

**Grantee: Tucson, AZ**

**Grant: B-08-MN-04-0507**

**January 1, 2019 thru March 31, 2019 Performance Report**

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**Grant Number:**

B-08-MN-04-0507

**Obligation Date:****Award Date:****Grantee Name:**

Tucson, AZ

**Contract End Date:****Review by HUD:**

Reviewed and Approved

**Grant Award Amount:**

\$7,286,911.00

**Grant Status:**

Active

**QPR Contact:**

Joyce Alcantar

**LOCCS Authorized Amount:**

\$7,286,911.00

**Estimated PI/RL Funds:**

\$4,000,000.00

**Total Budget:**

\$11,286,911.00

## Disasters:

### Declaration Number

NSP

## Narratives

### Areas of Greatest Need:

Funds have been targeted in census tracts that have been designated as those with high foreclosure rates.

### Distribution and and Uses of Funds:

The City of Tucson will spend 27.7% of the grant fund meeting the 25% set aside requirement, assisting families earning less than 50% of area median income in the designated target areas.

\$720,000 of the administration funds have been fully obligated.

The balance of the grant has been to purchase foreclosed homes to be sold under a Land Trust model to individuals/families who earn between 50 and 65% of area median income.

### Definitions and Descriptions:

#### Ensuring Continued Affordability:

Rental units will be rented through the City of Tucson's EI Portal program, with rents not to exceed Low-HOME rents, published annually, as established by HUD. Resale units will be sold through the Pima County Community Land Trust. These sales shall have a 99-year leasehold agreement, automatically renewable for an additional 99 years, with a resale restriction that limits equity to 25%. All initial buyers and subsequent buyers must be between 50% and 80% Area Median Income (AMI). All mortgages shall not exceed 35% of their gross annual income.

#### Definition of 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". The City of Tucson will not set aside any NSP 3 funding for demolition.

#### Definition of Affordable Rents and Income Limits

Affordable rents shall not exceed Low HOME rents as defined by HUD by bedroom size. Income limits shall not exceed 50% AMI for rental units, and shall not exceed 80% AMI for home purchasing, as defined and established by HUD.

### Low Income Targeting:

The City of Tucson will purchase homes to be used as permanent rentals to families earning less than 50% of area median income.



**Acquisition and Relocation:**

The City of Tucson has designed their program so that relocation will not be necessary. Should a property require relocation of residents, The City will follow established and required URA.

**Public Comment:**

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$11,286,911.00
Total Budget	\$0.00	\$11,286,911.00
Total Obligated	\$0.00	\$10,839,139.68
Total Funds Drawdown	\$0.00	\$10,701,552.79
Program Funds Drawdown	\$0.00	\$7,271,597.96
Program Income Drawdown	\$0.00	\$3,429,954.83
Program Income Received	\$0.00	\$3,552,228.68
Total Funds Expended	\$0.00	\$10,832,372.81
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

**Progress Toward Required Numeric Targets**

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,093,036.65	\$0.00
Limit on Admin/Planning	\$728,691.10	\$911,775.84
Limit on Admin	\$0.00	\$911,775.84
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$2,821,727.75	\$2,723,595.12

**Overall Progress Narrative:**

NSP1 - The following is progress thru March 31, 2019:

Original NSP1 grant funds have been expended, leaving Program Income to be utilized for additional home purchases and rehabilitation work.

The City of Tucson has completed the task, exceeding expectations, of purchasing homes within the NSP1 boundaries, then conveying to the Pima County Community Land Trust (PCCLT) for the rehabilitation and sale to qualified buyers.

The following addresses were purchased with NSP1 Program Income, but because they are also located within the NSP3 boundaries costs for the rehabilitation were paid for out of the NSP 3 budget. Addresses are:

6079 S. Avenue De La Chandelle, Tucson, AZ 85746

1448 W. Argyle, Tucson, AZ 85746

1932 W. Nava Drive, Tucson, AZ 85746

In order to prepare for NSP1 Close-out, the City has purchased a final home using both NSP1 and NSP3 remaining funds. The home is within the boundaries of both programs, and after rehabilitation work will be placed in the City's El Portal rental program as part of the 25% set-aside requirement. City acquired the property on June 14, 2018.

