

This year, the Annual Plan format has changed. Each section begins with questions that HUD requires each jurisdiction to address. To distinguish these questions from the document text, they are italicized.

Executive Summary

The Executive Summary is optional, but encouraged. If you choose to complete it, please provide a brief overview that includes major initiatives and highlights that are proposed during the next year.

Program Year 1 Action Plan Executive Summary:

The Executive Summary is the attached, labeled FY 2006 Annual Action Plan Summary.

General Questions

- 1. Describe the geographic areas of the jurisdiction (including areas of low-income families and/or racial/minority concentration) in which assistance will be directed during the next year.*
- 2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.21.5(a)(1)) during the next year and the rationale for assigning the priorities.*
- 3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.*

The City conducts a variety of citywide and neighborhood-specific housing and community development activities that benefit low- and moderate-income households, using federal, state and local resources. The majority of CDBG funds are used for ‘direct benefit’ housing and community development activities that are limited to low- and moderate-income residents citywide.

The City allocates funding in several ways to ensure investment in areas of minority concentration:

1. Each year the Mayor and Council select seven neighborhoods, one in each Ward, as Back to Basics target areas. This program is intended to rotate funding opportunities to all areas of the City. These neighborhoods receive an investment of CDBG dollars to make improvements based on a neighborhood-driven prioritization process. These target neighborhoods overlay with minority concentration areas.
2. As mentioned above, the majority of the City’s entitlement funding is directed to citywide programs. This is intended to provide access to services to a broad spectrum of clients. Clients who live in areas of minority concentration may receive services in an area of minority concentration or at a location where the service is offered, outside of an area of minority concentration. In either case, entitlement funds are directed to benefit residents of minority concentration areas. The City has more specific information about

clients served at the end of the fiscal year when the Consolidated Annual Performance and Evaluation Report (CAPER) is prepared.

3. In regard to public facilities projects, the City will fund these under the CDBG program if they are located in a designated “low-income” area. Many of these projects are located in areas that are both low-income and minority concentration areas. The City will make these investments to upgrade facilities in areas where there is a disproportionate need or a disparity in the facilities available to the surrounding area.

A map depicting areas of minority concentration can be found on page 171.

In 2006, the following actions will be taken to meet the housing needs of the underserved needs:

Homeowners

In 1999, the Mayor and Council directed CDBG-funded housing rehabilitation organizations to develop a coordinated strategy for providing home repair to low-income households community wide. Nine partner organizations with long-standing programs formed a collaboration that works on several goals:

- the incorporation of home maintenance education and preventive care in housing rehabilitation programs;
- streamlining of the application process for eligible households to apply and receive housing rehabilitation assistance;
- enhancing resources; and
- applying for a portion of the annual CDBG allocation to fund the coordinated strategy.

Renters

Section 8 Housing Voucher Program – at least 75% of the families who are admitted into the Voucher Program must be extremely low-income, meaning those with incomes at or below 30 percent of the area median. The 2005 Tucson area median income is \$50,400. The Consortium will provide approximately 4,400 Section 8 Housing Choice vouchers.

Public Housing – 40% of the families admitted into the Public Housing Program must be extremely low-income. 1,679 public housing units will be provided in FY 2006.

Other programs that will assist renters include: Low-Income Housing Tax Credits, HOME-funded Rental Housing Partnership, SABER and El Portal, Shelter Plus Care, HOPWA, Positive Housing Opportunities, and Pathway Supportive Housing.

Managing the Process

1. *Identify the lead agency, entity and agencies responsible for administering programs covered by the Consolidated Plan.*
2. *Identify the significant aspects of the process, by which the plan was developed, and the agencies, groups, organizations and other who participated in the process.*
3. *Describe actions that will take place during the next year to enhance coordination between public and private housing, health and social service agencies.*

Lead Agency

The City of Tucson and Pima County formed a HOME consortium in 1992. The City of Tucson Community Services Department is the lead agency for the development of the Consolidated Plan. The City receives funds from five HUD formula grant programs covered by the Consolidated Plan: The Community Development Block Grant (CDBG), HOME Investment Partnerships program (HOME), American Dream Downpayment Initiative (ADDI), Emergency Shelter Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) programs.

Consolidated Plan Development

While the City of Tucson serves as the lead agency for development of the Consolidated Plan, a number of other public and private agencies participated in its development. The Institutional Structure portion of this plan fully describes the various entities involved in the development of the Consolidated Plan.

The City and County held six public meetings that were the primary tools for obtaining input from residents and various housing, homeless, special needs and other service providers. The 2006-2010 Consolidated Plan contains a summary report of the meetings, including the names and affiliations of the 160 participants.

Through funding mechanisms, the City of Tucson and Pima County will facilitate coordination between service providers and housing providers.

Citizen Participation

- 1. Provide a summary of the citizen participation process.*
- 2. Provide a summary of efforts made to broaden public participation in the development of the Consolidated Plan, including outreach to minorities and non-English speaking person, as well as persons with disabilities.*
- 3. Provide a summary of citizen comments or views on the plan.*
- 4. Provide a written explanation of comments not accepted and the reasons why these comments were not accept.*

The City's goal for citizen participation is to ensure broad participation of city residents and service providers in housing and community development planning, program development and program evaluation.

Revised Community Participation Plan

The 2006-2010 Consolidated Plan includes a revised Citizen Participation Plan. The Plan has been updated to reflect new outreach mechanisms to ensure broad community involvement.

