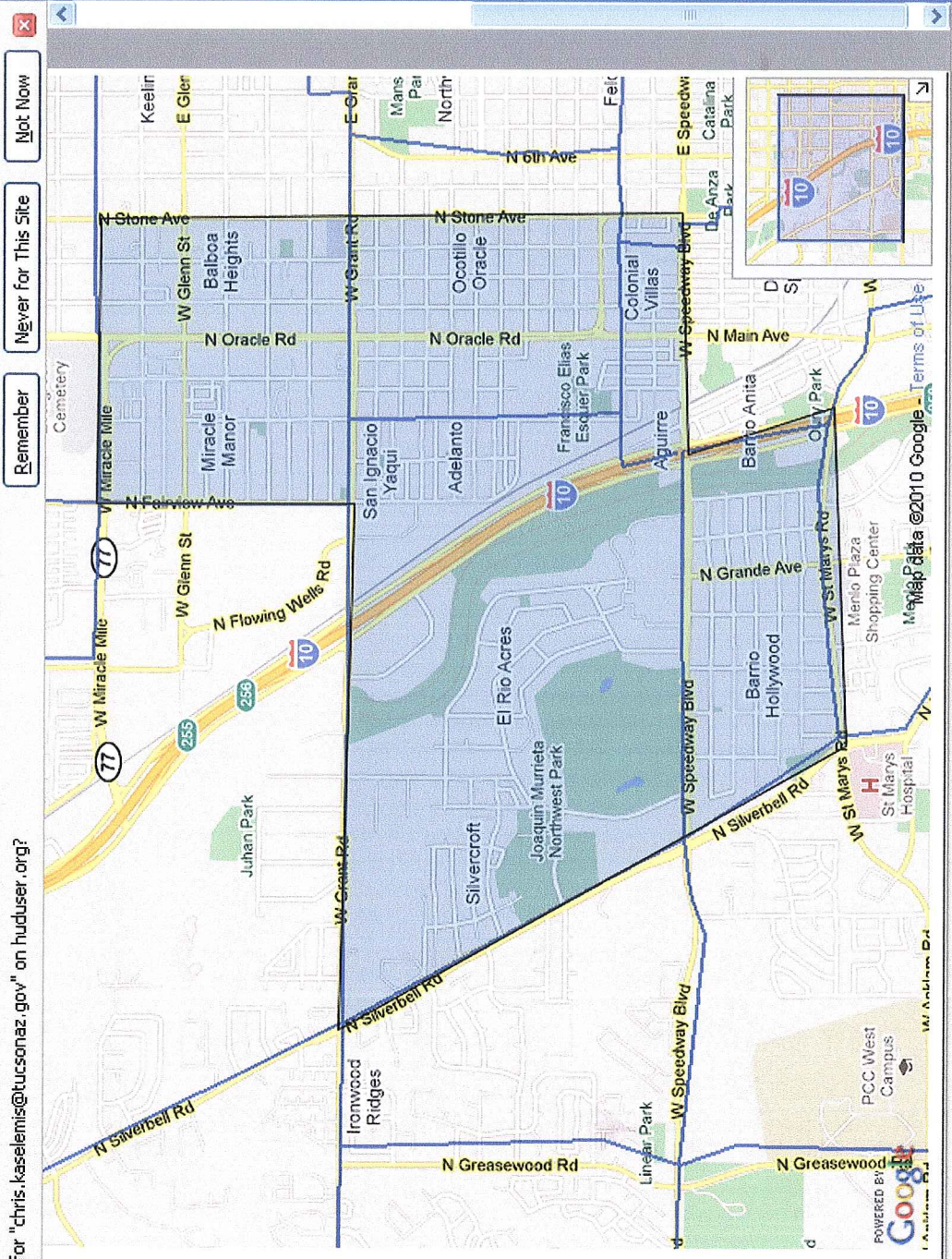
Director
Title

Do you want Firefox to remember the password for "chris.kaselemis@tucsonaz.gov" on huduser.org?

DRAW FINISH
VIEW DATA
VIEW PROJECTS

METHODODOGY INSTRUCTIONS

The IISP3 mapping tool now provides a summary IISP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the IISP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas drawn. Grantees are advised to know their state minimum and if the summary score is less than the state minimum the grantee should delete, add, or revise target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen it. HUD also advises grantees to think carefully about the size of their target areas in total. If those target areas have a very large number of total housing units relative to the dollar's available, HUD will likely ask that the grantee reduce the number and/or size of their target areas.



