

**COMMUNITY DEVELOPMENT & NEIGHBORHOOD
CONSERVATION DEPARTMENT**

**PIMA COUNTY HOUSING CENTER
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Tucson, AZ 85745
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**PIMA COUNTY GENERAL OBLIGATION BOND PROGRAM
AFFORDABLE HOUSING**

2012 - 2013 Annual Report





MEMORANDUM

To: C.H. Huckelberry, County Administrator
Hank Atha, Deputy County Administrator

From: Margaret Kish, Director Community Development & Neighborhood Conservation Department

Date: December 30, 2013

Subject: General Obligation Bond Program for Affordable Housing
FY 2012/2013 Affordable Housing Bond Program Report

The Community Development and Neighborhood Conservation Department (CDNC) oversees two specific programs that manage affordable housing and neighborhood reinvestment projects funded by voter approved General Obligations Bonds. These bond funded programs differ significantly from other County capital improvement projects which typically include detailed information specific to each project when the bond proposals were developed. Both the Affordable Housing Bond Program and the Neighborhood Reinvestment Program utilized their designated bond funding for specific community based projects via an open and continuous application process and under the oversight of advisory bodies appointed by the Pima County Board of Supervisors. As of 2004, Affordable Housing Bond Program projects are reviewed by the Pima County Housing Commission and recommended to the Pima County Board of Supervisors (Board) for final approval.

The 1997 and 2004 bond authorizations (Bond Funds) totaling \$15M, have been successful in providing significant capital for improving and expanding affordable housing opportunities throughout Pima County. To date, \$14.2M has been committed to 24 projects. In fiscal year 2012-2013 (July 30, 2012 to June 30, 2013) three of these funded projects, Esperanza En Escalante Veterans Housing, Liberty Corners and Lessons From Civano at Barrio San Antonio have been completed, accounting for a cumulative program total of 23 completed projects. There was also one previously approved project that was cancelled in fiscal year 2012-13. The Honea Heights Redevelopment Project was withdrawn by the Town of Marana. As result, in May 2013 CDNC issued a Notice of Funding Availability to reallocate these funds along with surplus funds from 2 projects completed under budget.

The success of the Affordable Housing Bond Program is also measured by the number of housing units that will be completed, in addition to the total amount of private and public dollars leveraged to develop these affordable housing opportunities. To date the \$14.2M in committed Bond Funds will create 447 single-family homeownership units and 437 multi-family rental/leased units.

In total, 884 units of affordable housing will be completed at build out leveraging more than \$141M in other private and public grants and financing resources. That equates to nearly \$10 leveraged for every \$1 in Pima County General Obligation Bond Funds for Affordable Housing committed. At present, 556 of these affordable units are now completed and occupied.

This FY 2012-2013 report, as presented to the County Administrator, reviews the status of bond funded programs and specific projects that are recommended, in process, and completed. This report focuses exclusively on the current fiscal year and the cumulative status of the Affordable Housing Bond Program's utilization of 1997 and 2004 Bond issues.



A MESSAGE FROM THE CHAIR

This past year the housing market began to slowly recover, construction jobs began to rebound, and new home construction projects commenced with more on the horizon. I am pleased to say that the General Obligation Bond Funds for Affordable Housing Projects played a role in creating jobs and providing homes for individuals and families in our community.

Three more projects were completed under the bond program, one a rental housing project for homeless Veterans and two single-family housing developments for families priced out of the market during the housing boom, but now able to buy their first newly constructed or rehabbed energy efficient home. Expanding affordable housing has been our focus from the beginning of this program, and seeing the results and accomplishments of the program has been very rewarding to all the commissioners, and me, who volunteer our time to ensure compliance, oversight, and success. Housing is a basic need that is the foundation for living, working and playing in a safe, decent, stable environment for all of us, regardless of income.

On behalf of the Pima County Housing Commission, I will continue to support and contribute to our efforts on initiatives and programs that will expand, maintain and sustain affordable and workforce housing in Pima County. As we expend the remaining housing bond funds, it is important to note that now, more than ever; the General Obligation Bond Funds for Affordable Housing are meeting the needs of affordable housing in our community.

In May 2013, the housing commission approved a Notice of Funding Availability for the remaining \$750,000 in G.O. Affordable Housing Bond Funds to support the development of three or four new projects. Qualified developers of affordable housing including those who acquire and rehabilitate homeownership and rental units were given the opportunity to seek up to \$250,000 per project. We are expecting the successful recipients to be announced in the near future. By adding these types of housing activities and limiting the funds available per project, the Commission believes the resources of the bond program would help more people in need.

In the report, you will find something new - audit reports for our completed projects. These reports include community benefit, project outcome, and overall condition, as well as other information unique to each project.

In closing, I am happy to say the results speak for themselves in validating that General Obligation Bond Funds for Affordable Housing are a good social and economic investment for Pima County.