Public Meetings

The City and County hosted a series of six public meetings. City staff undertook a comprehensive outreach approach for the public meetings, including direct mailings and notices in the local paper. The mailing list was comprised of agencies that have responded to previous Requests for Proposals, and other community stakeholders.

Review of the Draft Plan

The draft Consolidated Plan was available on the City of Tucson and Pima County web sites, and public comment was solicited at each meeting.

Citizen comments are located in the Consolidated Plan.

Institutional Structure

1. *Describe actions that will take place during the next year to develop institutional structure.*

Community Development Advisory Committee (CDAC)

The CDAC is a Mayor & Council appointed committee that oversees the grant application process and provides valuable citizen participation to the CDBG funding process.

Human Services Plan and Review Committees

The City adopted a Human Services Plan that identifies the needs of families and individuals who have difficulty maintaining a basic level of security. In an effort to streamline the funding process for these services, the City issued a single Request for Proposals which replaced multiple processes previously undertaken for CDBG public services, Emergency Shelter Grant, Outside Agency human services, Unallocated Youth and City funds allocated by United Way. Four Human Services Review Committees are appointed by the City Manager, to review proposals for Human Services and make funding recommendations.

Delegation of Authority – Environmental Reviews

The Mayor and Council have delegated authority to the Director of Community Services, or her designee, to implement the review requirements for the National Environmental Policy Act.

Delegation of Authority - Contracts

The Mayor and Council have delegated authority to the Director of Community Services, or her designee, to execute contracts or other documents necessary to carry out activities listed in this document.

Lending Institutions

Many of the City's programs and initiatives utilize mortgages from local lending institutions. The City may ask lenders to provide loans directly to bankable low-income households for home purchase or home improvements, or to an organization or developer for a public facility or multi-family housing project. The City depends on the local implementation of federal Community Reinvestment Act (CRA) programs to successfully develop needed affordable housing.

City of Tucson and Pima County Consortium

The consortium partners with various levels of government and other major funders, in policy development. Consortium activities in 2006: 1) host the ninth annual affordable housing conference, which is co-sponsored by the County, State and City; and 2) develop the bi-annual Human Services Plan for 2007-2008; 3) City of Tucson and Pima County have entered into an agreement to authorize the City to operate a housing program on behalf of the County in order to provide financial assistance to families who reside in Pima County. The program administration includes fiscal management, planning and contracting requirements.

Public Planning Process

The City has engaged the public in planning and programs through the designation of special advisory committees comprised of individuals with diverse interests and perspectives in regard to key community issues. For example, the Mayor and Council appointed a citizen committee to work with the City on downtown revitalization and oversight of the code enforcement process. The City has also increased the role and visibility of local Boards and Commissions, such as the County Bond Oversight Committee and the Metropolitan Housing Commission.

Environmental Review Guidebook

To facilitate project feasibility and expedite the contracting process, the City developed a local guidebook that establishes a streamlined process for reviewing proposed projects in accordance with the National Environmental Policy Act (NEPA).

Pro-Neighborhoods

In an effort to provide resources to smaller projects that typically do not meet the criteria for entitlement funding, the City and County developed a multi-funded program called Pro-Neighborhoods. This program targets smaller, neighborhood-based needs like traffic calming devices and school-based activities for neighborhood residents.

Intragovernmental Coordination

Public improvement projects are coordinated among the following City departments: Parks and Recreation, Development Services, Community and Neighborhood Services, Police, Fire, and Planning.

Industrial Development Authorities

The City of Tucson and Pima County have Industrial Development Authorities (IDA). Through special bonding capacity, these organizations have financial resources for affordable housing development and public facility enhancements.

Monitoring

1. *Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.*

Program monitoring for CDBG and HOME regulatory compliance will occur on a continual basis during FY 2006.

Subrecipient Orientation

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

Pre-Award Screening

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

Post-Award Monitoring

It is the policy of the Community Services Department, Technical Services Division, to monitor all subrecipient contracts on an annual basis. All subrecipients will, at a minimum, be monitored by means of an office desk-review utilizing a monitoring checklist appropriate for the program/project. Those subrecipients whose risk assessment is high (4 or more factors checked) will receive on-site monitoring. Those subrecipients whose risk assessment is medium (2 to 3 factors checked) will, time permitting, receive on-site monitoring, with those with the highest number of risk factors being a priority. Those subrecipients whose risk assessment is low (0 to 1 factors checked) will receive a desk-review monitoring. All subrecipients will receive on-site monitoring in the event it is requested by an authorized city, state or federal official. Additionally, the City may, at its discretion, perform a risk assessment of a subrecipient, and if the risk assessment warrants on-site monitoring, the City may perform same. All public facility projects will require an on-site visit prior to making final payment.

In addition:

- City staff used the Monitoring HOME Program Performance model developed by HUD to ensure compliance with HOME rules and regulations.
- Public facility and infrastructure projects with Davis-Bacon requirements are implemented, administered and monitored in compliance with the appropriate statutes and regulations.

Lead-Based Paint

1. *Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income and moderate-income families.*

Rehabilitation projects - The City follows strict HUD guidelines for testing and abatement of lead-based paint and other hazardous substances, and requires compliance from its contractors

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

In FY 2006, funds will be allocated for the Housing Rehabilitation Collaborative's Environmental Resources and Compliance Project. Part of the funding will be used to train non-profit and City staff on federal compliance requirements. In addition, seminars dealing with asbestos, mold and healthy-homes awareness will be held.

