



MEMORANDUM

Date: February 29, 2024

To: Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Lesh 
County Administrator

Re: **Additional Information – March 5, 2024 Board of Supervisors Agenda Item 14 - Consideration of Additional Fiscal Year 2023/24 Pima County Gap Funding for Affordable Housing Development and Preservation**

At the February 20, 2024 meeting, the Board requested a review of remaining Fiscal Year (FY) 23/24 Request for Proposals (RFP) be done for Gap Funding for Affordable Housing Development and Preservation projects for consideration of additional FY 23/24 funding awards.

The FY 23/24 RFP incorporated the current fiscal year appropriation of \$5 million, \$1,375,000 in funds not awarded in FY 22/23, and \$500,000 reappropriated from planned activities in support of affordable housing development. To date, the Board has approved \$9.5 million in general fund awards to 10 projects resulting in a total of 1,038 units of affordable housing. At this point in the fiscal year, attention should turn to preparing for FY 24/25 priorities to be informed by a forthcoming housing market study and a thorough review by Community & Workforce Development (CWD) of the evaluation and protest adjudication processes to ensure further reliability of future funding recommendations.

I support the progress of awards to date. Should the Board elect to award the following three (3) additional projects at a total cost of \$1,484,316, the Board could choose to appropriate an allocation from the current Fiscal Year General Fund Contingency Fund, or from next year's allocation to Affordable Housing should the Board continue to allocate annual funding.

1.	Emery Park Place Family Housing Resources / Southern Arizona Land Trust	New Dev. Rental	\$250,000.00 (Balance of Requested Funds)
2.	Barrio Anita Casitas Pima County Community Land Trust	New Dev. Homeownership	\$234,316.00
3.	Rio Azul Apartments SWNP	New Dev. Rental	\$1,000,000.00

Of note, Casa Maria Tucson requested \$1,000,000 for the El Camino Apartments and was approved at a lesser amount of \$375,000 based on available funding in the "Existing: Adaptive Reuse, Rehab, Renovation" project category. Casa Maria Tucson submitted a project application for FY 2025 HUD HOME Consortium funds and was awarded

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The Honorable Chair and Members, Pima County Board of Supervisors
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\$700,000.00 in Pima County's share of available funds, thus not recommended for additional
FY 23/24 gap funding.

Based on the availability of funding for additional awards, this recommendation would be consistent with the process the Evaluation Panel followed in determining recommendations for the FY 23/24 funding opportunity, with funds being allocated to the next highest in category with a score sufficient to support the Board's action without running risk of compromising future processes. If awarded, this would fully fund the Emery Park Place project request for \$750,000 for 8 units of affordable housing and provide funding awards for an additional 8 homeownership units and 13 rental units, for a net total of 21 additional units, bringing the FY 23/24 total to \$8,359,316 for 874 units. Any additional FY 23/24 funding would be reduced from the FY 24/25 appropriation for affordable housing.

JKL/anc

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator and Chief Medical Officer
Steve Holmes, Deputy County Administrator
Jenifer Darland, Director, Office of Housing Opportunities & Homeless Solutions
Dan Sullivan, Director, Community & Workforce Development