



BOARD OF SUPERVISORS AGENDA ITEM REPORT (BOSAIR)

All fields are required. Enter N/A if not applicable. For number fields, enter 0 if not applicable.

Award Type: Agenda Item

Is a Board Meeting Date Requested? Yes

Requested Board Meeting Date: 02/17/2026

Project Title / Description: FY 25/26 Pima County Gap Funding for Affordable Housing Development and Preservation

Agenda Item Report

Introduction / Background: Community and Workforce Development (CWD) issued the solicitation for Pima County Gap Funding for Affordable Housing Development and Preservation (RFP-CWD-2025-1001) at the direction of the Regional Affordable Housing Commission on October 1, 2025. The Commission dedicated \$5 million of the Affordable Housing Fund for the development and preservation of affordable housing units in Pima County.

Discussion: CWD received 18 proposals representing all funding categories (New Development Rental, New Development Homeownership, Renovation/Preservation, and Bridge/Transitional Housing). The evaluation panel consisted of a non-conflicted member of the commission and staff from Pima County Development Services Department and CWD. The Commission met and endorsed panel recommendations on January 16, 2026. CWD issued the Notice of Recommendation for Award the same date to the following projects:

1. Tohono O'odham Nation Housing Authority, San Isidro Subdivision, \$500,000.00
2. El Pueblo Housing Development, Main and Davis, \$500,000.00
3. COPE Community Services, Shasta Apartments, \$1,000,000.00
4. El Pueblo Housing Development, Stone and Speedway, \$500,000.00
5. Mercy Housing Mountain Plains, Limberlost Family Flats, \$500,000.00
6. Spire Development Inc., Drexel Commons, \$500,000.00
7. El Pueblo Housing Development, Craycroft Towers and Lee Street Duplexes, \$500,000.00
8. Old Pueblo Community Services, OPCS Veteran Center, \$500,000.00
9. Habitat for Humanity, Mountain View Development, \$500,000.00

Conclusion: All projects recommended for award met RFP thresholds, ensure housing affordability for 30 years for households earning at or below 80% Area Median Income, provides 527 units of affordable housing, and leverages local dollars to private and other government dollars to increase the housing supply.

Recommendation: Staff recommend the acceptance of the recommendations as awarded withing each

FEB 03 26 PM 02:15 PC CLK OF BR 26

category.

Fiscal Impact: No unbudgeted fiscal impact.

Support of Prosperity Initiative: 3. Improve Housing Stability

Provide information that explains how this activity supports the selected Prosperity Initiative Increases the supply of affordable housing units across Pima County to improve housing stability.

Board of Supervisor District:

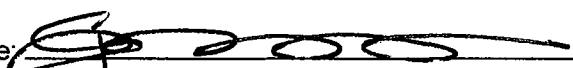
- 1
- 2
- 3
- 4
- 5

Department: Community and Workforce Development

Name: Sofia Blue

Telephone: 520-724-7312

Department Director Signature:  Date: 1.27.29

Deputy County Administrator Signature:  Date: 1/30/2029

County Administrator Signature:  Date: 1/30/2029



PIMA COUNTY

COMMUNITY & WORKFORCE
DEVELOPMENT

MEMORANDUM

Date: January 27, 2026

To: Jan Leshar
County Administrator

From: Dan Sullivan 
Community & Workforce
Development Director

Carmine DeBonis Jr.
Deputy County Administrator

Re: FY 25/26 Pima County Gap Funding for Affordable Housing Development and Preservation

Background

Pima County Board of Supervisors allocated \$8.5 million in FY 25/26 for affordable housing efforts. The Regional Affordable Housing Commission endorsed the distribution of funds as \$5 million to build more units of housing via the Gap Funding for Affordable Housing Development and Preservation request for proposal (RFP) and \$3.5 million for keeping people housed. In addition, the Commission endorsed the expansion of current categories eligible for gap funds to include Bridge/Transitional housing.

Current Gap Funding RFP

The Commission made the endorsed changes to the RFP from the previous rounds to include the bridge/transitional housing category, and the timeline. The application itself remained the same as the previous round with additional scoring criteria for Tribal Entities. The Commission also discussed and recommended that the evaluation panel in their review make appropriate recommendations for projects to be discussed at a later meeting. The Commission also selected non-conflicted Chair, W. Mark Clark, as its representative on the evaluation panel. Commissioner Rey Robles conducted financial feasibility for all applicants to ensure projects met financial criteria outlined in the application prior to evaluation panel review.