Section 8 – The PHA will inspect, for program participants, prospective dwellings constructed prior to 1978 that have a child under the age of six residing therein, for compliance with EPA and HUD Lead Based Paint rules and regulations. The inspection will include visual inspections for chipped, peeling, chalking and deteriorated interior and exterior paint. Clearance testing may be performed after remediation by the property owner, to assure a lead-safe environment.

Specific Housing Objectives

**Please also refer to the Housing Needs Table in the Needs.xls workbook.*

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how federal, state and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

The City's goals and targets, approved by the Mayor and Council in May 2005, establish the City's overall objectives and outcome measures for affordable housing until 2010. The goals and targets were developed to plan for the needs of families, older residents, persons with disabilities, and low-income individuals. The Five-year Consolidated Plan lists the goals and targets.

The purpose of the targets is to establish a long-term vision of where the City wants to be, and to provide a quantitative way to measure its progress. The targets guide implementation activities and track progress in achieving the stated affordable housing goals.

An Annual Housing Production Report will be issued each year to update the community on progress in meeting the targets. For each target, baseline performance has been determined. The overall objective is to improve on the baseline performance each year. As a result of annual evaluations, the targets may be adjusted or new targets developed as needed.

Specific Housing Objectives

Objective Number	Specific Objective	Performance Measures	Expected Units
Rental Housing Objectives			
1	Increase the supply of affordable rentals for families	Number of units produce	100
2	Reduce the number of elderly who are cost-burdened	Number of units produce	50
3	Increase the supply of affordable rentals for special populations	Number of units produce	40
4	Preserve affordable rental units	Number of units retained	100
Owner Housing Objectives			
1	Increase the supply of affordable homeownership units	Number of units produce	65
2	Preserve existing housing stock	Number of units rehabilitated	500
3	Increase affordability through downpayment assistance	Number of homeowners assisted	100
4	Lead-free homes	Number of units assisted	20

Wherever possible, the City attracts additional resources by submitting grant applications and providing support to organizations that apply to competitive grant programs. The City has been successful in attracting grants to support agencies that provide housing and services. These include: The Affordable Housing Program of the Federal Home Loan Bank, State of Arizona HOME Program and Housing Trust Fund, Supportive Housing Program (SHP), HOPE VI program, and HOPE 3 programs. The City has contributed general funds to meet HOME program match and for activities which support the homeless.

Resources

In addition to the programs funded by CDBG, there are a number of other financial resources expected to be available this year to address the identified affordable housing needs. Below is a chart listing these resources and estimated funding levels, based on FY 2005 figures.

Source	Amount
FEDERAL FUNDS	
FEMA	\$18,000
Shelter Plus Care II Partnership	\$691,032
Shelter Plus Care III	\$774,840
Shelter Plus Care IV	\$745,440
Pathways (2-year renewal FY 2004-2005)	\$175,392
Other	\$712,031
STATE FUNDS	
Department of Economic Security	\$156,870
Department of Health and Human Services	\$100,000
Department of Housing and Urban Development	\$324,000
Department of Labor	\$200,000
Other	\$105,727
LOCAL FUNDS	
City Industrial Development Authority	\$2,278,886
County Industrial Development Authority	\$428,338*
Pima County Bonds	\$3,515,000
Pima County	\$319,319
United Way	\$74,085
City General Fund	\$104,432
Other	\$198,680
PROGRAM INCOME	
CDBG	\$10,000
HOME	\$327,000
NON-PROFIT & PRIVATE FUNDS	
Donations	\$960,393
Client Fees	\$223,737
Participant Contributions	\$19,019
TOTAL	\$12,033,883

Housing Grants: In FY 2006, it is estimated that city-funded rent assistance programs will provide assistance to 4,400 low-income working families, elderly persons and persons with disabilities.

Homeownership Assistance: The City will receive \$164,897 in ADDI funds in FY 2006. It is estimated that this will provide down payment and closing cost assistance to 30 low- and moderate-income first-time homebuyers.

Needs of Public Housing

1. *Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.*
2. *If the public housing agency is designated as “troubled” by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.*

Program Year 1 Action Plan Public Housing Strategy response:

The City has several initiatives that provide opportunities to public housing residents.

Family Self -Sufficiency Program

City of Tucson’s Self-Sufficiency Program seeks to assist Section 8 and public housing residents move from dependency on public assistance programs to independence. Provision of case management services, educational opportunities, job training opportunities, employment assistance, and the use of an escrow savings account are program components designed to help participants achieve goals.

IDEA Program

The City of Tucson’s Family Self-Sufficiency Program (FSS) has been awarded \$180,000 by the IDEA Program of the Federal Home Loan Bank of San Francisco, in an effort to promote first-time homeownership for low-income families. Under this program, eligible FSS families are provided homebuyer counseling and their escrow savings accounts are matched on a \$3-to-\$1 basis, up to a maximum award of \$10,000.

Depot Plaza

The City has applied for a HOPE VI Grant to revitalize the Martin Luther King (MLK) Apartments, which serve the elderly and disabled. The overall project, entitled Depot Plaza, envisions a mixed-use, mixed-income, transit-oriented development that will complement current plans to establish Downtown Tucson as a premier urban center in the Southwest. All 96 MLK units will be replaced, either on the Downtown site or in other City locations.

South Park Hope VI

The City was awarded a \$12.7 million HOPE VI Grant to revitalize the South Park Neighborhood. Activities include partial demolition and revitalization of 80 public housing units in the Robert F. Kennedy scattered-site project, creation of new homeownership opportunities, and activities related to youth, economic development and crime reduction. In addition, the City will award up to 80 vouchers to carry out relocations in conjunction with demolition activities. This project is 98% complete.