Neighborhood ID: 9814056

NSP3 Planning Data

Grantee ID: 0404920E

Grantee State: AZ

Grantee Name: TUCSON

Grantee Address:

Grantee Email: chris.kaselemis@tucsonaz.gov

Neighborhood Name: OARP/El Rio/Silver/Hlly

Date:2010-11-29 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 17.03

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 6614

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 86.33

Percent Persons Less than 80% AMI: 71.6

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 6558

Residential Addresses Vacant 90 or more days (USPS, March 2010): 641

Residential Addresses NoStat (USPS, March 2010): 357

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1363

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 32.95

Percent of Housing Units 90 or more days delinquent or in foreclosure: 14.91

Number of Foreclosure Starts in past year: 131

Number of Housing Units Real Estate Owned July 2009 to June 2010: 86

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 27

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -24.8

Place (if place over 20,000) or county unemployment rate June 2005: 4.6

Place (if place over 20,000) or county unemployment rate June 2010: 9.3

Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

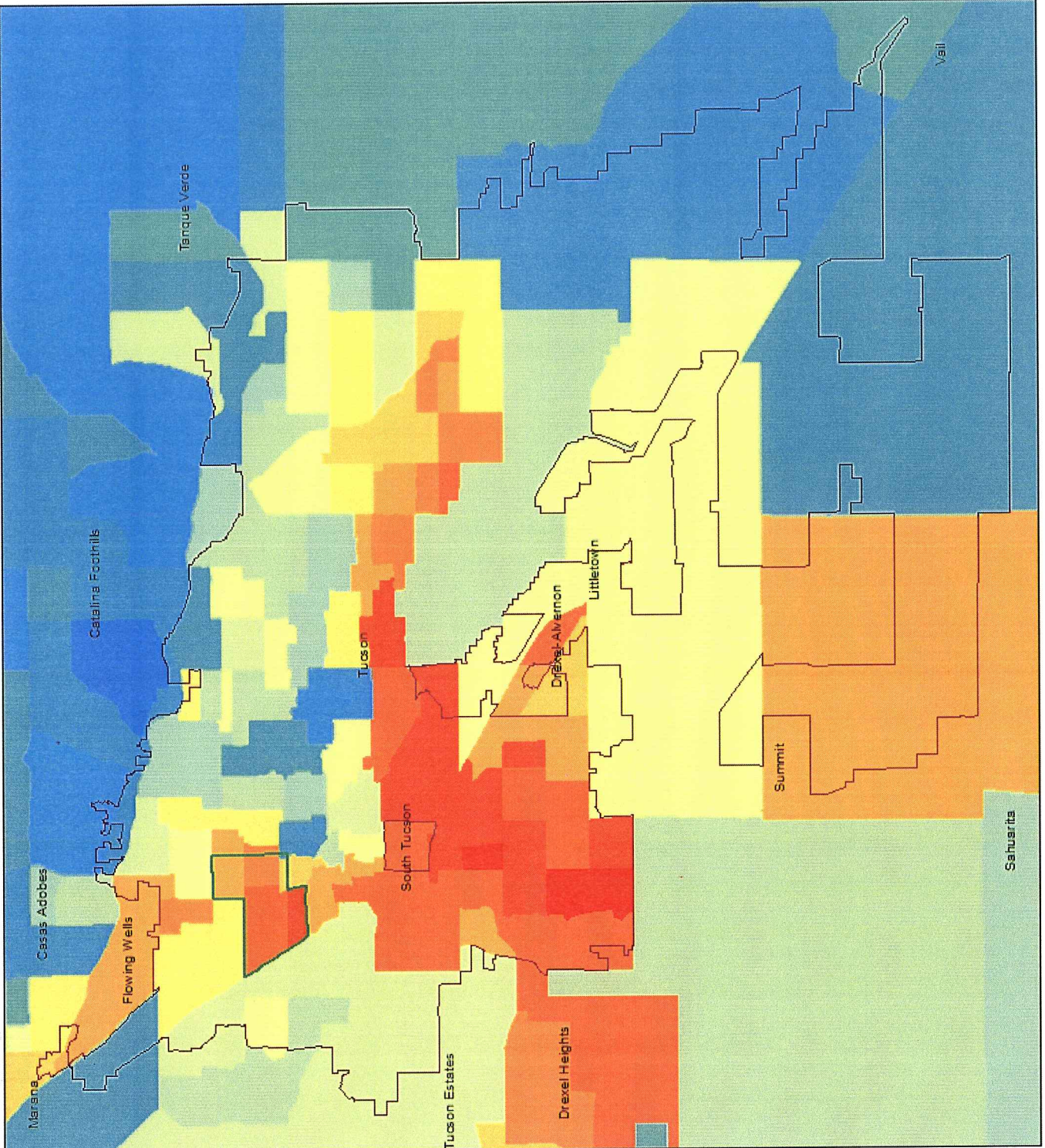
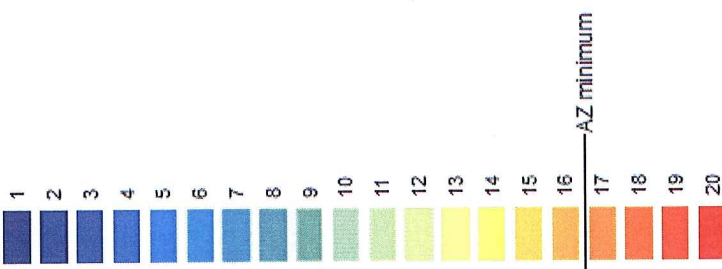
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NSP3 Foreclosure Risk Score

