



2022 ANNUAL PLAN
CITY OF TUCSON HOUSING
AND COMMUNITY
DEVELOPMENT
2022 Annual Agency Plan

Si desea que se le explique este documento en español, llame al telefono (520)791-4739 o por email HCDAdmin@tucsonaz.gov



Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. The Form HUD-50075-ST is to be completed annually by **STANDARD PHAs or TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.																		
A.1	<p>PHA Name: <u>City of Tucson Housing and Community Development</u> PHA Code: <u>AZ004 & AZ033</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2022</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>1,505</u> Number of Housing Choice Vouchers (HCVs) <u>5,675</u> Total Combined Units/Vouchers <u>7,180</u> PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p>The proposed 2022-2023 Annual Agency Plan is available at the following location: https://www.tucsonaz.gov/housing-and-community-development as well as the office locations listed below:</p> <table border="1" data-bbox="180 1585 1440 1890"> <thead> <tr> <th>AMP Number</th> <th>Property Name</th> <th>Property Address</th> </tr> </thead> <tbody> <tr> <td>Administrative Office</td> <td>City of Tucson Housing and Community Development</td> <td>310 N Commerce Park Loop, Tucson, AZ 85745</td> </tr> <tr> <td>AZ004000048</td> <td>Tucson House</td> <td>1501 N Oracle Rd, Tucson, AZ 85705</td> </tr> <tr> <td>AZ004700120</td> <td>MLK</td> <td>55 N 5th Ave, Tucson, AZ 85701</td> </tr> <tr> <td>AZ004600113</td> <td>Craycroft Towers</td> <td>1635 N Craycroft Rd, Tucson, AZ 85712</td> </tr> <tr> <td>AZ004000051</td> <td>Posadas</td> <td>464 W. La Paz St., Unit # 01 Tucson, AZ 85701</td> </tr> </tbody> </table>	AMP Number	Property Name	Property Address	Administrative Office	City of Tucson Housing and Community Development	310 N Commerce Park Loop, Tucson, AZ 85745	AZ004000048	Tucson House	1501 N Oracle Rd, Tucson, AZ 85705	AZ004700120	MLK	55 N 5 th Ave, Tucson, AZ 85701	AZ004600113	Craycroft Towers	1635 N Craycroft Rd, Tucson, AZ 85712	AZ004000051	Posadas	464 W. La Paz St., Unit # 01 Tucson, AZ 85701
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<input checked="" type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)					
Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA: City of Tucson Housing & Community Development	AZ004	Housing Choice Voucher	Public Housing	1,505	4,798
Pima County Community Services	AZ033	Housing Choice Voucher			877

B. Plan Elements

B.1 Revision of Existing PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA?

Y N

- Statement of Housing Needs and Strategy for Addressing Housing Needs
- Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- Financial Resources.
- Rent Determination.
- Operation and Management.
- Grievance Procedures.
- Homeownership Programs.
- Community Service and Self-Sufficiency Programs.
- Safety and Crime Prevention.
- Pet Policy.
- Asset Management.
- Substantial Deviation.
- Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

See Attachment B.1 (b)

(c) The PHA must submit its Deconcentration Policy for Field Office review.

See Attachment B.1 (c)

B.2 New Activities.

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

- Hope VI or Choice Neighborhoods.
- Mixed Finance Modernization or Development.
- Demolition and/or Disposition.
- Designated Housing for Elderly and/or Disabled Families.
- Conversion of Public Housing to Tenant-Based Assistance.
- Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.
- Occupancy by Over-Income Families.
- Occupancy by Police Officers.
- Non-Smoking Policies.
- Project-Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan.

See Attachment B.1 (b)

B.3	Progress Report. Provide a description of the PHA’s progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan. See Attachment B.3
B.4	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved. See Attachment B.4
B.5	Most Recent Fiscal Year Audit. (a) Were there any findings in the most recent FY Audit? Y N <input checked="" type="checkbox"/> <input type="checkbox"/> (b) If yes, please describe: The finding was related to a subaward grant agreement listing an incorrect Assistance Listing Number with the subrecipient who received City’s local Coronavirus Relief Funding.
C. Other Document and/or Certification Requirements.	
C.1	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) have comments to the PHA Plan? Y N <input type="checkbox"/> <input type="checkbox"/> (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations. Comments are not available at this date for the Draft version. However, will be added prior to going to Board of Commissioners on April 4, 2022.
C.2	Certification by State or Local Officials. Form HUD 50077-SL , <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.3	Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. <i>Form HUD-50077-ST-HCV-HP, PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
C.4	Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public. (a) Did the public challenge any elements of the Plan? Y N <input type="checkbox"/> <input checked="" type="checkbox"/> If yes, include Challenged Elements.