Respectfully,

Frank Moreno, Chair Pima County Housing Commission



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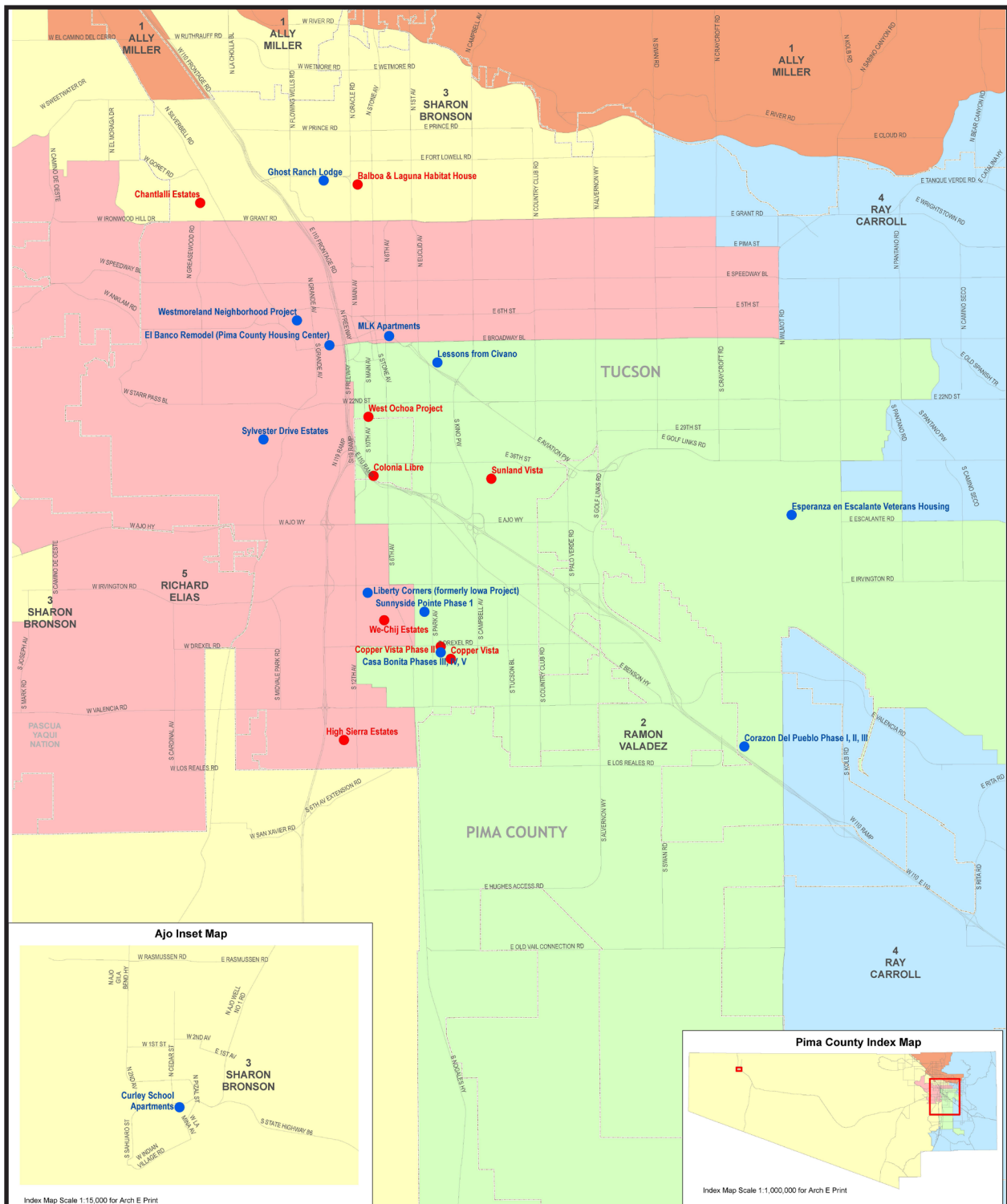
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1997 and 2004 Housing Bond Projects

- 1997 Housing Reinvestment Bond (CD)
- 2004 Housing Reinvestment Bond
- Administrative Boundary





“The Pima County General Obligation Affordable Housing Bond Program was an invaluable partner in the realization of the Liberty Corners Housing Project. Through the partnership which included HOME, GO Bond and NSP2 funds, Chicanos Por La Causa, Inc. was able to develop 6 single-family, energy-efficient homes that are Energy Star rated, EPA Indoor Air Plus Certified, have a HERS rating of 74, and meet the Southern Arizona Green Building standard. We are pleased that four of the six homes were sold to families with incomes under 50% of area median income and the remainder to families below 80% AMI. It was heartwarming to see the excitement of these families as they settled into their new homes. CPLC could not have done it without the inclusion of the GO Bond Program and we thank you all for making this opportunity possible”.

Gigi Rodriguez, SE AZ Development Director
Chicanos Por LA Causa, Inc.



“A great opportunity for Doucette Homes presented itself this past year. We had the pleasure of joining with Habitat for Humanity to create truly affordable home ownership opportunities at the Copper Vista I and II projects. This opportunity was created with the incredible support of the Pima County Bond Program, the City of Tucson, Pima County, and their respective housing support agencies. Habitat for Humanity brought their expertise on affordable housing and Doucette its subcontractors and housing production experience to the effort. The crucial investment dollars came from the Pima County Bond funds and allocation of federal funding from the City of Tucson and Pima County. Both Copper Vista I & II underwent a resurrection of activity and home building. Doucette subcontractors were asked for their support and they wholeheartedly provided it. From no activity whatsoever, to families moving in and benefiting from the combined efforts of all the community partners, Copper Vista I and Copper Vista II are now staged to provide additional housing opportunities at affordable pricing with homes built to incorporate the latest standards of energy efficiency. Doucette Homes is proud of our part in accomplishing this task. Our initial efforts have also encouraged numerous private organizations to conduct “Building Days” under the long established traditions of Habitat for Humanity. Our sincere appreciation goes to the Pima County Housing Commission and the Affordable Housing Bond Program. Together we created something special.”

