



## **BOARD OF SUPERVISORS AGENDA ITEM SUMMARY**

*Requested Board Meeting Date: November 18, 2014*

### **ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:**

*Resolution of the Pima County Board of Supervisors supporting the City of Tucson application for a federal Promise Zone Designation and Committing County's efforts to further the purposes of the designation.*

**CONTRACT NUMBER (If applicable):**

### **STAFF RECOMMENDATION(S):**

*Staff recommends approval by the Board of Supervisors*

**CORPORATE HEADQUARTERS:** Tucson, Arizona

**CLERK OF BOARD USE ONLY: BOS MTG. November 18, 2014**

**ITEM NO.** \_\_\_\_\_

**PIMA COUNTY COST:** 0.00 **and/or REVENUE TO PIMA COUNTY:\$** 0.00

**FUNDING SOURCE(S):** n/a

(i.e. General Fund, State Grant Fund, Federal Fund, Stadium D. Fund, etc.)

**Advertised Public Hearing:**

		YES	X	NO
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**Board of Supervisors District:**

1		2		3		4		5		All	X
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**IMPACT:**

**IF APPROVED:**

County shall authorize the execution of the Resolution of the Pima County Board of Supervisors supporting the City of Tucson application for a federal Promise Zone Designation and Committing County's efforts to further the purposes of the designation.

**IF DENIED:**

County shall not authorize the execution of the Resolution of the Pima County Board of Supervisors the City of Tucson application for a federal Promise Zone Designation and Committing County's efforts to further the purposes of the designation.

**DEPARTMENT NAME:** Community Development and Neighborhood Conservation

**CONTACT PERSON:** Betty Villegas **TELEPHONE NO.:** 724-2461

*Call  
Martha Martin,  
to pick up executed Reso. and Letter to U.S. Dept. of  
H.U.D.  
724-2463.*




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# MEMORANDUM

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Date: November 18, 2014

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry  
County Administrator 

Re: Promise Zone Resolution

Promise Zones are a new federal community revitalization initiative. They are comparable to a previous initiative called Empowerment Zones, authorization for which has expired and not been renewed. These initiatives identify specific, high-poverty geographic areas that need revitalization, and then concentrate both federal and local resources on revitalizing that area for a period of ten years. Pima/Tucson/South Tucson had a designated Empowerment Zone, which was the only one in Arizona. Projects in the EZ were eligible for priority points in certain Federal grant competitions, and businesses in the Zone were eligible for federal tax incentives for hiring that other Arizona communities could not offer. A map of the proposed new Promise Zone is attached.

In January 2014 the White House designated Promise Zones in five communities. In September it initiated a second application process for additional rural, metro and tribal designations. This is a very quick turnaround process with the application deadline on November 21, 2014. Staff from several departments has been working the Cities of Tucson and South Tucson on a joint metro-area application with the City of Tucson serving as the lead applicant. The areas included in the Promise Zone must be contiguous and have an overall poverty rate of 33% or more and a population between 10,000 and 200,000.

Participating federal agencies include Housing and Urban Development, Small Business Administration, the Departments of Justice, Labor, Health and Human Services, Agriculture, Commerce and Education, and Corporation for National and Community Service. Primary benefits at this point are: access to federal program staff in 10 different agencies; 5 full-time AmeriCorps VISTA volunteers; bonus points in certain competitive grant applications; bonus points toward Low Income Housing Tax Credit (LIHTC) Applications; increased cooperation by and among units of local government, nonprofits, for-profits and philanthropic groups and any others interested in, supportive of and working toward Pima County revitalization efforts. No tax incentives or specific grant dollars are assigned at this time, but may be legislated later.

A letter of support and a Resolution are required from Pima County to demonstrate Board authorization to participate in the applicant consortium and commitment to the Promise Zone effort.

Attachment: Promise Zone Map

c: Hank Atha, Deputy County Administrator for Community and Economic Development  
Jan Leshner, Deputy County Administrator for Medical and Health Services  
John Bernal, Deputy County Administrator for Public Works

## Project Map Snapshot for 4409606-1



**RESOLUTION NO. 2014 - \_\_\_\_\_**

**PIMA COUNTY RESOLUTION SUPPORTING THE CITY OF TUCSON'S  
APPLICATION FOR A FEDERAL PROMISE ZONE DESIGNATION  
AND COMMITTING COUNTY'S EFFORTS  
TO FURTHER THE PURPOSES OF THE DESIGNATION**