C.5	<p>Troubled PHA.</p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>						
D.	Affirmatively Furthering Fair Housing (AFFH).						
D.1	<p>Affirmatively Furthering Fair Housing (AFFH).</p> <p>Provide a statement of the PHA’s strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p> <p>See Attachment D</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; padding: 5px;">Fair Housing Goal:</td> <td style="border: 1px solid black; height: 20px;"></td> </tr> <tr> <td style="padding: 5px;">Fair Housing Goal:</td> <td style="border: 1px solid black; height: 20px;"></td> </tr> <tr> <td style="padding: 5px;">Fair Housing Goal:</td> <td style="border: 1px solid black; height: 20px;"></td> </tr> </table>	Fair Housing Goal:		Fair Housing Goal:		Fair Housing Goal:	
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Attachment B.1 (b) - Revision of Existing PHA Plan Elements

Statement of Housing Needs and Strategy for Addressing Housing Needs

Over the past several years, the cost of housing has risen dramatically in Tucson and throughout the Pima County region. Since 2017, median rent in Tucson rose 40% and today is over \$1,200. Typical home values have increased at an even greater pace, from \$176,199 in 2017 to over \$287,000 this year. Household incomes are not keeping up with the rising costs of housing and the global COVID-19 pandemic has further exacerbated existing socioeconomic disparities. On the ground in Tucson, this can look like rising eviction rates, landlords refusing to accept Housing Choice Vouchers (Section 8), and a lack of resources communitywide to meet the demand for affordable housing units. Over 75,000 Tucson households pay too much of their income on housing.

Housing Needs

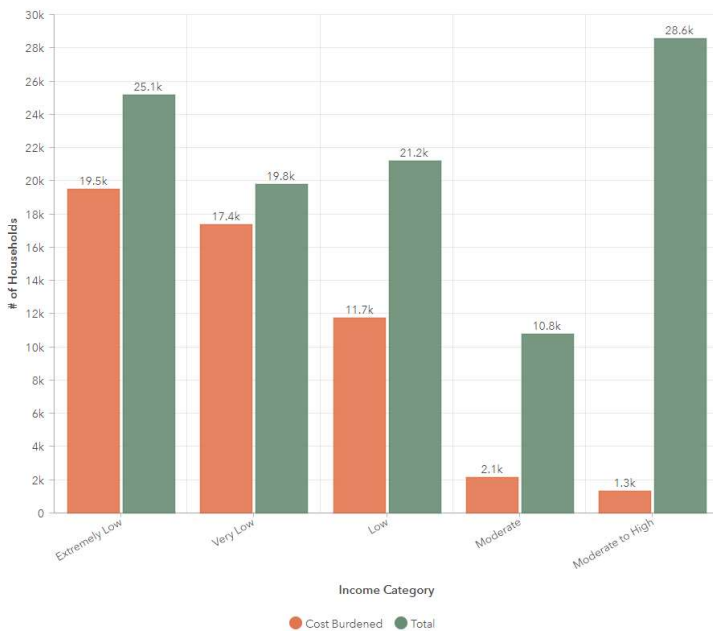
Included below under Data Information are key conclusions that demonstrate the housing needs of low-income and extremely low-income families which includes income levels, elderly families and families with disabilities, and households of various races and ethnic groups residing in Tucson and Pima County. Tucson has conducted significant research to best understand the housing needs.