Tom Doucette, Owner
Doucette Communities

“The affordable housing bond program provided important financing for off-site utilities for our Curley School project in Ajo. The Curley School project (conversion of an historic school building to 30 affordable live-work apartments for artisans) has been successful from the day it opened. It is financially self-sustaining. And it has spurred many additional projects -- the old cafeteria building is now a community learning center, the shop building is now a community arts space with a clay studio and wood shop, a few classrooms in the old elementary school are in the process of becoming a commercial kitchen for the community, others are newly renovated multipurpose rooms, and we are in the process of converting the rest to an international retreat center. The affordable housing bond provided essential financing for the original project, without which none of this could have happened.”

Tracy Taft, Executive Director
The International Sonoran Desert Alliance, Inc.





PIMA COUNTY HOUSING COMMISSION

The purpose of the commission is to increase the amount of affordable housing for low and moderate income families and to oversee and assure the public's accountability for Pima County Housing Bonds. Authorized by the Board of Supervisors on November 16, 2004, the commission is comprised of eleven members including one (the current President of the Southern Arizona Home Builders Association) appointed by the County Administrator and two members appointed by each Supervisor. Serving four year terms, members of the commission meet at least quarterly, third Monday of the month, 3 p.m., MST, at the Pima County Housing Center. The Commission Coordinator is Betty Villegas, Affordable Housing Program Manager at Pima County Housing Center.

FRANK MORENO, Chair District 5



My affordable housing advocacy started in the early 1980's. As a general contractor I was the first builder for the City of Tucson's Relocation housing project in Old Pasqua Village on Grant Road. Then I went on to do the pilot "Self Help" Housing project in Amado, Az. for Project PPEP. I am so proud of my affiliation with the Pima County Housing Commission because of the help it provides in bridging the gap of affordable housing.

DAVID GREENBERG, Vice-chair District 1



Chief Strategy Officer, David Greenberg knows homebuilding. He brings 50 years of experience in sales, finance and the homebuilding business to Miramonte. He retired in 2008 as president of the Tucson Division of D.R. Horton and previously served 15 years as vice president and general manager of the Tucson Division of the Genesee Company. Greenberg has been active in the Tucson Association of Realtors, the Southern Arizona Homebuilders Association, the Pima County Affordable Housing Commission, and the Tucson Housing Trust Fund Citizen Advisory Committee for the City of Tucson. He serves as Treasurer of the Tucson Jewish Community Center.

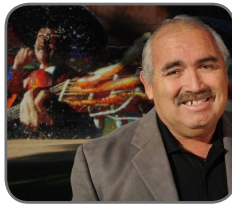
RAY CLARKE District 4



"I appreciate the opportunity to be a small part of the very important work of the Pima County Housing Commission. The appropriate financing of affordable housing would not be possible without the commission. Outstanding volunteers and staff from the public and private sectors work with and for the community."

As Board President, Amity Foundation Dragonfly Village Capital Campaign, Ray is also a Trustee for the Carondelet Foundation. Over 20 years, working on behalf of the poor and disenfranchised, he was President/CEO for Tucson Urban League. He also served the AZ Housing Commission and Governor's Citizens Finance Commission.

TIM ESCOBEDO District 3



"I care deeply about our community making it better through positive and productive business relationships and serving on the Housing Commission allows me the opportunity to work with my fellow commissioners on recommending housing projects that offers diverse and affordable housing for our seniors and families to live in a place they can call home"

Tim has served his Community in Marana as a Council Member and Housing Commissioner. He has been serving many underprivileged children, families and seniors for nearly 20 years through his association with various non-profits. He currently serves as the Operations Director for Tucson Meet Yourself, Logistics Consultant for Perimeter Bicycling Association of Arizona (El Tour de Tucson), President of TLE Consulting LLC., and Executive Director of SENAS (Supporting Education, Non-Profits and the Arts with Solutions).

DAVID GODLEWSKI County Administrator



Currently President of Southern Arizona Home Builders Association, David joined SAHBA in July 2008 as their Government Liaison. Previously, he managed trade association and corporate political initiatives for the Sterling Corporation, Lansing, MI. He is co-chair, Tucson Regional Water Coalition; member, City of Tucson Economic and Workforce Development Selection Committee; and Ambassador, Habitat for Humanity Tucson.

"As a representative of a home builder association, I realize the need in our community for affordable and diverse housing. I see my role on the Commission as being a steward of the Trust Fund and the GO bonds and ensuring funding for high-quality projects that meet this need. Increasing homeownership in Pima County is a goal we should all get behind."



KEN ANDERSON
District 2



“Being part of the Pima County Housing Commission has been personally rewarding to me. The very professional County housing staff has done an excellent job of service to those families able to benefit from the General Obligation Bond program. I have also appreciated working with the skilled non-profit organizations as they strive to offer affordable housing to Pima County residents.”

President, Arizona Housing Association (factory built housing manufacturers, retailers, installers, transporters, lenders, suppliers), Ken is also an Arizona Housing Commissioner.