Zone Operations

Tucson has a scattered site public housing program that utilizes a zone approach to property management. The six zones consist of a manager, technician, housing agent and a temporary general office clerk hired from among the qualified Family Self-Sufficiency Program participants. The temporary assignments teach residents valuable skills and act as a rotating job training opportunity. Residents, who successfully complete the one-year training period, are retained as permanent employees.

Barriers to Affordable Housing

1. *Describe the actions that will take place during the next year to remove barriers to affordable housing.*

Program Year 1 Action Plan Barriers to Affordable Housing response:

The following are actions the City will take in FY 2006 to remove barriers to affordable housing:

Bilingual Material

A large percentage of low-income residents in Pima County are Spanish speaking. Materials and advertisements promoting countywide homeownership programs are printed in English and Spanish.

Incentives for Private Developers

The City provides incentives to non-profit and for-profit developers that expand their affordable housing production. The City has leveraged land and provided below-market financing for affordable housing development. The City also markets individual homes and provides qualified buyers for affordable houses produced by the private sector.

HOME/American Dream Downpayment Initiative (ADDI)

1. *Describe other forms of investment not described in 92.205(b).*
2. *If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in 92.254 of the HOME rule.*
3. *If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:*
 - a. *Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.*
 - b. *Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.*
 - c. *State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.*

- d. *Specify the required period of affordability, whether it is the minimum 15 years or longer.*
 - e. *Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a federally designated Empowerment Zone or Enterprise Community.*
 - f. *State that Home funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.*
4. *If the PJ is going to receive American Dream Downpayment Initiative (ADDI) funds, please complete the following narratives:*
- a. *Describe the planned use of the ADDI funds.*
 - b. *Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purpose of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants and families.*
 - c. *Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.*

The Home Investment Partnership program (HOME) was authorized by Congress as part of the 1990 National Affordable Housing Act. HOME is an annual entitlement that provides local governments with funds to acquire, rehabilitate, build or subsidize transitional, rental and homeowner housing for low-income families. HOME program funds require a 25% local match with non-federal funds.

The program allows localities to join together to form a consortium in which one entity is the lead and the HOME entitlement is calculated based on the needs of the consortium as a whole. The City of Tucson and Pima County formed a HOME consortium in 1992, with the City as the lead agency.

The HOME program also defines special non-profits called Community Housing Development Organizations (CHDOs), which are certified to meet federal criteria, and for which at least 15% of the local HOME allocation must be set aside. CHDOs may also get HOME funds (up to 5% of the allocation) for operating costs. The City of Tucson and Pima County have 12 certified CHDOs.

Each year the City and County are required to prepare a HOME program description as part of the annual update to the 5-year Consolidated Plan. This program description describes how HOME funds will be budgeted for the upcoming fiscal year, July 1, 2005 through June 30, 2006. As part of the Annual Plan, this program description is submitted to HUD for approval.

2006 HOME Allocation

The total HOME funds allocated to the City of Tucson and Pima County for FY 2006 is \$4,431,806. In addition, \$164,897 was allocated from the American Dream Downpayment Initiative (ADDI). These funds are allocated as follows: 10% for Administration, 20% CHDOs (15% projects, 5% operating costs not to exceed 50% of a CHDOs non-federal total operating budget), and 70% for other HOME projects.

The following describes the use and project types for the City of Tucson HOME program entitlement funds.

City Projects:	\$2,378,457
County Projects:	\$ 723,807
CHDO Project Set-aside:	\$ 664,771
CHDO Operating Expenses:	\$ 221,590
City Administration:	\$ 361,990
County Administration:	\$ 81,191
American Dream Downpayment	\$ 164,897

The City and County will set aside general funds to meet the 25% HOME match requirement. The City and County will also calculate resources such as donated land, non-federal sources of cash invested in projects and the value of savings on below-market interest rate loans.

Investment of HOME funds that result in affordable housing in the 15 downtown neighborhoods defined by the Rio Nuevo redevelopment project, is encouraged.

Community Housing Development Organizations (CHDOs)

The City of Tucson, as the lead agency, works directly with CHDOs to develop affordable housing units. CHDOs are non-profit organizations that meet federal HOME criteria to develop, sponsor, and/or own projects. The activities of CHDOs include rental housing, transitional housing and single-family home acquisition, rehabilitation and new construction, and assistance to homebuyers. Funding for this program is the amount equivalent to 15% of the total HOME allocation.

Budget: \$664,771

CHDOs Operating Expenses

This program allows a CHDO to request for operating costs of up to 50% of its total operating non-federal budget or \$50,000, whichever is greater. CHDO operating expenses is defined as reasonable and necessary costs required in the operation of a CHDO.

Budget: \$221,590

Homeowner Rehabilitation Program

This is a program open to low-income property owners who occupy the property as their principal residence at the time HOME assistance is provided. Assistance may be targeted to specific neighborhoods and provided in the form of a loan with conditional requirements if the property is sold within a ten-year period. This loan may also require an owner contribution.

Estimated Budget: \$450,000

Homeownership Opportunities

Funds for homeownership will permit site development, acquisition, rehabilitation and new construction of homes for sale to low-income homebuyers, as well as downpayment and closing cost assistance. Particular emphasis will be placed on increasing homeownership opportunities in the Oracle Homeownership Zone, South Park Neighborhood, and the 15 downtown neighborhoods within the Rio Nuevo project boundaries.