by CDBG Low/Moderate Income Summary Level

— NSP3 Target Area
 □ City of Tucson

Foreclosure Risk Score



Data Source:
www.huduser.org/portal/dataset/NSP



National Community
 Stabilization Trust

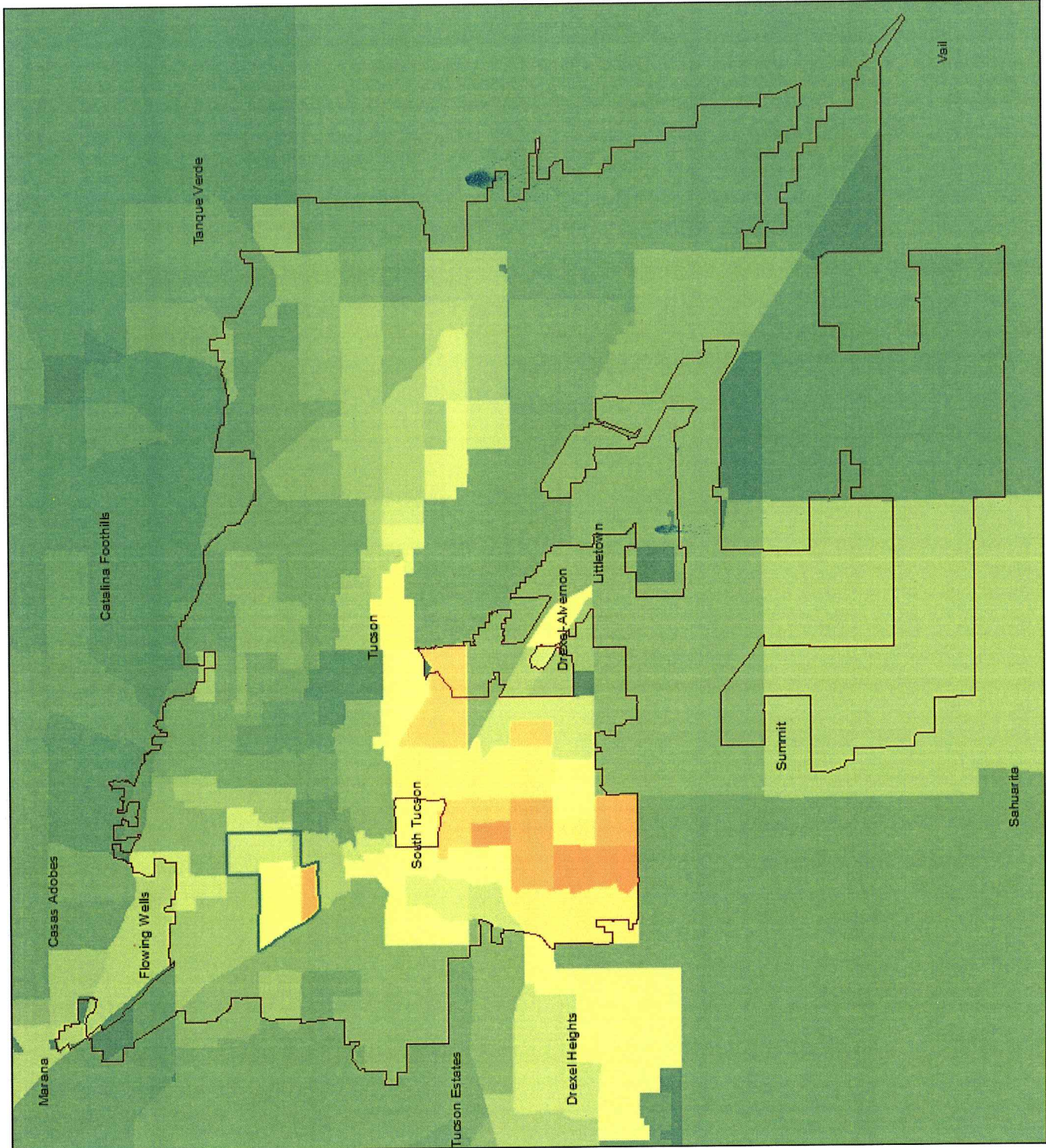
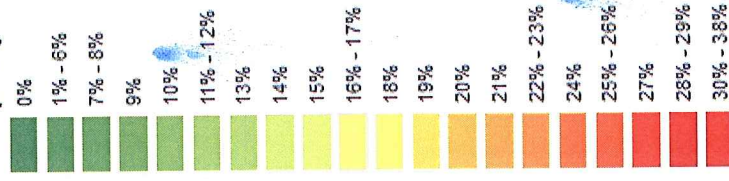
Serious Mortgage Delinquency Rate by CDBG Low/Moderate Income Summary Level