HENRY BOICE
District 3



“I have enjoyed serving on the Housing Commission and working with the various non-profit, affordable housing developers in Tucson. It has been inspiring to see

the people of Pima County come together to support, benefit and improve their neighborhoods. These developments reflect the best of Tucson’s community spirit.” President and former V.P. of Northern Trust Company since joining in 1986, Henry also served 10 years as V. P. and Manager of Arizona Bank. A native Arizonan, graduate of the U of A (B.S., Bus. Adm.) and Pacific Coast Bank School, Seattle, Henry’s extensive community involvement includes Past President, Prescott Chamber of Commerce; Past Chair, Tucson Metropolitan YMCA; Past President, Tucson Conquistadores; Member: Los Charros Del Desierto, Tucson Community Foundation Properties; and Board Member/Director/Trustee: YMCA of So. AZ, Tucson Airport Authority, Tucson Medical Center and Tucson Medical Center Foundation.

KATHLEEN BUSKE
District 1



Kathleen Buske, CMCA, AMS, PCAM, graduate of the U of MO (Communications) is President and CEO of Platinum Management, Inc., one of Arizona’s

largest homeowner association management companies. The mother of three children ages 20, 13 and 5, she actively supports her son’s school, St. Augustine Catholic High. In addition to her work on the P.C. Housing Commission for over 6 years, she is actively involved in the AZ Home Builders Assn., Metropolitan Pima Alliance and charities - Ronald McDonald House, St. Jude’s Children’s Research Hospital and Habitat for Humanity.

JON MILES
District 5



At 71, I’ve lived most of my life in Pima County where I attended the University of Arizona and Pima Community College under the GI Bill as U.S. Army,

Field Artillery Veteran. Currently self-employed as a landscaper, I’ve worked as a heavy equipment operator and truck driver in open pit copper mines and underground mine smelters. Very active in the steelworker’s union, I consider myself a union man. In 2005, Supervisor Richard Elías appointed me to the Housing Commission based on my experience with the Pima County Bond Oversight Committee for affordable housing, Casa Maria and PCIC (Pima County Interfaith Council). Low income people need affordable housing and bond funds help meet that goal. As a community activist in many organizations, I also work for peace and social justice.

SCOTT PLACE
District 4



“Working with other commissioners and staff has been a very rewarding experience. It is good to know that recommending

requests for funding under the Pima County General Obligation Affordable Housing Bond Program has helped many local families over the years.”

Scott Place is a Senior Vice President of BBVA Compass. Mr. Place is involved in real estate projects needing construction loans and mini-perm financing. Mr. Place has been in banking the past 21 years in Tucson, and has 29 years overall banking experience. He is currently serving on the Pima County Housing Commission, a key asset to our community in providing affordable housing assistance. Mr. Place is from Tucson and a graduate of the University of Arizona.

FRANK THOMSON
District 2



“Affordable Housing has been and continues to be a significant issue for our community. The Housing Commission offers positive solutions to the problem by

providing a wide range of affordable housing.”

Mr. Thomson is a planning consultant who has been involved in residential and commercial projects for over 25 years. He has previously served on the Pima County Workforce Development Board, City of Tucson Planning Commission, and as a Life Director for the Southern Arizona Homebuilders Association. Throughout his career Mr. Thomson has been involved in a number of affordable housing projects including serving as the volunteer director of construction for Esperanza en Escalante Vietnam Veterans Transitional Housing Project.



Fiscal Year 2012-2013 Report to the County Administrator Affordable Housing Bond Program

I. Initiation of the Affordable Housing Bond Program

In order to better address the affordable housing situation in Pima County, voters approved a \$5M bond for an Affordable Housing Bond Program in 1997. Under the review and recommendation of the Pima County Housing Bond Oversight and Advisory Committee, the Board of Supervisors (Board) approved 9 projects that will produce a total of 262 units of affordable housing at final build out utilizing the 1997 Affordable Housing Bonds. Due to the success of the 1997 Bond Program, Pima County voters approved an additional \$10M bond for affordable housing programs.

This 2004 Bond Implementation Plan called for the formation of a Pima County Housing Commission to oversee the bond authorizations. In November 2004, the Pima County Board of Supervisors established the Pima County Housing Commission. The Housing Commission assists the Board of Supervisors in developing and implementing policies that increase homeownership and improve the quality of housing for residents of Pima County.

Under the review and recommendation of the Pima County Housing Commission, the Board of Supervisors (Board) approved 16 projects that will produce a total of 637 units of affordable housing at final build out utilizing the 2004 Affordable Housing Bonds.

The Affordable Housing Bond Program has been created to provide General Obligation Bond funds to qualified applicants for the production, development, and/or re-development of affordable housing projects and programs. Qualified applicants include: non-profit corporations, units of government, licensed private sector builders, or any combination thereof. Briefed below are eligible uses, the application review process, Fiscal-Year 2010-2011 highlights, program reports and details, concluding recommendations and individual project profiles.

II. Eligible Uses

In 1997 the Affordable Housing Bond Program was started as an “infrastructure improvement program” designed to subsidize the development of affordable and mixed-income residential subdivisions and developments. Historically, new off-site improvements located within public right-of-ways (ROW) and/or costs associated with improvements to existing infrastructure were eligible as determined by respective bond council. In 2004, the voter approved bond question was changed from the 1997 language in order to expand the use of how the bonds for Affordable Housing Bond Program could be used. The program now focuses on the purchase of land for affordable housing—both improved and unimproved—to serve low-income households. This allows the county to record a 30 year affordability

deed restriction on the property to ensure long term affordability for the housing unit. The funds can continue to be used for pre-development and infrastructure for the affordable housing project, as well as the actual unit construction, further expanding the use.