Strategy for Addressing Housing Needs

In 2021, Tucson Mayor and Council directed the Department of Housing and Community Development (HCD) to develop a comprehensive affordable housing strategic plan with an emphasis on actionable goals. This Housing Affordability Strategy for Tucson (HAST) is focused on specific actions and strategies the City will take to addressing the housing needs. The link to view the HAST Plan can be found at: <https://housingaffordability.tucsonaz.gov/>

Data Information

Renter Households
Number of Cost-Burdened Renter Households vs. Total Households by Area Median Income (AMI) Category



TUCSON AT A GLANCE

Race and Ethnicity

- 15.3%**
Percent born outside the US
- 33.5%**
speak a language other than English at Home
- 43.6%**
Percent Hispanic or Latino
- 43.9%**
Percent White, non-hispanic

Source: 2019 5-Year American Community Survey (ACS) Estimates

Population by Race and Ethnicity

In Tucson



* Race alone or in combination with one or more races

Source: ACS, 2015-2019



Aging in Place

Tucson and many other cities in the country are experiencing a shift in demographics, resulting in an increasingly older population. Nationwide, 20% of all people are 60 years of age or older. In Pima County, just under 25% of our population is 60 years or older, slightly higher than the national average. Housing to allow older adults to age in place must take into account unique challenges related to low fixed incomes, limited mobility, and access to healthcare.

Between 2010 and 2015, the general population of the City of Tucson grew by **1.59%**, while the population of those 60 and older grew by **12.43%**.⁷⁸

- Almost 26% of older adult households in the Tucson metropolitan area, about 31,000 households, are at or below 50% median income for two people (\$24,250 or less).
- In a 2016 needs assessment survey, Pima Council on Aging found that the ability to live independently and age in place ranked as the second highest concern among those asked. It was expressed as a concern by 65% of the survey respondents.⁷⁹
- In a 2018 survey of adults age 50 and over, conducted by AARP, a majority of respondents expected to stay in their home or community as they get older. Older adults are more likely to own their homes, however 22% of respondents indicated that their home needs major repairs or modifications to enable them to remain in the home as long as possible.⁸⁰
- According to 2015 HUD data, of the 143,032 households in Pima County with at least one person over age 62, 58,002 are low-to-moderate income (LMI). Among those households, 43,119 or 74% are housing cost burdened, including 18,848 renters and 25,721 owners. Single-person LMI renters over the age of 62 are the most likely to be cost burdened or severely cost burdened and are in need of affordable rental units.⁸¹

Housing & Neighborhood Opportunity

Because the factors that contribute to opportunity are largely place-based, housing is a critical intervention point for increasing access to opportunity. Because housing is often the number one expense for families, affordable rental housing and affordable homeownership are important indicators of housing affordability. Vacant housing tends to bring down the value of surrounding homes, and neighborhoods with high rates of vacancy often have higher crime rates⁸². Figure 4 displays housing and neighborhood opportunity levels for the Tucson metro area. The metrics included in this analysis are: housing vacancy rates, median home value, rental affordability, public housing frequency, and Community Development Block Grant investments.

This map shows that Downtown Tucson and the University of Arizona neighborhoods have high housing opportunity. Apart from those areas, the remainder of Tucson's urban core tends towards low housing opportunity. Housing opportunity in the northern suburbs of the metro area, the Catalina Foothills, is high, as is housing opportunity to the far west of the city. The corridors along I-10 and I-19 have mostly low housing opportunity, with the exception of downtown and the neighborhoods just west of the I-10/I-19 interchange.

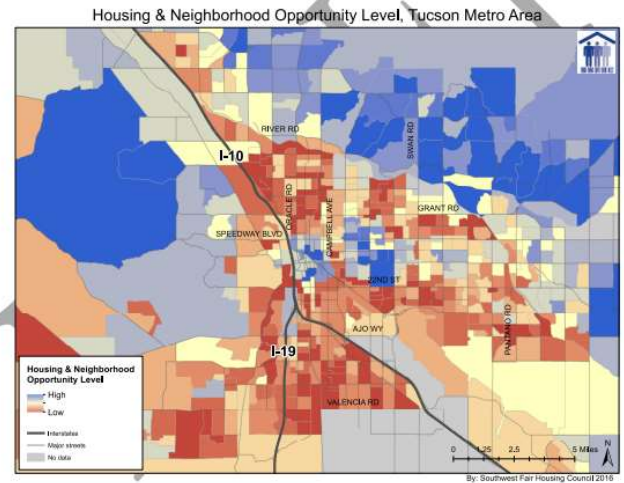


Figure 4. Housing & Neighborhood Opportunity, Tucson Metro Area

Sources for data information:

- <https://www.tucsonaz.gov/files/hcd/P-CHIP/P-CHIP.pdf>
- https://www.tucsonaz.gov/files/hcd/HAST_Plan_Document.pdf
- <http://swfhc.com/research-and-reports>

Financial Resources

Sources	Amount	Use
Federal Grants		
Public Housing Operating Subsidy	\$1,963,824	PH Operations
Public Housing Capital Fund Program	\$2,546,086	PH Capital Fund Improvement
Housing Choice Voucher Tenant Based Assistance (HAP)	\$41,291,724	HCV-HAP
Housing Choice Voucher Tenant Based Admin Fee	\$4,065,840	HCV-Program Operations
Ross Grant	\$394,259	HCV-PH FSS Coordinators
Prior Year Federal Grants (Unobligated Funds Only)		
Public Housing Capital Fund 2019	\$557,273	PH Capital Improvements
Public Housing Capital Fund 2020	\$1,554,249	PH Capital Improvements
Public Housing Capital Fund 2021	\$1,577,241	PH Capital Improvements
Other Sources		
PH Dwelling Rental Income	\$3,586,792	PH Operations
Public Housing Other Tenant Charges & Misc Income	\$131,855	PH Operations
Non-ACC Rental Income	\$1,891,366	Affordable Housing
HOME	\$50,851	HCV-Rental Assistance, Security and Utility Deposits
CDBG	\$1,273,970	PH Capital Improvement-Tucson House Elevators

Rent Determination

Public Housing Flat Rents

A study was conducted to evaluate flat rents for HCD's Public Housing Program. The Board of Commissioners approved it in December 2021 with direction for HCD to file an exemption to increase the flat rents due to the rental market conditions and challenges that the residents are facing with stagnant wages and COVID impacts.

Minimum Rents

Minimum rents have been eliminated as of the 2020 HCV Administrative Plan and this will continue into the next fiscal year.

Payment Standards

Over the past three years (2019 – Sept. 2021), estimates suggest that incomes in Tucson increased by almost 4% whereas median rent has increased by over 25%.

City of Tucson's Housing and Community Development (HCD) Public Housing Authority conducted a rental market study and updated the payment standards effective November 1, 2021. The payment standards were increased to 110% of the HUD published Fair Market Rents. HCD plans to submit a waiver to increase payment standards to 120% due to the difficulties that HCV participants are experiencing in the current rental market.

Percent Change in Income, Median Rent, and Typical Home Value from 2019 to 2021

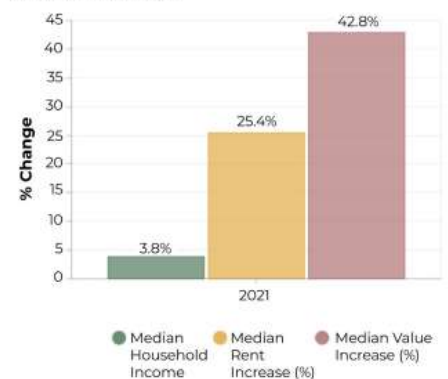


Figure 2.13: Percent Change in Income, Median Rent, and Typical Home Value from 2019 and 2021 (Source: Esri 2021 Median Income Estimates; Estimated Rent: Apartment List; Zillow Estimated Home Value)

Operations and Management

City of Tucson's Housing and Community Development (HCD) has a continual improvement approach to operations and management with focus on providing excellent customer service and ensuring compliance with applicable HUD Federal Regulations and PHA policies.

HCD Rules, Standards and Policies

- How we handle office hours, maintenance and work orders.
 - Description of prevention/eradication of pest infestation
 - Rules, standards and policies in PH regarding management and maintenance
- Designated Housing Plan Landers, MLK and Silverbell (Tucson House?)
- Connect Homes
- Collaborations (Compass, ASU)

HCD's Management Team for the PHA includes the

- Director, Deputy Director, Administrator, Finance Manager, Compliance Manager that oversees Capital Improvement Program and Section 3, one Program Manager for Public Housing and two Housing Program Managers for HCV.
- HCD currently has vacancy for the Housing Administrator that oversees both Public Housing and HCV Programs, which recruitment is underway.
- A new position, Housing Development Manager, has been filled. This new position will assist the Administrator with Asset Repositioning plans which include conversion to RAD.
- HCD is also in process of adding an Asset Housing Manager to assist in the oversight of maintenance and capital projects in Public Housing.