Address is 5398 S. Via Florena, Tucson, AZ 85706. Rehabilitation work



has been completed, but awaiting on Southwest Gas company to inspect a prior leaking gas line. Home can then be transferred to El Portal, and new appliances can be purchased and placed in the rental and qualified tenants can move in. This should occur during the next quarter.

The PCCLT continues to maintain the original stock of NSP1 homes under the land trust model.

The 25% Set-aside for individuals/families at or below 50% AMI has been exceeded. Rental units are assigned to the City of Tucson's El Portal rental program. Units are currently available for rent to tenants at or below 50% AMI. There are 23 NSP1 rental units. One unit was vacated and filled with a new tenant during the quarter. There are no vacancies. Beneficiary information was input into DRGR with original occupancy, and won't be repeated with new tenants.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
0001, Acquisition General	\$0.00	\$10,235,673.07	\$6,778,270.12
0002, NSP Rehabilitation Rental	\$0.00	\$0.00	\$0.00
0004, NSP Rehabilitation Resale	\$0.00	\$0.00	\$0.00
0005, NSP Disposition	\$0.00	\$0.00	\$0.00
0006, NSP Administration	\$0.00	\$1,051,237.93	\$493,327.84



## Activities

**Project # / Title:** 0001 / Acquisition General

**Grantee Activity Number:** 9535

**Activity Title:** Rehabilitation of Residential Structures

**Activity Category:**

Disposition

**Project Number:**

0001

**Projected Start Date:**

03/23/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Acquisition General

**Projected End Date:**

04/15/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Tucson - El Portal Rental Program, managed by

**Overall**

**Total Projected Budget from All Sources**

**Jan 1 thru Mar 31, 2019**

N/A

**To Date**

\$2,765,594.82

**Total Budget**

\$0.00

\$2,765,594.82

**Total Obligated**

\$0.00

\$2,725,798.77

**Total Funds Drawdown**

\$0.00

\$2,723,595.12

**Program Funds Drawdown**

\$0.00

\$2,042,133.58

**Program Income Drawdown**

\$0.00

\$681,461.54

**Program Income Received**

\$0.00

\$261,335.58

**Total Funds Expended**

\$0.00

\$2,723,595.12

City of Tucson - El Portal Rental Program, managed by

\$0.00

\$0.00

City of Tucson1

\$0.00

\$2,723,595.12

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

Acquisition and rehabilitation of 17 foreclosed properties under the NSP for use as permanent rentals for client households that earn under 50% AMI.

These properties will be managed by the City of Tucson El Portal program. While still owned by the City of Tucson, an outside agency manages the homes. All new leases of these 17 homes will be to households below 50% AMI.

**Location Description:**

Tucson, Arizona

**Activity Progress Narrative:**



## Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	25/17

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	23/17
# of Multifamily Units	0	0/0
# of Singlefamily Units	0	23/17

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0	0

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	30/17	0/0	30/17	100.00
# Renter Households	0	0	0	30/17	0/0	30/17	100.00

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

**Project # / Title: 0006 / NSP Administration**

**Grantee Activity Number: 9123**

**Activity Title: NSP Administration**

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

0006

**Project Title:**

NSP Administration

**Projected Start Date:**

**Projected End Date:**



03/23/2009

04/15/2010

**Benefit Type:**

( )

**Completed Activity Actual End Date:**

**National Objective:**

N/A

**Responsible Organization:**

City of Tucson1

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2019</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,051,237.93
<b>Total Budget</b>	\$0.00	\$1,051,237.93
<b>Total Obligated</b>	\$0.00	\$1,003,221.55
<b>Total Funds Drawdown</b>	\$0.00	\$911,775.84
<b>Program Funds Drawdown</b>	\$0.00	\$493,327.84
<b>Program Income Drawdown</b>	\$0.00	\$418,448.00
<b>Program Income Received</b>	\$0.00	\$74,102.57
<b>Total Funds Expended</b>	\$0.00	\$914,195.86
City of Tucson1	\$0.00	\$914,195.86
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Administration of NSP for Tucson, Arizona

**Location Description:**

Tucson, Arizona.

**Activity Progress Narrative:**

**Accomplishments Performance Measures**

No Accomplishments Performance Measures

**Beneficiaries Performance Measures**

No Beneficiaries Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found



**Other Funding Sources**

**Amount**

No Other Funding Sources Found

Total Other Funding Sources

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