III. Application Review Processes

Currently, CDNC Affordable Housing and Community Planning staff manages and coordinates an open and continuous application process to solicit affordable and mixed-income housing developers for the Affordable Housing Bond Program. Submitted applications are initially reviewed by staff, in order of receipt, for completeness to insure that minimal Threshold Criteria have been satisfied by qualified applicants. Applicants are notified by staff regarding the status of their application. Completed applications which meet all Threshold Criteria are further evaluated utilizing the Program Priorities ranking system.

The Housing Commission established eight (8) Program Priorities for the Affordable Housing Bond Program to quantitatively rate and scores the potential project applications for funding. A Housing Commission project review subcommittee and staff further review each application which must score a minimum of 80 points to be placed on the full Pima County Housing Commission agenda for final review and discussion. Ultimately, the Housing Commission is responsible for the review and recommendation of all potential Bond Program projects for final Board of Supervisor approval.

For an exhaustive and complete detail of Pima County’s Affordable Housing Bond Program Application; associated Threshold Criteria and Program Priorities; and, review processes please see 2004 Bond Application available online at: <http://www.pima.gov/CED/Grants/rfp.html#Grants>

IV. Fiscal Year 2012-2013 Highlights

1. \$750,000 Available for Development of Affordable Housing

Notice of Funding Availability for \$750,000 of GO Bond Funds for Affordable Housing was approved by the Pima County Housing Commission at their meeting of May 20, 2013. With a funding cap of \$250,000, priority will be given to homeownership projects ready to move forward. With a release date of May 28, 2013 and deadline of June 28, 2013, staff will conduct preliminary review followed by a subcommittee of the Housing Commission meeting to score and recommend projects for funding. At the quarterly meeting in September 2013, the subcommittee will recommend qualified projects to the full commission. The Board of Supervisors will be asked to approve projects recommended by the full commission. Projects should be under contract by January 2014.



2. Projects in Progress:

Lessons from Civano received housing bond program funding in 2004 for the installation of infrastructure to support the development of five single family homes for sale to low and moderate income households who complete homebuyer education and counseling with a local, HUD approved housing counseling agency. The fifth and final house will begin construction during the Fall Semester at the University of Arizona where students in the Drachman Design Build Coalition at the College of Landscape Architecture will learn by actually building the unit. One benefit of the bond project is the leverage provided by the City of Tucson who provided HUD HOME funds with the condition that it produce and disseminate educational materials that promote efficiencies learned at Civano as applied to affordable housing.

Research-based outcomes of Civano¹ show that smaller lots allow for self-shading of adjacent housing units; reduced cooling load energy demand; and generally less water use for landscaping. Improper solar orientation impacts the energy demand for thermal mass envelope homes (10-15 Kbtu/SF per year and highly insulated envelope homes (2-7 Kbtu/SF per year). Xeriscape and reclaimed water sue for landscaping result in a 34% to 37% reduction of typical annual potable water use per household (32,000 to 38,000 gallons).

Outcomes also indicate solar hot water systems provide energy savings up to 2,200 kWh per year (4.6 Kbtu per year); that highly insulated roofs (R-38 to R-42) and highly reflective roofs (0.8-0.9) substantially contribute to improved energy performance for single-family residences. Post-construction whole-house pressurization allows for infiltration and air leakage testing to provide optimized energy performance saving up to 20% heating source consumption and up to 13% cooling source consumption.

Collaboration among the university, low income community, city and county resulted in Civano achieving the goal of designing and constructing prototypical, sustainable, low cost residences on vacant land in Barrio San Antonio, east of Tucson's central business district. The parcel was deeded to a university-based, non-profit design and development team by the City of Tucson with approval of the neighborhood association. The parcel, originally zoned for industrial use, was rezoned and subdivided for the Civano five unit project. The subdivided parcels match typical infill lot size parameters (50'- 0" x 120' -0") found in Tuc-

son. A competitive grant from the city provided soft costs while the county bond funds provided for infrastructure development.

The collaboration created replicable prototypes that achieved substantial savings in energy and water usage for the inhabitants. Students gained affordable housing architectural experience including budget development, client meetings, design, code review processes and city building inspections. The city received ownership of the permitted plan sets for future use and the community gained new units of affordable housing.

Copper Vista I and II Habitat for Humanity Tucson in partnership with Doucette Homes, Inc. will develop 58 lots located in these two subdivisions 2 blocks south of Drexel between Campbell and Park. Featuring two to four bedrooms, homes will range in size from 1,000 to 1,500 square feet. Two-story floor plans developed by the University of Arizona School of Architecture and The Drachman Institute are a first for Habitat. Originally under development by Chicanos por La Causa during the recession, the project stalled. Consequently, the City of Tucson transferred the project to Habitat and Doucette. With federal stimulus funds provided by the City and a better economy, this partnership has rejuvenated the development which is on schedule to finish construction of all housing units in 2016.