The estimated rate of mortgages seriously delinquent (90+ or more days delinquent or in foreclosure) in June 2010. Utilizes a MCDash Analytics predictive model.

NSP3 Target Area

City of Tucson

Delinquency Rate



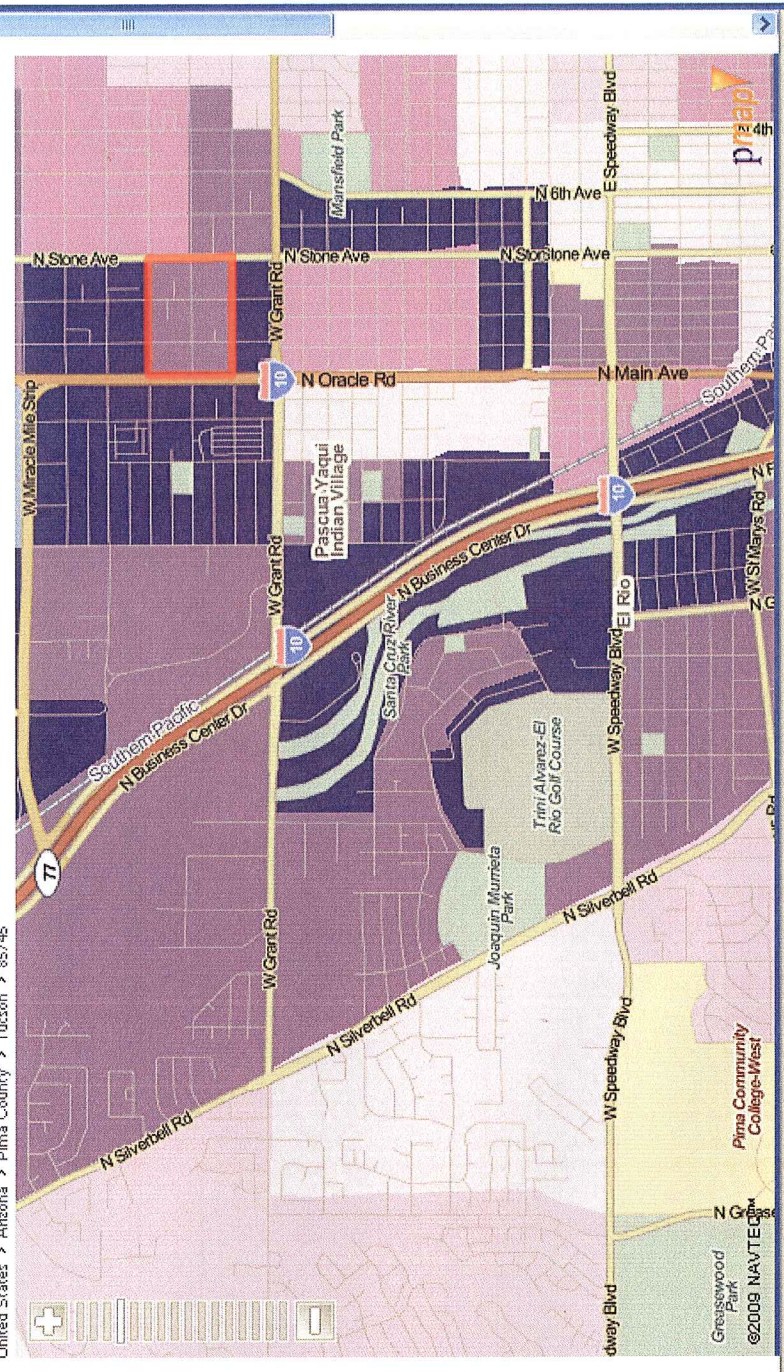
Data Source:

www.huduser.org/portal/dataset.jsp NSP



National Community Stabilization Trust

Percent of all owner-occupied homes valued at less than \$60,000 in 2000.
 United States > Arizona > Pima County > Tucson > 85745



