



PIMA COUNTY

COMMUNITY & WORKFORCE
DEVELOPMENT

AGENDA MATERIAL

DATE 2/17/26

ITEM NO. RA 20

MEMORANDUM

Date: February 11, 2026

To: Jan Lesher
County Administrator

Carmine DeBonis Jr.
Deputy County Administrator

From: Dan Sullivan *DL*
Community & Workforce
Development Director

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 award 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.

EB 12/26/2047 PCOK/ED
MW

Jan Lesher, County Administrator

Re: FY25/26 Pima County Gap Funding for Affordable Housing Development and Preservation

January 27, 2026

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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

Gap Funding Impact to Date

The County has provided gap funding for the development/preservation of 28 projects, 7 of which are completed, 12 are under construction or planning, and 9 are for Board consideration. If approved, the County will have invested \$20,984,361.00 over three years for 1,785 units of affordable housing. A snapshot of the impact to date is included as attachment 3.

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.

Affordable Housing Gap Funding Proposals

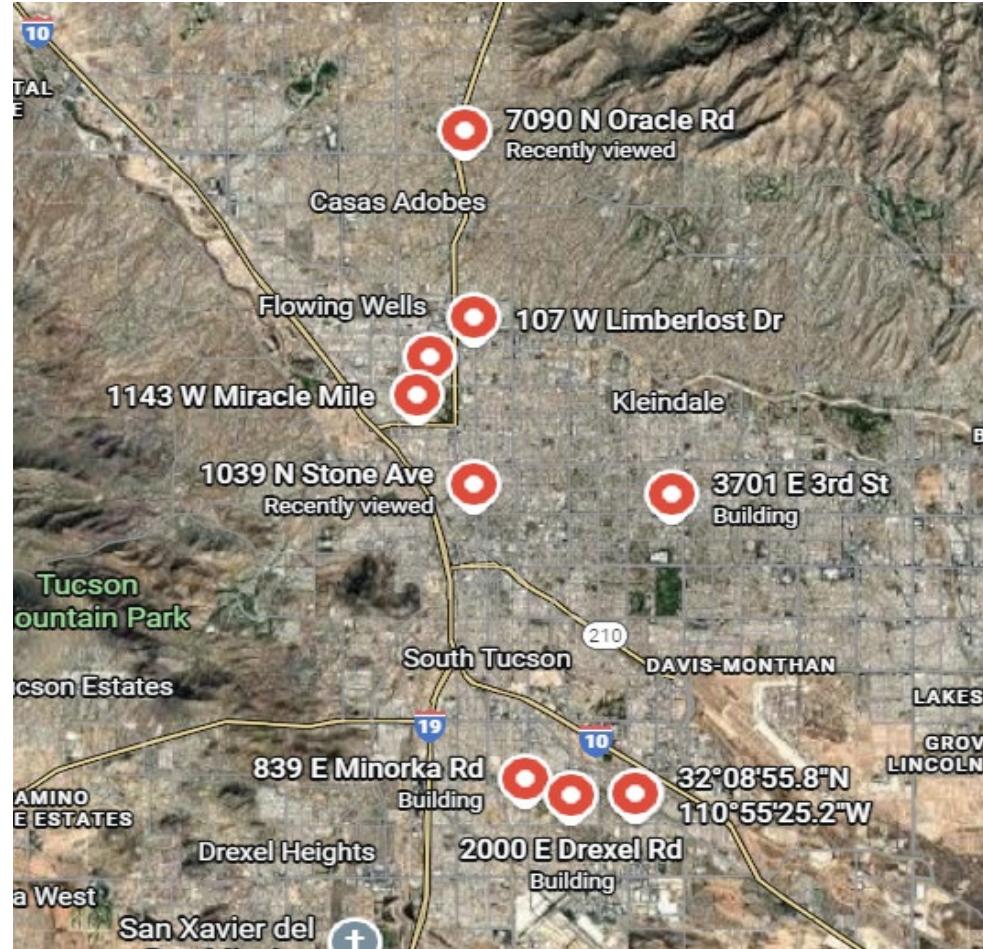
Evaluation Summary & Rank (Attachment 1)



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
El Pueblo Housing Development	Main and Davis	5	67	New Development - Rental	811	\$1,000,000.00
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
El Pueblo Housing Development	Cracycroft Towers and Lee Street Duplexes	5	82	Preservation	759	\$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
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

Recommended Project Locations For FY 25-26

(Attachment 2)



Status of County Gap Funded Projects

Awarded FY22-26

(Attachment 3)