Esperanza en Escalante Veterans Housing Project During the fiscal year beginning July 1, 2012 and ending June 30, 2013, the Pima County Affordable Housing General Obligation Bond Program

Table A
Copper Vista I and II
Construction Status as of June 30, 2013

Subdivision /Units	Under Construction	Completed by HFHT and Doucette	Completed By CPLC	Total Units
Copper Vista I	9	7	2	29
Copper Vista II	0	4	0	31

was completed with the installation of infrastructure at Esperanza en Escalante Veteran's Housing Project. The agency, Esperanza En Escalante, secured Barker-Morrissey Contracting to build roads and sidewalks, install water and wastewater lines, bike racks and landscaping with bond funds that transformed a large, dusty area into a nicely finished development with room for growth. The bonds were leveraged with funding from AZDOH, USVA, USHHS that paid for construction of a three-unit, 15-bed complex for male veterans, five-unit, 10 bed complex for female veterans and their families, and a multi-purpose community center. Future plans include the development of 152 transitional and permanent affordable housing units with federal funds and Low Income Housing Tax Credits.

1. Civano Demonstration Grant: Research/Students/Community/Legislation, Conservation Technologies for Affordable Housing, Energy Efficiency and Water Conservation Design Guidelines, 2007 Final Draft, Submitted by The Drachman Institute, College of Architecture and Landscape Architecture, The University of Arizona, Tucson, Arizona and Drachman Design Build Coalition, Inc.



3. Completed Housing Units

- **FY 2012/2013** – Forty-one (41) owner occupied affordable single family residences have been completed for the fiscal year ending 6/30/2013 as a direct result of bond funded infrastructure further detailed in Table B below.

- **Cumulative program total** – A total of 556 units of affordable housing have been created to date utilizing both 1997 and 2004 Bond funds as detail in Table C below

Table B
Units Completed Fiscal Year Ending June 30, 2013

Active Projects by Name and Developer(s)	# Units	Bond\$/ Unit	Other Subsidy/ Unit
Copper Vista I (HFHT/Doucette)	6	\$15,000	\$30,000
Copper Vista II (HFHT/Doucette)	4	\$20,533	\$30,000
Corazon del Pueblo III (HFHT)	14	\$17,648	\$38,662
Lessons from Civano (DDBC)	0	\$31,758	\$42,242
Liberty Corners (formerly Iowa Project) CPLC	5	\$27,757	\$37,936
Sunnyside Pointe Phase I (OPCS)	4	\$33,361	\$22,500
Esperanza En Escalante Housing for Veterans (EEE)	8	\$19,000	\$1,100,672
Total Units Completed FY ending 6/30/13	41		
Cost Averages per Unit		\$23,580	\$186,002

Table C
Cumulative Units Completed By Project as of June 30, 2013

Bond Year/Project Name/Developer	# Units Completed	Bond \$/Unit
1997 Sunland Vista (UHDC)*	30	\$25,504
1997 Chantalli Estates (CPLC)*	37	\$ 8,108
1997 Balboa Laguna (HFHT)*	36	\$22,805
1997 Valle Del Sur (DDG)*	60	\$ 4,566
1997 High Sierra Estates (Major Const)*	15	\$28,982
1997 We-Chij Estates (OPCF)*	21	\$21,170
1997 West Ochoa Project (CPLC)*	5	\$24,000
1997 Copper Vista I (CPLC)	9	\$15,000
1997 Copper Vista II (CPLC)	4	\$20,533
2004 Casa Bonita III,IV,V (DDG)*	60	\$ 3,077
2004 Curley School Apts (ISDA)*	30	\$11,667
2004 Corazon Del Pueblo I*,II* & III* (HFHT)	60	\$17,648
2004 Lessons From Civano (DDBC)	4	\$31,758
2004 Liberty Corners, formerly Iowa Project (HFHT-Doucete)	6	\$27,757
2004 Sylvester Dr. Estates (OPCS)	13	\$37,308
2004 Sunnyside Pointe Phase I (OPCS)	30	\$37,308
2004 Ghost Ranch Lodge Apts Phase I	60	\$18,333
2004 MLK Apartments	68	\$18,716
2004 Esperanza En Escalante Housing for Veterans (EEE)	8	\$19,000
Total Units Completed by Project thru 06/30/13	556	
Average Bond \$ per Unit		\$20,697
*Indicates all designated Affordable Units in the project have been completed.		



V. Program Overview

This section provides fiscal year and year-to-date program summaries followed by detailed reports for 1997 and 2004 Affordable Housing Bond projects.

Program Summary – Table D provides a fiscal year 2012-2013 and cumulative summary of project and financial status of Pima County’s Affordable Housing Bond Program. In the last fiscal year, three (3) projects have been completed. A project is con-

sidered complete when all contracted infrastructure work, inspections, and associated invoices/billings have been finalized. This program also employs a cost reimbursement system for all projects. To date, 100 percent of the 1997 bond funds and 82% of the 2004 bond funds have been expended. Finally, one new project was reviewed and recommended for funding by our Pima County Housing Commission, The West End Station which is the first transit oriented, mixed use, mixed income affordable housing development proposed for development with our Bond funding.