Legend

Change View
 Change Year: 00 01 02 03 04 05 06 10 15
 Change Variable # %

Restore Defaults Edit Ranges

Insufficient Data	
0.10% or less	
0.11% - 6.90%	
6.91% - 24.19%	
24.20% - 50.52%	
50.53% or more	

Shade map in: 5 ranges
 Shade by: Block Group
 Change legend colors
 Source: Census and Nielsen
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- Neighborhood Conditions
- Heighborhood Conditions
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- Demographics
- Owners & Renters
- Jobs & Economy
- Health
- Federal Guidelines
- TPF Analytics
- My Data

CDBG eligibility status as of FY10. [details](#)

United States > Arizona > Pima County > Tucson > 85745

Legend

Change View

Change Year: 01 02 03 04 05 06 07 08 09 **10**

Change Variable

Restore Defaults [Edit Ranges](#)

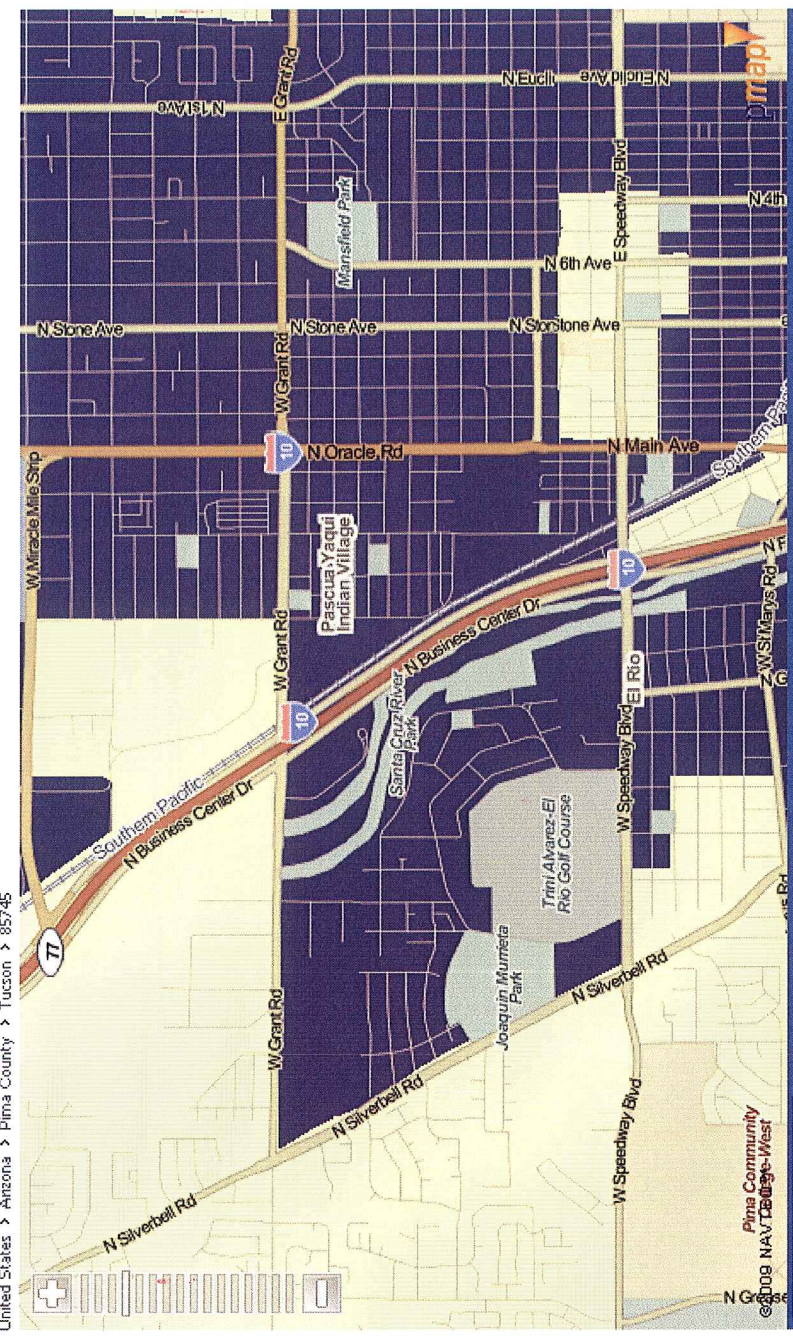
- Insufficient Data
- Not Eligible
- Eligible
- Partially Eligible

Shade by: Block Group

Change legend colors

Source: HUD

[Clear Data Layer](#)



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Definitions of Blighted Structure

Neighborhood Preservation Ordinance of the City of Tucson

Sec. 16-14. Dilapidated Structures; Vacant and Unsecured Structures; Buildings and Structures Constituting a Nuisance.