In total, CWD received 18 responses, representing 965 units of affordable housing across Pima County in the amount of \$16,508,743.76. The evaluation panel reviewed applications over the course of three weeks and met on January 14 to review cumulative scores and determine recommendations. After consensus was reached, the evaluation panel determined that there was no need to request best and final offers (BAFO) from the requesters. The panel made the award recommendations adhering to Commission parameters and application instructions. Recommended funding for Low Income Housing Tax Credit projects at \$500,000 representing local funding commitment with the caveat that if the project is not awarded by Arizona Department of Housing, that Pima County reserves the right to retract dollars to award for other projects.

Recommended projects as evaluated were presented and discussed at the January 16 Regional Affordable Housing Commission meeting where commissioners endorse panel recommendations. Upon endorsement, the Notice of Funding Recommendation and Award was issued with a ten-business day protest period ending February 2.

The following projects were recommended for funding:

- Tohono O'odham Nation Housing Authority, San Isidro Subdivision, \$500,000.00
- El Pueblo Housing Development, Main and Davis, \$500,000.00
- COPE Community Services, Shasta Apartments, \$1,000,000.00
- El Pueblo Housing Development, Stone and Speedway, \$500,000.00
- Mercy Housing Mountain Plains, Limberlost Family Flats, \$500,000.00
- Spire Development Inc., Drexel Commons, \$500,000.00
- El Pueblo Housing Development, Craycroft Towers and Lee Street Duplexes, \$500,000.00
- Old Pueblo Community Services, OPCS Veterans Center, \$500,000.00
- Habitat for Humanity, Mountain View Development, \$500,000.00

Initially, the panel recommended funding Family Housing Resources, Newport SW LLC, Tres Pueblos Village, however due to changes to the application from a 9% to 4% LIHTC project, the proposer withdrew their application. After speaking with COPE Community Services and the urgent capital for the finalization of funding, the panel distributed the \$500,000 to the project for a total award of \$1,000,000.00. As of January 27, 2026, no proposers have filed protests.

Staff Recommendation

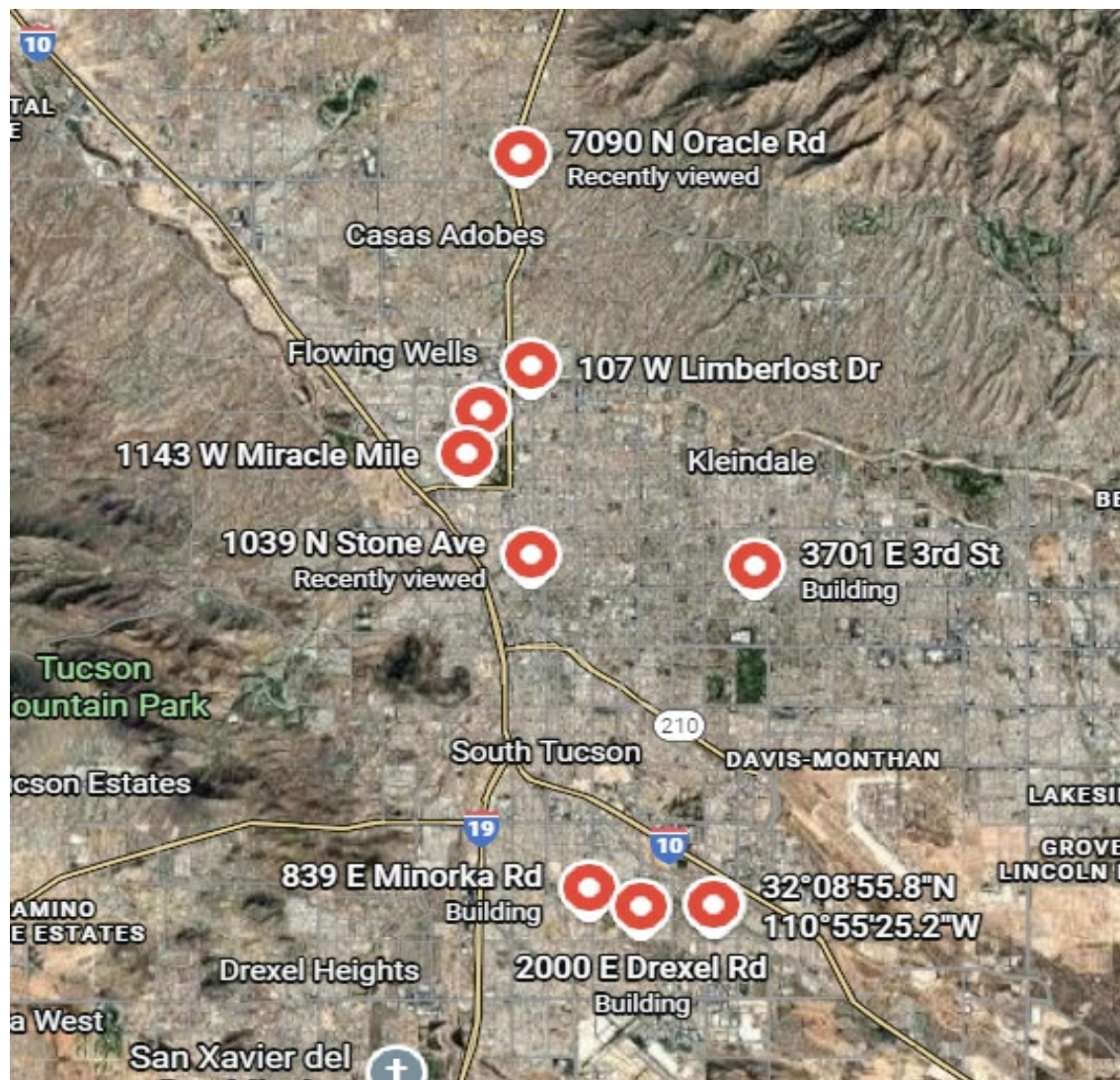
Staff recommends approval to award the entirety of gap funds available to the nine highest scoring proposals within each category for a total of \$5 million, representing 527 affordable housing units, and ensuring affordability over the next three decades. If approved, the County will have invested \$20,984,361.00 over three years for 1,859 units of affordable housing.