Table D: Affordable Housing Bond Program Summary (FY 2012-2013)

Bond Authorization	Total Amount	Amount Allocated to Date	Cumulative Amount Expended Through FY 11/12	Total Approved Projects to Date	Projects Completed FY 12/13	Total Projects Complete
1997 Housing Reinvestment Bonds	\$ 5,000,000	\$ 5,002,719	\$ 5,002,719	9	n/a	9
2004 Housing Reinvestment Bonds	\$10,000,000	\$ 9,100,000	\$ 7,440,493	15	2	15
Totals	\$15,000,000	\$14,102,719	\$12,443,212	24	2	24

1997 Affordable Housing Bond Projects Detail – Table E details projects awarded 1997 Bond funding for affordable housing. There are a total of nine projects, which when built out, will produce 262 affordable homeownership units. The average investment per unit is \$19,084 for the 1997 bond program. The \$5M in 1997 Affordable Housing bond funds have leveraged

over \$35.8M in public and private financial resources into Pima County for low-income and very low-income households. For detailed completed project information including: project location; funding amounts; identified leveraged resources; actual bond funded improvements; scopes of work; and community benefit assessments please see associated projects as listed in Appendix A.

Table E: 1997 Affordable Housing Bond Projects Detail (FY 2012-2013)

Project	Developer(s)	Type	Tenure	Affordable Units	Total Development Costs	Bond Allocation	Status (expected completion)
Administration and Planning*	Pima County	n/a	n/a	n/a	n/a	\$ 812,807	n/a
Sunland Vista	United Housing	SFR	Owner	30	\$1,743,925	\$ 765,134	Complete
Chantlalli Estates	Chicanos Por La Causa	SFR	Owner	37	\$6,669,540	\$ 300,000	Complete
Balboa-Laguna	Habitat for Humanity Tucson	Patio Homes	Owner	36	\$4,336,397	\$ 821,000	Complete
High Sierra Estates	Major Construction / Old Pueblo Community Foundation (OPCF)	SFR	Owner	15	\$2,575,663	\$ 434,743	Complete
Valle Del Sur (fka Colonia Libre)	Development Design Group	Town Homes	15 year Lease-Purchase	60	\$8,004,343	\$ 273,984	Complete
Copper Vista I ⁺	Chicanos Por La Causa	SFR	Owner	29	\$4,339,175	\$ 435,000	Complete
We-Chij Estates	(OPCF)	SFR	Owner	21	\$3,416,000	\$ 444,580	Complete
West Ochoa	Chicanos Por La Causa	SFR	Owner	5	\$ 631,956	\$ 120,000	Complete
Copper Vista II	Chicanos Por La Causa	SFR	Owner	29	\$4,049,567	\$ 595,467	Complete
Totals				262	\$35,766,566	\$5,002,715	9 Complete

*Note: Approved and eligible expenditures include following costs: initiate the program (\$126,154), marketing (\$3,389), and a requested transfer to CDNC Neighborhood Reinvestment Division for applicable projects (\$683,264)

⁺Bond funded site work/infrastructure complete; units are still under construction at the Copper Vista projects (see Table B)



2004 Affordable Housing Bond Projects Detail - A total of 17 housing infrastructure development projects have been approved for funding, however developers withdrew 2 projects and one project is pending developer's fulfillment of county conditions prior going to contract. As of June 30, 2013, 14 development projects have been completed resulting in 339 new affordable units. One hundred fifteen (115) additional housing units are still being developed at two of the projects. During the fiscal year ending June 30, 2013 three affordable housing developments completed bond funded improvements: Esperanza En Escalante Veterans

Housing (Rental) Project, Liberty Corners (Homeownership) and Lessons From Civano (Homeownership). When all planned units are built, there will be a total of 454 new housing units which represents a significant expansion of affordable housing in Pima County. This was made possible by a total of \$8.2 million in 2004 Housing Reinvestment Bond funds being leveraged by over \$71 million in public and private financing. For detailed information on both the 2004 and 1997 completed projects see Part VII.

Table F: 2004 Affordable Housing Bond Projects Detail (FY 2012-2013)

Project	Developer(s)	Type	Tenure	Affordable Units	Total Development Costs	Bond Allocation	Status (expected completion)
MLK Revitalization Plan	City of Tucson CSD	HOPE VI (Public Housing)	Rental	68	\$18,067,009	\$1,272,678	Complete
Sylvester Drive Estates	Sylvester Drive LLC / Old Pueblo	SFR	Owner	13	\$ 2,025,500	\$ 485,000	Complete
Casa Bonita III, IV & V	Development Design Group	Multi-Family (SMI)	Rental	60	\$ 5,079,843	\$ 184,611	Complete
Corazon Del Pueblo Phase 1	Habitat for Humanity Tucson	SFR	Owner	20	\$ 2,969,635	\$ 352,694	Complete
Curley School Apartments	International Sonoran Desert Alliance	Multi-family (Live/work)	Rental	30	\$ 9,373,915	\$ 350,000	Complete
Lessons From Civano@ Barrio San Antonio*	Drachman Design-Build Coalition	SFR	Owner	5	\$ 1,316,417	\$ 158,793	Complete
Liberty Corners. formerly Iowa Project	Chicanos Por La Causa	SFR	Owner	6	\$ 1,065,566	\$ 166,540	Complete
Corazon Del Pueblo Phase 2	Habitat for Humanity Tucson	SFR	Owner	20	\$ 2,969,635	\$ 395,466	Complete
Westmoreland	Chicanos Por La Causa	SFR	Owner	11	\$ 3,042,403	\$ 407,000	Complete
Ghost Ranch Lodge Apt's Phase I	Atlantic Development	Multi-family (Senior)	Rental	60	\$12,685,022	\$1,100,000	Complete
Corazon Del Pueblo Phase 3	Habitat for Humanity Tucson	SFR	Owner	20	\$ 2,703,120	\$ 385,000	Complete
Esperanza En Escalante Veterans' Housing*	Esperanza En Escalante	SFR	Rental	51	\$ 2,044,904	\$ 944,232	Complete
Sunnyside Pointe Phase 1*	Sunnyside Point LLC.	SFR	Owner	90	\$ 7,062,000	\$1,464,218	Complete
Pima County Housing Center	Pima County				\$ 558,588	\$ 558,588	Complete
Totals				454	\$70,963,557	\$8,224,820	14