A. Dilapidated Structures

Buildings or structures that are so deteriorated, damaged, dilapidated, or in need of repair so as to present a threat to the health, safety and welfare of the community constitute a nuisance and shall be abated by repair, rehabilitation or demolition as provided in article VI of this ordinance.

B. Vacant and Unsecured Buildings or Structures

Vacant and unsecured buildings or structures are unlawful and are prohibited by this ordinance.

1. Duty to clean and secure.

The owner or responsible party of a vacant building or structure shall remove any accumulation of weeds, combustible waste, or refuse from the interior of the building or structure and the surrounding yards; and shall secure all doors, windows, and other openings to prevent unauthorized entry.

2. Reinspection of secured buildings and structures.

The Code Official shall periodically reinspect a building or structure that was cleaned or secured pursuant to an administrative or judicial order to ensure continued compliance with the order and this Ordinance. The Code Official may assess a reinspection fee for actual costs of each inspection in those instances where the building or structure is again found to be vacant and unsecured or in need of debris or weed removal.

3. Abatement of vacant and unsecured buildings

When ordered abated, a vacant and unsecured building shall be cleaned and secured as follows:

(a) All accumulated debris or refuse that poses a fire or health hazard within or upon the property or premises shall be removed; and (b) All unsecured doorway, windows, or exterior openings shall be barricaded in accordance with standards established by the Code Official, which shall be kept on file with the City Clerk.

C. Buildings and structures constituting a nuisance

All buildings and structures are to be maintained so as not to pose a threat to the health and safety of any person or persons. The condition of a building or structure that meets any or all of the following is a public nuisance, is a violation of this Ordinance, and subjects the building or structure to abatement as provided in article VI of this Ordinance, including demolition as provided in Section 16-65:

1. The building or structure lacks safe and adequate means of exit in case of fire or panic.

2. The stress in any materials, member or portion thereof, due to all dead and live loads, is more than one and one half times the working stress or stresses allowed in the Building Code for new buildings of similar structure, purpose or location.
3. The building, structure or any portion thereof has been damaged by fire, earthquake, wind, flood or any other cause, to such an extent that the structural strength or stability thereof is materially less than it was before the damage and is less than the minimum requirements of the Building Code for new buildings of similar structure, purpose or location.
4. The building or structure has been so damaged by fire, wind, earthquake or flood, or has become so dilapidated or deteriorated as to become:
 - (a) an attractive nuisance to children; or
 - (b) a harbor for trespassers or persons committing unlawful acts.
5. The building, structure, or any portion or member or appurtenance thereof is likely to fail, or to become detached or dislodged, or to partially or completely collapse and thereby injure persons or damage property.
6. Any portion of a building or structure, or any member, appurtenance or ornamentation on the exterior thereof is not of sufficient strength or stability, or is not so anchored, attached or fastened in place so as to be capable of resisting a wind pressure of one half of that specified in the Building Code for new buildings of similar structure, purpose or location without exceeding the working stresses permitted in the Building Code for such buildings.
7. Any portion of a building or structure that has wracked, warped, buckled or settled to such an extent that walls or other structural portions have materially less resistance to winds or earthquakes than is required in the case of similar new construction.
8. The walls or other vertical structural members of the building or structure list, lean or buckle to such an extent that a plumb line passing through the center of gravity falls outside of the middle third of its base.
9. The building or structure, excluding the foundation, has 33 percent or more damage or deterioration to the supporting member or members or structural assembly, or 50 percent damage or deterioration to the nonsupporting members, enclosing or outside walls or coverings.
10. The building or structure is infested by rodents, insects or other noxious pests, rendering it uninhabitable.
11. The building or structure exhibits conditions that present actual or imminent hazards or dangers, or is otherwise unsafe for the purpose for which it is being used.
12. The building or structure, whether or not erected in accordance with all applicable laws, has in any nonsupporting part, member or portion less than 50 percent, or in any supporting part, member or portion less than 66 percent of the (a) strength, (b) fire-resisting qualities or characteristics, or (c) weather-resisting qualities or characteristics required by law in the case of a newly constructed building of like area, height and occupancy in the same location.
13. A dwelling is unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.
14. The building or structure, because of obsolescence, dilapidated condition, damage, lack of sufficient fire-resistive construction, faulty electric wiring, gas connections or heating apparatus, or other cause, is determined by the fire chief to be a fire hazard.
15. The building or structure has been found, upon reinspection, to be vacant and unsecured, and either:

(a) the Code Official has issued at least one (1) previous abatement order to secure within the preceding twelve (12) months, or more than three abatement orders to secure over any time frame; or (b) the Code Official has secured the building or structure on at least one previous occasion within the preceding twelve (12) months, or more than three times over any time frame.

16. A building or structure or portion thereof remains for any period of time on a site after the demolition or destruction of the building or structure; or normal construction of an unfinished or incomplete building or structure has ceased for a period of more than twelve (12) months.

Sec. 16-20. Slum Property; definitions.

For the purposes of this section, unless the context otherwise requires:

Managing Agent means a person, corporation, partnership or limited liability company that is authorized by the owner to operate and manage the property.

Residential rental property means property that is used solely as leased or rented property for residential purposes. If the property is a space rental mobile home park or a recreational vehicle park, "residential rental property" includes the rental space that is leased or rented by the owner of that rental space but does not include the mobile home or recreational vehicle that serves as the actual dwelling if the dwelling is owned and occupied by the tenant of the rental space and not by the owner of the rental space.

Slum property means residential rental property that has deteriorated or is in a state of disrepair and that manifests one or more of the following conditions that are a danger to the health or safety of the public:

1. Structurally unsound exterior surfaces, roof, walls, doors, floors, stairwells, porches or railings.
2. Lack of potable water, adequate sanitation facilities, adequate water or waste pipe connections.
3. Hazardous electrical systems or gas connections.
4. Lack of safe, rapid egress.
5. Accumulations of human or animal waste, medical or biological waste, gaseous or combustible materials, dangerous or corrosive liquids, flammable or explosive materials or drug paraphernalia.

Arizona Revised Statutes

Title 36 - Public Health and Safety

Chapter 12 Public Housing

Article 3 Slum Clearance and Redevelopment

36-1471: Definitions

2. "**Blighted area**" means an area, other than a slum area, where sound municipal growth and the provision of housing accommodations is substantially retarded or arrested in a predominance of the properties by any of the following:

- (a) A dominance of defective or inadequate street layout.

- (b) Faulty lot layout in relation to size, adequacy, accessibility or usefulness.
- (c) Unsanitary or unsafe conditions.
- (d) Deterioration of site or other improvements.
- (e) Diversity of ownership.
- (f) Tax or special assessment delinquency exceeding the fair value of the land.
- (g) Defective or unusual conditions of title.
- (h) Improper or obsolete subdivision platting.
- (i) The existence of conditions that endanger life or property by fire and other causes.

18. "Slum area" means an area in which both of the following are true:

- (a) There is a predominance of buildings or improvements, whether residential or nonresidential.
- (b) The public health, safety or welfare is threatened because of any of the following:
 - (i) Dilapidated, deteriorated, aging or obsolescent buildings or improvements.
 - (ii) The inadequate provision for ventilation, light, air, sanitation or open spaces.
 - (iii) Overcrowding.
 - (iv) The existence of conditions that endanger life or property by fire and other causes.

HOME PROGRAM RENT LIMITS

2010 RENT LIMITS City of Tucson / Pima County Effective 05/01/2010

Table 1

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
LOW Home	\$516	\$553	\$663	\$767	\$856	\$944	\$1032
HIGH Home	\$540	\$635	\$815	\$964	\$1055	\$1146	\$1236

All rents must be adjusted for utility allowances established locally (see Table 2). The allowable rent is the applicable high or low rent less the utility allowance for those utilities paid by the tenant.

UTILITY ALLOWANCES City of Tucson / Pima County Effective 10/1/10

Table 2

SINGLE FAMILY/PATIO/MOBILE HOME

TYPE OF UTILITIES	DOLLARS PER MONTH					
	0	1	2	3	4	5
BEDROOM SIZE						
ELECTRICITY	\$13	18	22	27	34	39
ELECTRIC HEAT	24	32	41	50	63	71
ELECTRIC HOT WATER	11	16	20	24	30	34
ELECTRIC COOKING	4	5	6	8	10	11
EVAP. COOLING	6	9	11	14	17	20
A/C	15	20	26	32	41	47
GAS HEAT	16	19	23	26	32	35
GAS HOT WATER	7	8	10	11	14	15
GAS COOKING	2	3	4	4	5	6
WATER/SEWER (City)	40	49	59	66	93	110
TRASH (CITY)	16	16	16	16	16	16
TRASH (COUNTY ONLY)	19	19	19	19	19	19
REFRIGERATOR	4	4	4	4	4	4
RANGE	4	4	4	4	4	4
PROPANE HEAT	20	28	36	44	56	64
PROPANE HOT WATER	9	12	15	19	24	28
PROPANE COOKING	3	4	6	7	9	10