HCD Programs include:

- Public Housing
- HCV Program
- VASH Program
- FUP Program
- Mainstream
- EHV – Emergency Housing Voucher
- Section 202

Community Service and Self Sufficiency Programs

Community Services requirement is currently on pause for Public Housing residents.

Safety and Crime Prevention Grant

The PHA routinely works with the Tucson Police Department to respond to concerns related to resident safety and crime. In particular, at the Tucson House, PHA property management staff meets regularly with division officers and leadership to review trends in calls for service and crime reports. This work is also supported by a Community-Based Crime Reduction Grant from the U.S. Department of Justice to the Arizona State University Office of Community Health, Engagement, and Resiliency.

Attachment B.1 (c) - Deconcentration Policy

Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2]

The PHA's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of the PHA's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

The PHA's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c)(5)].

Developments subject to the deconcentration requirement are referred to as 'covered developments' and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements: developments operated by a PHA with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by a PHA with only one general occupancy development; developments approved for demolition or for conversion to tenant-based public housing; and developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)].

Steps for Implementation [24 CFR 903.2(c)(1)]

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, the PHA must comply with the following steps:

Step 1. The PHA must determine the average income of all families residing in all the PHA's covered developments. The PHA may use the median income, instead of average income, provided that the PHA includes a written explanation in its annual plan justifying the use of median income.

PHA POLICY

The PHA will determine the average income of all families in all covered developments on an annual basis.

Step 2. The PHA must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In determining average income for each development, the PHA has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.

PHA POLICY

The PHA will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.

Step 3. The PHA must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1. However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (30% of median income).

Step 4. The PHA with covered developments having average incomes outside the EIR must then determine whether or not these developments are consistent with its local goals and annual plan.

Step 5. Where the income profile for a covered development is not explained or justified in the annual plan submission, the PHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

Depending on local circumstances the PHA's deconcentration policy may include, but is not limited to the following:

- Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities
- Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments
- Establishing a preference for admission of working families in developments below the EIR
- Skipping a family on the waiting list to reach another family to further the goals of deconcentration
- Providing other strategies permitted by statute and determined by the PHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and PHA strategic objectives

A family has the sole discretion whether to accept an offer of a unit made under the PHA's deconcentration policy. The PHA must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under the PHA's deconcentration policy [24 CFR 903.2(c)(4)].

If, at annual review, the average incomes at all general occupancy developments are within the EIR, the PHA will be considered to be in compliance with the deconcentration requirement and no further action is required.

PHA POLICY

For developments outside the EIR the PHA will take the following actions to provide for deconcentration of poverty and income mixing:

- *Policy does not exist at this time but based on site-based waiting list implementation and its impact on PHA's public housing developments, it may be required in the future.*

Order of Selection [24 CFR 960.206(e)]

The PHA system of preferences may select families either according to the date and time of application or by a random selection process.

PHA POLICY

Families will be selected from the waiting list based on preference. Among applicants with the same preference, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by the PHA.

When selecting applicants from the waiting list the PHA will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. The PHA will offer the unit to the highest-ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status.

Factors such as deconcentration or income mixing, and income targeting will also be considered in accordance with HUD requirements and PHA POLICY.

12-IV.E. DECONCENTRATION

PHA Policy for this deconcentration is associated with the transfer policy for the PHA program:

If subject to deconcentration requirements, the PHA will consider its deconcentration goals when transfer units are offered. When feasible, families above the Established Income Range will be offered a unit in a development that is below the Established Income Range, and vice versa, to achieve the PHA's deconcentration goals. A deconcentration offer will be considered a "bonus" offer; that is, if a resident refuses a deconcentration offer, the resident will receive one additional transfer offer.

Attachment B.2 (b)– New Activities

Hope VI or Choice Neighborhoods

The City of Tucson was awarded the Choice Neighborhood Planning Grant in 2018 and recently completed a competitive selection process for a co-developer partner to redevelop Tucson House. In the next fiscal year, the City of Tucson will work with the co-developer to create a phased plan for financing, construction, relocation, and replacement units. The agency will assess the feasibility of a successful Implementation Grant application during the next fiscal year to address the needs of the Tucson House (408 units) and the surrounding area.