Affordable Housing Gap Funding Proposals Evaluation Summary & Rank



Entity	Project	District	Units	Type	Score (Total)	Requested Amount
Tohono O'odham Nation Housing Authority	San Isidro Subdivision	3	10	New Development - Homeownership	850	\$1,332,172.20
Family Housing Resources and Newport SW LLC	Tres Pueblos Village	2	72	New Development - Rental	800	\$1,000,000.00
COPE Community Services	Shasta Apartments	3	100	New Development - Rental	797	\$1,000,000.00
El Pueblo Housing Development	Stone and Speedway	5	56	New Development - Rental	796	\$1,000,000.00
Mercy Housing Mountain Plains	Limberlost Family Flats	3	95	New Development - Rental	772	\$1,000,000.00
Spire Development Inc	Drexel Commons	5	72	New Development - Rental	770	\$1,000,000.00
Old Pueblo Community Services	OPCS Veterans Center	5	23	Bridge Transitional	744	\$977,394.68
Habitat for Humanity	Mountain View Development	3	22	New Development - Homeownership	742	\$1,000,000.00
Northern Commons Developer, Resource Housing Group	Stone Commons	5	48	New Development - Rental	725	\$1,000,000.00
El Pueblo Housing Development	Main and Davis	5	67	New Development - Rental	711	\$1,000,000.00
El Pueblo Housing Development	Craycroft Towers and Lee Street Duplexes	5	82	Preservation	709	\$1,000,000.00
Helpful Housing	1025 E Benson Adaptive Re-Use Project	2	125	Rehabilitation - Perm Supportive Housing	700	\$1,000,000.00
Strauss Manor	B'nai B'irth Pantano Gardens, Strauss Manor	4	80	Preservation	685	\$424,176.88
El Pueblo Housing Development	Amazon Flats	3	59	New Development - Rental	589	\$1,000,000.00
Pascua Yaqui Tribe Housing Department	PYT Housing Renovations		27	Rehabilitation - Preservation	589	\$1,000,000.00
Rio Azul Partners, Southwest Nonprofit Housing Corp	Rio Azul Apartments (Additional Request)	2	6	New Development - Rental	464	\$375,000.00
Rio Azul Partners, Southwest Nonprofit Housing Corp	Rio Azul Apartments (Prosperity Initiative)	2	19	Acquisition - Reduce principal balance of mortgage	373	\$400,000.00
Elite Tailored Enterprises	Elite Flouri'sh Creation	1	2	Bridge Transitional - Acquisition	138	\$1,000,000.00

Project Locations



San Isidro Subdivision, State Hwy 86, Mile Post 125 Sells, AZ