Estimated Budget: \$1,048,457

Rental Housing Partnership

This program develops affordable rental units through demolition, site development, new construction, acquisition, and/or rehab. Funds will permit the city, non-profits or private developers to acquire, build or rehabilitate units for low-income and very low-income households and the homeless. Funds will also allow for acquisition of substandard units by the City or non-profit agencies. Rents are strictly controlled in HOME-assisted units and tenants of HOME-assisted units must be low-to very low-income. Both occupancy and rental requirements must be maintained and monitored for up to 20 years (and longer if there is an FHA mortgage), depending upon the amount of HOME funds provided per unit. The rent and income targeting requirements must be enforced by deed restriction and must specify remedies of breach of the provisions. Leveraging of other resources and funds is a priority and mixed-income projects are encouraged.

Estimated Budget: \$600,000

El Portal

This program allows for the acquisition and/or rehabilitation of existing single-family or multi-family units by the City for affordable rental or transitional units for low-income families and the homeless.

Estimated Budget: \$280,000

Affordability Period

The Deed of Trust places restrictions of use on the property for a specific period of time, called the Affordability Period. This period varies based on the amount of HOME subsidy provided to the homebuyer, according to the following chart. The terms below are the minimum number of years of the affordability period and the period may be longer at the discretion of the City.

\$1,000 to \$4,999	5 years minimum
\$5,000 to \$14,999	10 years minimum
\$15,000 to \$29,999	15 years minimum
\$30,000 and above	20 years minimum

Recapture

For the duration of the Affordability Period, the property must be maintained as the primary residence of the homebuyer and remain in compliance with all other terms and conditions of the Deed of Trust and Security Agreement. Should the homebuyer fall out of compliance with this

requirement during the Affordability Period, the total amount of HOME subsidy provided to the homebuyer, plus interest as described below, will be recaptured by the City. In the event of foreclosure, the deed of trust securing the property demands that any residual proceeds be returned to the City.

Repayment of Loan

Regardless of the term of the Affordability Period, the full amount of the HOME subsidy, plus interest, will be due and payable upon sale, transfer, or conveyance of the property to a third party, other than an immediate family member, at any time. The interest rate will be two percent (2%) simple interest annually for twenty years. After twenty years, the accrued interest will be forgiven. Loans of less than \$7,500 will not be subject to this requirement.

The America Dream Downpayment Initiative (ADDI) is available to help low-income families become first-time homebuyers. In FY 2006, the City will receive \$164,897 from the ADDI grant program. These funds will be used for downpayment assistance and closing costs.

ADDI Outreach: In order to ensure that families currently in the City's Public Housing and Section 8 Programs are fully informed of the homeownership possibilities, the City will affirmatively target eligible families by using bilingual print and advertising materials in the following order:

- a. Public Housing and Section 8 residents enrolled in the PHA's Family Self-Sufficiency program (FSS);
- b. Section 8 Homeownership Program clients;
- c. Public Housing residents in active HOPE VI Projects;
- d. PHA at-large population;
- e. Tenants of manufactured rental communities identified by the Manufactured Housing Communities of Arizona (MHCA);
- f. Low- and Moderate-income non-homeowners that currently reside in the 15 downtown neighborhoods within the Rio Nuevo Project boundaries;
- g. Low- and moderate-income households on a citywide basis.

ADDI Counseling: The City will require prospective ADDI clients to participate in homeownership counseling. The counseling programs will be tailored to individual needs, and might include all or some of the following components: familiarization with the homeownership process, fair housing, predatory lending, credit repair, budgeting, home maintenance and repair.

Homeless

Specific Homeless Prevention Elements

**Please also refer to the Homeless Needs Table in the Needs.xls workbook.*

1. *Sources of Funds – Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction’s plan for the investment and use of funds directed toward homelessness.*
2. *Homelessness – In a narrative, describe how the Action Plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.*
3. *Chronic Homelessness – The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.*
4. *Homelessness Prevention – The jurisdiction must describe its planned action steps over the next year to address the individuals and families with children at imminent risk of becoming homeless.*
5. *Discharge Coordination Policy – Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.*

Program Year 1 Action Plan Homeless Prevention response:

Source of Funds

Emergency Services Grant (ESG): In FY 2006, the City will receive \$272,706 from the ESG program. The following chart shows how the funds will be spent:

Agency	Project	Prevention	Essential Services	O&M	Total
Open Inn	Crisis Assistance Shelter	\$7,826	\$39,132	\$48,915	\$95,873
Primavera Foundation	Emergency Service & Shelter	0	\$14,674	\$36,401	\$51,075
Travelers Aid	Crisis Emergency Services	\$27,979	0	0	\$27,979
Travelers Aid	Women in Transition	0	\$15,662	0	\$15,662
Travelers Aid	Emergency Service & Shelter	0	0	\$39,132	\$39,132
Salvation Army	Emergency Motel Vouchers	0	0	\$29,349	\$29,349
City of Tucson	Administration				\$13,636
Total		\$35,805	\$69,468	\$153,797	\$272,706

Shelter Plus Care:

The Shelter Plus Care Partnership grant provides 100 units of permanent supportive housing for homeless persons and families with disabilities (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; and have AIDS or other related diseases). The Shelter Plus Care III and IV grants provide 22 and 21 units, respectively, of permanent supportive housing for chronically homeless individuals and families with disabilities (primarily disabled veterans with serious mental illness, physical disabilities, and chronic substance abuse problems).