**The Board of Supervisors of Pima County, Arizona finds:**

1. The United States Department of Housing and Urban Development ("HUD") and United States Department of Agriculture ("USDA") launched the second round of the Promise Zone competition on September 9, 2014.
2. The City of Tucson is the lead applicant for the Promise Zone designation for the contiguous geographic area roughly bordered by Ruthrauff Road on the north, Sahuarita Road on the south, Wilmot Road on the East and almost to Interstate 19 on the West ("the Promise Zone").
3. Pima County supports the Promise Zone designation for this area.
4. The population of the Promise Zone is under 200,000 and meets the qualifying criteria with:
  - a. An overall poverty rate above 33 percent;
  - b. High unemployment; and
  - c. Long-term vacancy rates.
5. Neighborhood revitalization activities in the Promise Zone, for which federal grants may be available, must focus on:
  - a. Job creation and job training;
  - b. Increased economic activity;
  - c. Improved educational opportunities and support services; and
  - d. Reduction of violent crime.
6. The benefits of a Promise Zone designation are:
  - a. Preferential reviews of grant applications;
  - b. Technical assistance from many different agencies;
  - c. VISTA volunteers in the community;
  - d. Extra points in certain grant competitions; and
  - e. Increased leverage from private, public and philanthropic partners.
7. Once designated, the Promise Zone will require a ten year commitment from Pima County and the City of Tucson to further the revitalization of the designated area.

8. No federal funds are guaranteed with a Promise Zone Designation.
9. The use of Pima County resources, to the extent possible, in order to implement neighborhood revitalization efforts for the benefit of economically and socially disadvantaged persons and communities in the Promise Zone is in the interests of the citizens of Pima County.

**NOW, THEREFORE, BE IT RESOLVED**, that Pima County supports the application seeking a Promise Zone Designation for the contiguous geographic area roughly bordered by Ruthrauff Road on the north, Sahuarita Road on the south, Wilmot Road on the East and almost to Interstate 19 on the West.

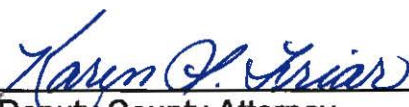
Passed and adopted, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Chair, Pima County Board of Supervisor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of the Board

  
\_\_\_\_\_  
Deputy County Attorney



## COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER  
130 W. CONGRESS, FLOOR 10, TUCSON, AZ 85701-1317  
(520) 724-8661 FAX (520) 724-8171

C.H. HUCKELBERRY  
County Administrator

November 18, 2014

U.S. Department of Housing and Urban Development  
451 7<sup>th</sup> Street S.W.  
Washington, DC 20410

To Whom It May Concern:

Pima County, Arizona is committed to coordinating work and investments in the Promise Zone. Coordination of work will include participation in Promise Zone partner meetings, reports describing activities and outcomes, collaborative applications for future funding with Promise Zone partners, and engagement of local residents and agencies in the planning, design and implementation of Promise Zone activities. There are five main areas of county governance: Community Resources; Justice and Law Enforcement; Health Services; Public Works and General Government Services.

The Board of Supervisors as the governing body of the County may authorize expenditures from local revenues so long as they don't exceed the expenditure limitation determined annually for Pima County by the Arizona Economics Estimates Commission. In addition, they may authorize the use of other funding sources such as bond proceeds, federal grant and aid funds and state grants which are to be used for specific purposes which may provide additional opportunities for the County to support Promise Zone Initiatives.

Local and locally-controlled state and federal funds that may be committed to Promise Zone activities each year may include the following:

*Employment & Training: Primarily federal government revenue.* For resources controlled by the County as prime grantee under the Workforce Investment Act of 1998. Also includes Youth Career Connect Grant, Pima Vocational High School and many other grants.

*Community Action Agency: Primarily federal government revenue.* To provide assistance with basic needs for low-income households.

*Library District: Secondary property tax revenue.* For management and operation of the Pima County Free Library District.

Health: Federal and state grants; private donations. For conservation and improvement of public health.  
*Capital Projects Fund: General Obligation Bond Sale Proceeds.* For the acquisition, rehabilitation and, or construction of affordable housing and neighborhood parks.

Capital Projects Fund: *General Obligation Bond Sale Proceeds. For neighborhood reinvestment and affordable housing.*

Locally-controlled Federal Funds

These sources and amounts represent funds committed under the most current Annual Plan submitted to the US Department of Housing and Urban Development. The amount of funds to be allocated for Promise Zone activities will be decided annually by the Board of Supervisors based on the respective grant program guidelines and recommendations of the respective departments.

<i>Community Development Block Grant</i>	<i>\$2,498,848</i>
<i>HOME (through agreement with City of Tucson)</i>	<i>\$ 624,836</i>
<i>Weatherization</i>	<i>\$ 289,065</i>
<i>Brownsfields (Proposed)</i>	<i>\$ 220,000</i>
<i>USDA Housing Pres. (Proposed)</i>	<i>\$ 27,500</i>
<i>HOME Program Income</i>	<i>\$ 20,000</i>
<i>NSP1 Program Income</i>	<i>\$ 45,000</i>
<i>NSP2 Program Income</i>	<i>\$1,000,000</i>

Pima County allocates federal funds through an annual process of community planning, input and review. Recommended projects are submitted to the Pima County Board of Supervisor for approval. Promise Zone Initiatives will receive support from the Pima County Board of Supervisors. Pima County will align future funding to support the Promise Zone plan. Alignment will include grant seeking and grant funding to Promise Zone activities, and encouraging private and nonprofit investors and service providers to deliver services or otherwise invest in Promise Zone activities.

Sincerely,



C. H. Huckelberry  
County Administrator

CHH/mjk