APARTMENT/CONDO/TOWNHOUSE

TYPE OF UTILITIES	DOLLARS PER MONTH					
	0	1	2	3	4	5
BEDROOM SIZE						
ELECTRICITY	\$11	16	20	24	30	34
ELECTRIC HEAT	21	29	36	44	55	62
ELECTRIC HOT WATER	10	14	17	21	26	30
ELECTRIC COOKING	3	4	5	7	8	9
EVAP. COOLING	5	7	9	11	15	17
A/C	12	17	22	27	35	40
GAS HEAT	15	18	22	26	31	34
GAS HOT WATER	6	8	9	11	13	15
GAS COOKING	2	3	3	4	5	5
WATER/SEWER	39	48	57	66	80	96
TRASH (CITY)	16	16	16	16	16	16
TRASH (COUNTY)	19	19	19	19	19	19
REFRIGERATOR	4	4	4	4	4	4
RANGE	4	4	4	4	4	4
Propane Heat	20	28	36	44	56	64
Propane Hot Water	9	12	15	19	24	28
Propane Cooking	3	4	6	7	9	10

APPLYING RENT AND INCOME LIMITS TO YOUR PROJECT

Annually, HUD publishes Fair Market Rents and calculations of rents affordable to families earning 65 percent and 50 percent of median income (see Table 1). Low and High HOME rents are determined based on these figures. (See the HOME regulations for a detailed explanation of how these are determined.) Following is a step-by-step guide to applying the High and Low HOME rent limits to your project. Note that the requirements vary depending on the number of HOME-assisted units.

1 TO 4 HOME-ASSISTED UNITS:

For projects with 1 to 4 HOME-assisted rental units, the following requirements apply:

Rent Limits:

- All HOME-assisted units must have rents at or less than the High HOME Rent (see Table 3), adjusted for utility allowances.

Table 3

HIGH HOME RENT	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
	\$540	\$635	\$815	\$964	\$1055	\$1146	\$1236

Income Limits:

- All HOME-assisted units must be rented to families at or less than 80% of median income.

1 Person family	\$33,050	4 Person family	\$47,200	7 Person family	\$58,550
2 Person family	\$37,800	5 Person family	\$51,000	8 Person family	\$62,350
3 Person family	\$42,500	6 Person family	\$54,800		

5 OR MORE HOME-ASSISTED UNITS:

For projects with 5 or more HOME-assisted rental units, the following requirements apply:

Rent Limits:

- 20% of the HOME-assisted units must have rents at or less than the Low HOME Rent (see Table 4), adjusted for utility allowances.

Table 4

LOW HOME RENT	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
	\$516	\$553	\$663	\$767	\$856	\$944	\$1032

- The remaining 80% of HOME-assisted units must have rents at or less than the High HOME Rent (see Table 5), adjusted for utility allowances.

Table 5

HIGH HOME RENT	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
	\$540	\$635	\$815	\$964	\$1055	\$1146	\$1236

Income Limits:

- All HOME-assisted units must be rented to families at or below 80% of median income:

1 Person family	\$33,050	4 Person family	\$47,200	7 Person family	\$58,550
2 Person family	\$37,800	5 Person family	\$51,000	8 Person family	\$62,350
3 Person family	\$42,500	6 Person family	\$54,800		
- 90% of the total number of HOME-assisted units must be rented to families at or below 60% of median income:

1 Person family	\$24,750	4 Person family	\$35,400	7 Person family	\$43,900
2 Person family	\$28,3000	5 Person family	\$38,250	8 Person family	\$46,700
3 Person family	\$31,850	6 Person family	\$41,100		
- 20% of the total number of HOME-assisted units must be rented to families at or below 50% of median income. These same units must have rents at or less than the Low HOME Rent (see table 4), adjusted for utility allowances. These units can be the same units that count toward the 90% requirement above.

1 Person family	\$20,650	4 Person family	\$29,500	7 Person family	\$36,600
2 Person family	\$23,600	5 Person family	\$31,900	8 Person family	\$38,950
3 Person family	\$26,550	6 Person family	\$34,250		