The agency anticipates approval of the Choice Neighborhoods Transformation Plan in February or March 2022 by HUD. The plan details a vision for redeveloping Tucson House along with goals and strategies to improve neighborhood infrastructure, services, and economic development in the surrounding neighborhood. Action Activities approved through the Planning Grant will be implemented and installed in the next fiscal year.

Mixed Finance Modernization or Development

The City of Tucson's Housing and Community Development (HCD) will be developing a plan for mixed finance modernization or development as a result of the recent Physical Needs Assessment that was completed in 2021 and the HUD Technical Assistance that was given to develop an Asset Repositioning Plan. The timetable to have an approved plan by the Board of Commissioners will be no later than June 30, 2023.

Demolition and/or Disposition

The City of Tucson's Housing and Community Development (HCD) will be considering demolition and/or disposition as a result of the recent Physical Needs Assessment that was completed in 2021 and the HUD Technical Assistance that was received to develop an Asset Repositioning Plan. The timetable to have an approved plan by the Board of Commissioners will be no later than June 30, 2023.

Designated Housing for Elderly and/or Disabled Families –

The City of Tucson will work to complete the Designated Housing Plan for the Landers Garden (AZ004100115), MLK (AZ004700120) and Silverbell Homes (AZ004000065). The agency will continue investigate the feasibility of implementation of a designated housing plan for Tucson House since it is currently under the Choice Planning grant with the expectation to submit for the Choice Implementation grant.

Conversion of Public Housing to Tenant-Based Assistance

The City of Tucson's Housing and Community Development (HCD) will be considering conversion of Public Housing to Tenant Based Assistance as a result of the recent Physical Needs Assessment that was completed in 2021 and HUD Technical Assistance that was received to develop an Asset Repositioning Plan. The timetable to have an approved plan by the Board of Commissioners will be no later than June 30, 2023.

Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.

The City of Tucson's Housing and Community Development (HCD) will be considering conversion of Public Housing to PBRA or PBV under RAD as a result of the recent Physical Needs Assessment that was completed in 2021 and HUD Technical Assistance that was received to develop an Asset Repositioning Plan. The timetable to have an approved plan by the Board of Commissioners will be no later than June 30, 2023.

Project-Based Vouchers (PBV)

The City of Tucson and Pima County will continue to use PBV for new developments to expand housing options. HCD will utilize either a Request for Proposal process or assign PBV for development projects that were successful in a competitive process which could include Low Income Housing Tax Credit/Bond projects or HOME Program.

Anticipated new PBV awards:

- City of Tucson PHA to award up to 100 PBVs to be utilized in Tucson metro area for new developments.
- Pima County to award up to 50 PBV vouchers to be utilized in Pima County jurisdiction.

The following projects have been awarded PBV since July 1, 2021.

- Alborada
 - Alborada Balboa – HAP Contract 11 units
 - Alborada Grant – HAP Contract 6 units
 - Alborada Oracle – HAP Contract 14 units
- Center for Hope – AHAP Contract 60 units
- Curley School Apartments – Conditional Award 7 units
- Newport at Amphi – HAP contract Contract 10 units
- Newport at Rodeo - AHAP Contract 19 units
- Talavera – AHAP Contract 25 units

Units with Approved Vacancies for Modernization

The City of Tucson has a total of 5 units under modernization: AZ004000048 (1 unit – ceiling damaged due to main water line repair), AZ004300110 (3 units – all are being converted to UFAS units) and the unit under AZ004400111 – modernization casualty loss (1 unit – resident fire damage casualty loss). The PHA will continue unit upgrades associated with cabinets, roofing, and other modernization efforts to improve unit conditions.

Other Capital Grant Program

The City of Tucson will continue to explore opportunities to apply for Emergency Safety and Security Grants.

Attachment B.3 – Progress Report

The City of Tucson Housing and Community Development (HCD) has made progress in the 5-year and Annual Agency Plan's Mission and Goals.

