

Summary - City of Tucson Housing and Community Development Substantial Amendments to US Department of Housing and Urban Development Plans for CARES Act, American Recovery Plan Act, and Program Year 2022

Introduction

The City of Tucson Housing and Community Development Department is seeking public input on proposed amendments to three US Department of Housing and Urban Development (HUD) Action Plans:

1. Program Year 2019 CARES Act funding for the Community Development Block Grant (CDBG-CV) and Emergency Solutions Grant (ESG-CV) programs.
2. Program Year 2021 HOME American Rescue Plan Act (HOME-ARP) Allocation Plan.
3. Program Year 2022 Annual Action Plan.

These amendments are necessary to address continued increases in the number of individuals and families experiencing and a risk of homelessness, and to ensure the most appropriate sources of funds are used to address emerging conditions.

[Program Year 2019 CARES Act funding for the Community Development Block Grant \(CDBG\) and Emergency Solutions Grant \(ESG\) programs.](#)

HUD CDBG-CV and ESG-CV funds were made available to the City of Tucson through the Coronavirus Aid, Relief and Economic Security Act, also known as the CARES Act. The City of Tucson received CDBG-CV funding of \$8,220,364 and ESG-CV funding of \$7,230,715 to address economic and community changes resulting from the COVID-19 pandemic. Tucson Housing and Community Development (HCD) is proposing to revise several CDBG-CV and ESG-CV projects to address evolving economic and community conditions.

CDBG-CV funds will be redistributed from rental housing acquisition and rehabilitation and community facilities to human and public services and planning:

1. \$1,200,000 was allocated to rental housing acquisition and rehabilitation to benefit 15 households residing in a city-owned multi-family apartment. Other funds have since become available for this project, and funding will be reduced by \$1,015,035 to \$184,965. Funds will be redistributed to human and public services to benefit additional people in need of supportive services.
2. \$2,749,304 was allocated to Community facilities and improvements for the expansion of bridge housing to benefit 44 households. Acquisitions were made at a lower cost than anticipated and funding will be reduced by \$1,230,012 to \$1,519,292. Funds will be redistributed to human and public services and planning.

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3. \$2,918,346 was allocated to Human and Public services to benefit 2,000 people in need of supportive services. Funds will be increased by \$2,214,814 to \$5,233,160 to benefit 4,000 vulnerable individuals and families with a range of supportive services.
4. \$1,352,714 was allocated to program planning and administration. Funding is increased by \$30,233 to allow for an updated assessment of community homelessness needs and long-term homelessness prevention and response.

ESG-CV funds will be redistributed from rapid rehousing to street outreach, emergency shelter, homelessness prevention, and program administration:

1. \$2,500,000 was allocated to rapid rehousing (tenant-based rental assistance) to benefit 400 households. Rapid rehousing will be reduced by \$703,091 to \$1,796,909. ESG-CV must be expended by December 31, 2023 and record low rental unit vacancy rates and rising rental costs have made it increasingly difficult for individuals and families to locate and lease rental units. ESG-CV Rapid rehousing will benefit 150 households.
2. \$235,000 was allocated to street outreach and survival aids to benefit 150 people experiencing unsheltered homelessness. Street outreach will be increased by \$62,658 to \$297,658 benefiting an additional 40 individuals and families who are among the growing number of individuals and families experiencing unsheltered homelessness.
3. No funding was allocated to Homelessness Prevention. \$337,947 will be allocated to support housing retention for 20 households at imminent risk of homelessness.
4. Program administration will be increased by \$103,575 to offset the costs of distributing funds to and monitoring additional agencies delivering ESG-CV funded programs.

[Program Year 2021 HOME-ARP Allocation Plan.](#)

HOME-ARP funds were made available to the City of Tucson through the American Recovery Plan Act. The City of Tucson received HOME-ARP funding of \$12,770,187 for eligible activities to address the housing and services needs of HUD-defined qualifying populations. HCD is proposing to revise the distribution of funds among eligible funding categories to reflect an opportunity to address the identified need for additional non-congregate shelter.

1. \$1,000,000 was originally allocated to non-congregate shelter for construction of a shelter for individuals and families fleeing or attempting to flee domestic violence. Funding for non-congregate shelter will be increased by \$5,125,000 to \$6,125,000 to acquire and rehabilitate a hotel that was recently made available for acquisition.

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2. \$4,800,000 was originally allocated to supportive services for individuals and families in non-congregate shelter. Funding for supportive services will be reduced by \$3,300,000 to \$1,500,000 and redistributed to non-congregate shelter. The need for supportive services among HOME-ARP qualifying populations will be met through state, CDBG-CV, and other local, state and federal funding.
3. \$4,416,150 was originally allocated to rental housing development to construct or acquire and rehabilitate 25 units. Funding will be reduced by \$1,416,150 to \$3,000,000 and redistributed to non-congregate shelter. The need for rental housing among HOME-ARP qualifying populations will be met through leveraging of HOME-ARP funds with other state, local and federal resources to develop 20 units.
4. \$638,509 was originally allocated to nonprofit capacity building to support organizations needing additional staff to implement HOME-ARP rental housing and non-congregate shelter activities. Funds will be reduced by \$338,509 to \$300,000. Funds will be redistributed to non-congregate shelter.
5. \$1,915,528 was originally allocated to program administration. Funding will be reduced by \$70,341 to \$1,845,187 and redistributed to non-congregate shelter.

Program Year 2022 Annual Action Plan

The City of Tucson received an annual entitlement of \$5,406,671 of Community Development Block Grant (CDBG) funds. HCD is proposing to move \$486,600 from economic development to community facilities and improvements. The amendment will result in \$0.00 for economic development and \$1,784,201 for community facilities and improvements to benefit 10,000 people.

The City of Tucson also received an annual entitlement of \$481,867 of Emergency Solutions Grant (ESG) funds. HCD is proposing to move \$106,607 from homelessness prevention to rapid rehousing. The amendment will result in \$0.00 for ESG-funded homelessness prevention and \$156,607 for rapid rehousing to benefit an additional 15 households.