Supportive Housing Program (SHP):

The City received a \$175,392 grant to provide 16 units of permanent housing for homeless, low-income individuals and families with disabilities (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have AIDS or other related diseases). Eligible expenses under the grant are leasing and administrative costs.

CDBG programs: In FY 2006, CDBG will be used to fund the following homeless programs:

Agency Name	Project Title	Activity	Funds Committed	Objective
Administration of Resources & Choices	Elder Shelter	Housing	\$47,545	450 Individuals
I & R	Winter Shelter	Emergency shelter	\$29,349	3000 Individuals
New Beginnings	Shelter Program	Housing	\$48,915	600 Individuals
Miracle Square, Inc.	Independent Living Support Services	Housing	\$29,349	30 Individuals
Travelers Aid Society of Tucson	Housing for Homeless People with Disabilities	Housing	\$46,958	43 Individuals
Primavera Foundation, Inc.	Primavera's Emergency Services: Relief & Referral/Emergency Shelter	Emergency shelter	\$32,151	1728 Individuals
Salvation Army, The	Emergency Motel Vouchers/Respite Care	Emergency shelter	\$12,718	59 Individuals
Salvation Army, The	Family Services Emergency Assistance Program	Emergency shelter	\$24,458	14 Individuals
TMM Family Service	Family Journey Transitional Housing	Housing	\$24,458	40 Families
Travelers Aid Society of Tucson, Inc.	Crisis Emergency Services	Emergency shelter	\$54,322	3000 Shelter beds & 1125 Individuals
Travelers Aid Society of Tucson, Inc.	Emergency Shelter Services	Emergency shelter	\$40,574	224 Shelter beds

Homelessness

The following chart is a summary of homeless priorities/objectives and proposed accomplishments, as stated in the 2006-2010 Consolidated Plan.

Specific Homeless Priorities/Objectives and Proposed Accomplishment			
Objective Number	Specific Objectives	Performance Measures	Annual Units
1	Increase supply of transitional housing for individuals	# of units produced	28
2	Increase supply of permanent housing for individuals	# of units produced	35
3	Increase supply of shelters for individuals	# of units produced	180
4	Increase supply of transitional housing for families	# of units produced	200
5	Increase supply of permanent housing for families	# of units produced	100
6	Increase supply of shelter housing for families	# of units produced	300
7	Fund homeless prevention & supportive services	# of services units	8000

The following strategies will be used to meet the homeless needs:

- Fund providers through the Continuum of Care process, that propose to link housing to services
- Develop and implement a “housing first” pilot and evaluate effectiveness
- Identify homeless characteristics and adapt service system to meet the characteristics
- Increase supply of shelter services, transitional and permanent supportive housing
- Seek additional funding from Shelter Plus Care and Supportive Housing Program Grants
- Seek additional funds for medical, behavioral, substance abuse, and mental health services
- Fund services that enhance discharge planning and other preventive services
- Prevention: rent, utility and mortgage assistance and debt and mortgage counseling
- Short-term assistance: emergency shelters and motel vouchers
- Employment and training tied to housing assistance
- Implementation of Continuum of Care strategies through participation in the local process – Tucson Planning Council for the Homeless
- Development of housing targeted to special needs populations.
- Development of a 10-year plan to end homelessness

Homeless Prevention

Prevention services include programs aimed at maintaining people in their homes, i.e. rent and mortgage assistance, utility payment assistance to prevent eviction, case management, housing counseling, landlord/tenant mediation/legal services, behavioral health services, Information & Referral services, income maintenance programs and food stamps, job training and placement, and guardianship/representative payee. In addition, prevention programs include supportive

education about an owner's/landlord's specific requirements, and information on tenants' rights and obligations under Arizona law.

Chronic Homelessness

In addition to the current plan and strategies to end homelessness, TPCCH has established a goal of developing a 10-year plan to end homelessness.

Objectives and Action Steps for Chronic Homeless & Families

- Target new Shelter+Care and SHP applications to chronically homeless individuals
- Continue to provide rehabilitation job training and development for chronically homeless individuals
- Increase effectiveness of outreach efforts targeting chronically homeless individuals
- Continue to give priority to CoC applications that propose to provide housing and services to chronically homeless individuals
- Expand continuing education of case managers and social workers regarding the needs of the chronically homeless
- Implement a housing-first model and evaluate its effectiveness

Discharge Coordination Policy

The Discharge Planning Committee of Tucson Planning Council for the Homeless developed discharge plans with all hospitals in Tucson/Pima County to address discharge procedures for homeless patients. In addition, it provided all hospital discharge planning staff with information about accessibility to all homeless shelters, entry requirements, contact names of shelter staff, and addresses.

Community Development

Community Development

**Please also refer to the Community Development Table in the Needs.xls workbook.*

1. *Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility categories specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.*
2. *Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.*
3. **Note: Each specific objective developed to address a priority need, must be identified by number and contain numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.*

Program Year 1 Action Plan Community Development response:

The following chart lists the City's five-year objectives and annual outcome measures for non-housing community development needs, for which CDBG funds will be used.