Increase Affordable Housing Availability:

- The City of Tucson utilized Cares Act and American Rescue Funds
 - Deposits for participants to increase the number of landlords
 - Eviction Prevention
 - Landlord Incentive Program
- Decrease homelessness
 - HPP vouchers from 598 to 1,000. The increase allowed the City of Tucson/Pima County to house more homeless persons during the pandemic to reduce the spread
 - Housing Navigators
- The vacancy rate for units has decreased to 3% for the fiscal year and the Public Housing program continue to turn units timely to house families
- The Project Based Voucher Program for both Tucson and Pima County is a great program in increasing housing affordability. We had four projects, 41 units, open and lease up since July 2021. Three projects entered into AHAP contracts and one conditional award which will bring an additional 111 units to Tucson and Pima County communities.

Create Administrative Efficiency and Improving Customer Service

- The PHA continues to review the effectiveness of the software and completed an upgrade that will allow for the following: (1) online recertifications; online work orders and procurement modular.
- With the software upgrade the City of Tucson will open the City of Tucson and Pima County HCV waitlist and certain AMPs for Public Housing before December 31, 2022.

Improve Quality of Assisted Housing

- The City of Tucson use of housing navigators has demonstrated to be much needed assistance to HCV voucher holders that have been on vouchers for an extended period of time or are hard to house as a result of the difficulty to secure units in the Tucson/Pima County jurisdiction. As a result, the Navigators assisted 63 people between 10/1/2021 and 1/26/2022 with 31 households exiting to permanent and supportive housing destinations.
- A temporary navigator was assigned to the landlord support team to assist HCV voucher holders in obtaining permanent housing utilizing their voucher.

- The PHA received the Physical Needs Assessment and Energy Audit by AEI Consultants, on the Public Housing Portfolio. It was determined that HCD's capital needs over the next 20 years is estimated to be \$16 million. Based on this information, HCD will present to the Board of Commissioners a plan on addressing the capital needs and/or plans to convert to other HUD and mixed finance tools that will improve the housing stock.
- Modernization and Renovation efforts did not move forward based on the virus and limited staffing available based on the virus. However, this will be a priority in the next year.
- Added a Supervisor for Housing Quality Standards Team and two new inspectors to provide more timely inspections and ensure units are safe and decent for program participants.

Promote Self-Sufficiency

- The City of Tucson is a current recipient of a National League of Cities Equitable Economic Mobility Initiative grant. The City is using the opportunity to design, implement, and coordinate financial wellness and economic stability programming at Tucson House.
- As a ConnectHomeUSA participant through HUD, the PHA is coordinating increased access to affordable internet service, devices, and digital literacy training among public housing residents, including a partnership with the Pima County Public Library to provide a customized curriculum for those who received a free tablet with T-Mobile service.
- Case management and health screening/referral services are being offered to Tucson House residents by two partner agencies: Compass Affordable Housing and the Arizona State University Office of Community Health, Engagement, and Resiliency (ASU OCHER).

Attachment B.4 – Capital Improvements

See Capital Fund 5 Year Action Plan in EPIC approved by HUD on 04/23/2021

Attachment D – Affirmatively Furthering Fair Housing.

City of Tucson Housing and Community Development (HCD) requirement to submit an AFH was suspended in 2018. As outlined in CFR 903.15 (2), the PHA is committed to affirmatively furthering fair housing as follows:

- Ensuring policies are designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. Any affirmative steps or incentives a PHA plans will be stated in the admission policy.
- PHA policies will include affirmative steps to overcome the effects of discrimination and the effects of conditions that resulted in limiting participation of persons because of their race, national origin, disability, or other protected class.
 - Such affirmative steps may include, but are not limited to, marketing efforts, use of nondiscriminatory tenant selection and assignment policies that lead to desegregation, additional applicant consultation and information, provision of additional supportive services and amenities to a development (such as supportive services that enable an individual with a disability to transfer from an institutional setting into the community), and engagement in ongoing coordination with state and local disability agencies to provide additional community-based housing opportunities for individuals with disabilities and to connect such individuals with supportive services to enable an individual with a disability to transfer from an institutional setting into the community.

In addition, HCD completed the Analysis of Impediments in 2020 which outlined both the impediments and actionable goals to address those impediments and is applicable to this item. Attached is a summary of the Impediment and corresponding Action Plan that will be carried out by HCD to ensure fair housing for all residents of the City of Tucson.