Project Name	Project Owner/Developer	Street Address	BOS Dist	Units Rental	Units Owner	Units Bridge	Project Status
Rio Mercado Apts	Rio Mercado Partners - Southwest Nonprofit Housing Corp.	5418 S. Park Av, Tucson, AZ	2	107			Construction at 100% completion; Leased up
Talavera Apts	Family Housing Resources & Gorman	1355 W. Roger Rd, Tucson, AZ	3	96			Construction at 100% completion; Leased up
West Point II Apts	La Frontera Partners	20 E. Ochoa St, Tucson, AZ	2	85			Construction 90% complete
Belvedere Terrace	Belvedere Terrace LP & Newport SW LLC	4431 E. 22nd St, Tucson, AZ	5	72			Construction 90% complete
Desert Dove Apts	Desert Dove Apts LP & GHK Properties	6175 S. Midvale Park Rd, Tucson, AZ	5	63			Construction 95% complete
The Safford	Marana Leased Housing Associates I, LLLP / Dominium	8695 N. Silverbell Rd, Marana, AZ	3	200			Construction at 100% completion; Leased up
Emery Park Place	Family Housing Resources & SALT	120, 140, 160 & 180 E. Drexel Rd, Tucson, AZ	5	8			Construction at 100% completion; Leased up
Rio Azul Apts	Rio Azul Partners - Southwest NonProfit Housing Corp.	5418 S. Park Av, Tucson, AZ	2	13			Construction at 100% completion; Leased up
Mars Landing	Habitat For Humanity Tucson	7404 - 7494 N. Angels Cl, Tucson, AZ	3		30		Construction 90% complete
Barrio Anita Casitas	Pima County Community Land Trust, Inc.	1008, 1018, 1028, 1038 N. Contzen Av, plus 1015 & 1019 N. Anita St, Tucson, AZ	5		6		Construction/Planning
Tucson House	City of Tucson/ El Pueblo Dev Corp	1501 N. Oracle Rd., Tucson, AZ	5	358			Groundbreaking scheduled Mar 2026
El Camino Motel	Casa Maria	297 E. Benson Hwy, Tucson, AZ	2	19			Construction/Planning
Amazon Flats	City of Tucson	1135 W. Miracle Mile, Tucson, AZ	3	30			Construction at 100% completion; Leased up
Barrio Kroeger Ln	Pima County Community Land Trust, Inc.	920 S Verdugo and 822 W Green St., Tucson	5		2		Construction/Planning
Casitas on Park	Habitat For Humanity Tucson	4590 S Freemont Av, Tucson	2		21		Horizontal Construction is 95% complete
Elstone II	So. AZ Land Trust	6850 S. Elvira Ct thru 6895 S. Elvira Ct and 140 W. Elvira Rd. Tucson	5	10			Construction/Planning
Lariat Village	Impact Residential	4940 South Park Ave, Tucson	2	120			Construction/Planning
Rincon Manor Phase 1	Spire Development	6639 S 12th Ave Tucson	5	84			Construction 50% complete
Rio Azul Phase II	Southwest Nonprofit Housing Corp	5418 S Park Ave, Tucson	2	6			Construction is 100% complete
San Isidro Subdivision	Tohono O'odham Ki:Ki Association	State Rte 86, just west of Tohono O'odham Community College	3		10		Endorsed by PC Regional Affordable Housing Commission
Shasta Apartments	COPE Community Services	835 West Prince Road	3	100			Endorsed by PC Regional Affordable Housing Commission
Main and Davis	El Pueblo Housing Development	Main and Davis	5	67			Endorsed by PC Regional Affordable Housing Commission
Stone and Speedway	El Pueblo Housing Development	Stone and Speedway	5	56			Endorsed by PC Regional Affordable Housing Commission
Craycroft Towers and Lee Street Duplexes - Preservation	El Pueblo Housing Development	1635 N Craycroft RD, 5411 E Lee Street	5	82			Endorsed by PC Regional Affordable Housing Commission
OPCS Veterans Center/Bridge Transitional	Old Pueblo Community Services	3701 E 3rd Street	5			23	Endorsed by PC Regional Affordable Housing Commission
Limberlost Family Flats	Mercy Housing Mountain Plains	103 W Limberlost Drive, Tucson	3	95			Endorsed by PC Regional Affordable Housing Commission
Habitat for Humanity Tucson	Mountain View Development	1112 E Halcyon Rd, Tucson	3		22		Endorsed by PC Regional Affordable Housing Commission
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