Non-Housing Community Development Needs				
Objective Number	Specific Objectives	Performance Measures	Five-year Goals	Annual Goals
1	Enhance park facilities	Number of enhancements	20	4
2	Enhancements to agency-owned facilities	Number of enhancements	40	8
3	Installation of additional sidewalks	Length of improvements	3 miles	.6 miles
4	Installation of additional street lights	Length of improvements	3 miles	.6 miles
5	Provide job training	Units of service	500	100
6	Blight remediation	Number of units demolished	200	40

The assignment of priority to each category was based on:

- Parks and Recreation - Master Plan and City Capital budget indicate demand beyond projected funding capacity from the City General fund
- Agency-Owned Public Facilities - Funded at less than 10 percent of the requested amount
- Infrastructure - aging or absent in many areas of town. The City Capital budget depicts unmet need
- Jobs - Household median income is low compared to the national average
- Workforce Development - High rate of high school drop-outs. Workforce Investment Board (WIB) priority
- Youth Employment - Lack of jobs and insufficient public transportation
- Redevelopment Areas - Mayor and Council formally adopted several area redevelopment plans (explore use of Section 108 loan guarantee program)

Antipoverty Strategy

1. *Describe the actions that will take place during the next year to reduce the number of poverty-level families.*

Program Year 1 Action Plan Antipoverty Strategy response:

The City's five-year antipoverty strategy is to move low-income persons to economic self-sufficiency or economic independence. The City will administer the following programs that help low-income households:

- Housing grants and Section 8 (rental assistance)
- Community Service Block Grant program
- Emergency Shelter Grant program
- Homeless programs
- Family Self-Sufficiency program
- IDEA program
- Hope VI
- Shelter Plus Care

Non-Homeless Special Needs Housing

Non-Homeless Special Needs (91.220 (c) and (e))

**Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.*

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 1 Action Plan Specific Objectives response:

The Consolidated Plan lists the following special needs priorities:

- Lack of transitional housing/permanent housing and support services for the following populations:
 - seriously mentally ill
 - persons living with HIV/AIDS
 - elderly
 - youth
 - disabled
 - substance abusers
- Home adaptations for elderly and special needs population
- Enhanced social services for elderly and special needs populations

Special Needs Objectives			
Objective Number	Specific Objectives	Performance Measures	2006 units (proposed)
1	Reduce the number of elderly who are cost-burdened	# of persons	500
2	Increase supply of affordable rentals for special populations	# of units produced	200
3	Fund services for elderly and frail elderly persons	# of persons	3000
4	Fund accessibility programs	# of units made accessible	150
5	Fund services for SMI populations	# of clients served	300
6	Fund services for disabled populations	# of clients served	4500
7	Fund Services for victims of domestic violence	# of clients served	7500
8	Fund services for persons with HIV/AIDS	# of clients served	980

The Five-year Consolidated Plan outlines the local, state and federal housing resources that may be used to address the non-homeless special needs. These include: Older Americans Act, Section 8 Housing Choice Voucher Project-Based Assistance, HUD Section 202 programs, HOME Investment Partnership program, and Community Development Block Grant program.

Housing Opportunities for People with AIDS

1. *Provide a brief description of the organization, the area of service, the name of the program contracts, and a broad overview of the type of housing activities to be done during the next year.*
2. *Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.*
3. *Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.*
4. *Report on the accomplishments under the annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRPO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.*
5. *Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.*
6. *Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.*
7. *Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.*
8. *Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.*
9. *Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.*

Program Year 1 Action Plan HOPWA response:

A total of \$390,000 is available for programs that provide housing opportunities to people with AIDS. The city will contract with the Southern Arizona AIDS Foundation (SAAF) to provide the following services to people living with AIDS: Transportation, emergency rent/utility payments, eyeglasses and other adaptive devices, daycare, outreach and case management services. In addition, they will provide funds for housing – identifying new resources and operating expenses for transitional housing units.

HOPWA – Positive Directions Project

A collaborative effort of Pima County (the grantee) and two project sponsors, SAAF and the City of Tucson. The project was designed to create a continual continuum of care for people who are low-income and HIV, and their families, by filling gaps in both housing and supportive services in the City of Tucson and Pima County. The two primary goals for this project are: 1) to increase independence through subsidized, supportive housing, and 2) to maximize self-sufficiency through intensive personalized services.

The rent subsidy program will be an extension of an existing program that has been very successful in maximizing independence and encouraging self-sufficiency.

Barriers

We continue to see an influx of new clients at SAAF who need housing and, as a result, the waiting list for housing continues to grow. SAAF continues to participate with the Tucson Planning Council for the Homeless and takes an active role in the Continuum of Care Collaboration for planning and coordination of HUD funds in Pima County.

We continue to experience a steady increase in the need for case management and client access to basic care services – many that are supported by HOPWA funding. Over a three-year period, there was a substantial increase in the number of clients accessing the following services; housing placement services, transportation, dental and optical care. In SAAF's past fiscal year, 99% of clients assessed as high- or moderate-need accessed support services along with case management.

Trends

As we look toward the next 5-10 years, we are concerned about possible changes in Ryan White CARE Act funding that could affect our ability to provide supportive services, in addition to the HOPWA housing-related services provided in our community. The majority of clients require a mix of supportive services to support their ability to maintain housing and access medical care, and any limitation in funding for supportive services could be detrimental to both factors.

Program Evaluation

Measurable goals are identified in client care plans and these are regularly reviewed based on the client's assessed level of need. Senior case managers review client assessments, reassessments and intake paperwork for the purpose of assigning caseloads and for quality assurance.

SAAF's client services programs are evaluated annually through a client satisfaction survey facilitated by SAAF's program and evaluation committee. 97% of respondents in this year's survey rated their overall satisfaction with SAAF services as good to excellent.

Through the HOPWA-funded Positive Directions contract with Pima County, SAAF is receiving technical assistance in order to develop internal organizational capacity to complete an outcome study of SAAF's HOPWA programs.

An evaluation consultant from Pima Prevention Partnership worked with SAAF staff, providing training and assistance in developing a comprehensive plan for assessing the current status of housing clients and potential housing need. Logic models were developed and evaluation questions and indicators were identified. The current goals established are to 1) increase client housing readiness of clients not in SAAF housing, 2) increase housing stability of clients in SAAF housing, 3) assess housing need among SAAF clients, and 4) reduce the risk of homelessness.

The evaluation includes staff interviews, client interviews, focus groups with clients, satisfaction surveys and document review of waiting lists, readiness indicators, client goals and housing status. The evaluation process will establish baseline information by the end of the current contract. Specific goals relating to an increase or decrease in services will then be established.

2006 CDBG Projects

Public Services

Agency Name	Project Title	Target Group	Funds Committed	Objective
Administration of Resources and Choices	Reverse Mortgage Program	Elderly	\$32,284	313 Individuals
Blake Foundation	My Summer Camp	Youth	\$34,241	40 Individuals
Brewster Center Domestic Violence Services, Inc.	Domestic Violence Shelter Services	Adults	\$78,264	665 Individuals
Community Outreach Program for the Deaf	Parenting Education and Support	Adults	\$27,882	25 Individuals
Family Counseling Agency of Tucson, Inc.	Domestic Violence Services	Adults	\$39,132	300 Individuals
Handi-Dogs, Inc.	Service Dog Training Program Expansion and Development	Disabled	\$24,458	55 Individuals
Metropolitan Education Commission	Academy Without Walls (AWW)	Youth	\$37,175	20 Individuals
Miracle Square, Inc.	Independent Living Support Services	Homeless	\$29,349	30 Individuals
Pima Council on Aging	Homecare Services for the Elderly	Elderly	\$29,349	500 Individuals
Primavera Foundation, Inc.	Primavera's Emergency Services: Relief & Referral/Emergency Shelter	Homeless	\$32,151	1728 Individuals
Salvation Army, The	Emergency Motel Vouchers/Respite Care	Homeless	\$12,718	59 Individuals
Salvation Army, The	Family Services Emergency Assistance Program	Homeless	\$24,458	14 Individuals
Southern Arizona Children's Advocacy Center (SACAC)	Clinical Services for Child Victims of Abuse	Youth	\$30,347	400 Individuals
St. Elizabeth of Hungary Clinic	Maintenance and Enhancement of City Sites: Mobile Podiatry Services	Elderly/Disabled	\$31,093	83 Individuals
Teen Outreach Pregnancy Services	Teen Pregnancy and Parenting Education	Youth	\$24,458	63 Individuals
The Parent Connection, (Az. 's Children Assoc.)	Parenting Education, Information and Support	Families	\$24,458	185 Individuals
The Tucson Scottish Rite Charitable Foundation, Inc.	Wings on Words Summer Day Camp for Preschool Children with Speech and Language	Youth	\$24,458	65 Individuals
TMM Family Services, Inc.	Family Journey Transitional Housing	Homeless	\$24,458	40 Families
Travelers Aid Society of Tucson	Housing for Homeless People with Disabilities	Homeless/Disabled	\$46,958	43 Individuals
Travelers Aid Society of Tucson, Inc.	Crisis Emergency Services	Homeless	\$54,322	3000 Shelter beds & 1125 Individuals
Travelers Aid Society of Tucson, Inc.	Emergency Shelter Services	Homeless	\$40,574	224 Shelter beds
Tucson Centers for Women and Children	Domestic Violence Services	Families	\$117,396	1000 Individuals

Public Services - Continued

Agency Name	Project Title	Target Group	Funds Committed	Objective
Tucson Pima Arts Council	The ArtWORKS! Academy	Youth	\$5,490	23 Individuals
Tucson Urban League, Inc.	Senior Lunch and Recreation Program	Elderly	\$24,458	78 Individuals
Wingspan	Eon- Growing up Proud and Strong	Youth	\$24,458	250 Individuals
Wingspan	Eon - A Step Up, Educational Enrichment for LGBT Youth	Youth	\$24,458	75 Individuals
Administration of Recourses and Choices	Elder Shelter	Elderly Homeless	\$47,545	450 Individuals
I&R	Winter Shelter	Homeless	\$29,349	3000 Individuals
New Beginnings	Shelter Program	Homeless	\$48,915	600 Individuals
Direct Care Givers	Certified Nursing Program	Adults	\$29,349	30 Adults

Housing

Chicanos Por La Causa	Home Purchasing Program	Families	\$36,000	150 families
Design Development Group	Ghost Ranch Asbestos Abatement	elderly	\$100,000	93 units
Family Housing Resources	Ward 1 & FHR Homebuyer Assistance	Families	\$25,000	60 families
Housing Rehab Collaborative	Citywide Housing Rehab	Families	\$2,071,026	500 homeowners
Southern AZ AIDS Foundation	Housing Rehab	Adults	\$30,000	10 units

Economic Development

RISE	Toole Avenue Service Site	Homeless	\$222,000	300 Individuals
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Public Facilities

Back to Basics	Neighborhood revitalization	Families	\$1,202,000	7 neighborhoods
Parks and Recreation	Recreation Center upgrade	Families	\$167,000	1 facility
Code Enforcement	Abatement of vacant and neglected properties	Families	\$707,000	40 units

Planning

Southwest Fair Housing Council	Fair Housing Outreach, Education & Compliance	Individuals	\$25,000	N/A
Information and Referral	Homeless Planning coordination	Homeless	\$25,000	N/A