Bond funded site work/infrastructure complete. Units are still under construction for several projects as noted by the symbol ().



VI. Pima County Housing Trust Fund

In communities across the United States the lack of affordable housing has prompted the need to establish funding sources to secure and expand affordable housing opportunities. In 2005, the Pima County Board of Supervisor's adopted the Affordable Housing Policy and Strategies, recommending adoption of an affordable housing fee to fund affordable housing projects, rather than use of "inclusionary zoning." The Affordable Housing Agreement and Lien is the document that is designed as the mechanism to exact this fee, which is then deposited into the Pima County Housing Trust Fund that was established in 1997 by Ordinance 1997-35 in accordance to Arizona Revised Statutes § 11-381.

Land owner(s)/developer(s) within unincorporated Pima County shall enter into an Affordable Housing Agreement and Lien with the Pima County Community Development and Neighborhood Conservation Department (CDNC) as a condition to any rezoning or specific plan amendment that involves a residential component. Once the Affordable Housing Agreement has been signed, notarized and recorded by the owner(s)/developer(s), indicating that they shall contribute to the Housing Trust Fund, CDNC will notify the Pima County Development Services Department that the condition to their rezoning or specific plan amendment has been satisfied.

The Rooftop Fee is designed to be calculated and collected on the conveyance of "improved lots" (lots that have been improved with single family residences and related structures or amenities that are sold to residential buyers) at the close of escrow. The Affordable Housing Agreement establishes a lien on the property to ensure that the title company handling the escrow includes payment of the fee as part of the closing. In addition, the lien ensures that the commitment to contribute to the Housing Trust Fund is binding on any and all successor owners

of "unimproved lots" until such time as the lot is improved and the fee is paid. Upon payment of the fee, the Affordable Housing Agreement will be satisfied and the lien will be released. Once the lien is released subsequent owners will not be subject to the Rooftop Fee.

The amount of the fee is equal to the applicable "contribution factor" multiplied by the actual sales price of the new home, including the land (but no more than \$5,000, which is the maximum amount of the fee), as indicated in Table G:

Table G
Pima County Housing Commission Affordable Housing Fee for New Home Sales Contribution Schedule

SALES PRICE AT CLOSING	CONTRIBUTION FACTOR	ROOFTOP FEE DOLLAR AMOUNT RANGE	
		Low	High
\$0 - \$184,999	0.00%	0\$	0\$
\$185,000 - \$249,999	0.25%	\$462.50	\$625
\$250,000 - \$349,999	0.50%	\$1,250	\$1,750
\$350,000 - \$499,999	0.75%	\$2,625	\$3,750
\$500,000 and over	1.00%	\$5,000	\$5,000 Cap

For example, if the owner(s)/developer(s) sell an improved lot for \$275,000.00, the associated Rooftop Fee would be \$1,375.00 (\$275,000 x 0.005) due at the close of escrow.

The current Pima County Housing Trust Fund balance is \$28,250 (Table H) and once it reaches \$50,000, the funds will be allocated according to policies and procedures to be formulated by the Pima County Housing Commission. Allocation of Housing Trust Funds with the Arizona State Housing Trust Fund includes down-payment assistance, housing counseling and homebuyer education for low and moderate income homebuyers.

Table H
Roof Top Fee Contributions as of June 30, 2013

Source	Date Received	Amount	Development Set-aside 25%	Rehab Set-aside 10% Max	Balance for HTF Projects
Developer Agreement (Donated Land/County Lien): Chantalli Estates Lot 55, Lien Pay-off	11/03/2006	4,050	N/A	N/A	4,050
Single Lot: Weisbrod/ W. Irvington Rd	01/20/2010	2,925	N/A	N/A	2,925
Developer Agreement: Fairfield Homes II/ Canoa Ranch II – Lot 14	02/25/2011	5,000	1,250	500	3,250
Developer Agreement: Fairfield Homes II/ Canoa Ranch II – Lot 16	09/22/2011	5,000	1,250	500	3,250
Developer Agreement: Renovo Ventures - 7400 N Juniper Rd	09/28/2012	1,525	N/A	N/A	1,525
Developer Agreement: Fairfield Homes II/ Canoa Ranch II – Lot 12	01/18/2013	5,000	1,250	500	3,250
Individual Owner: Via Latigo 5636 LLC	06/10/2013	10,000	N/A	N/A	10,000
Total		\$33,500	\$3,750	\$1,500	\$28,250



VII. Housing Development is Economic Development

Under direction by the Pima County Housing Commission, the affordable housing bond program also solicited requests for proposals to utilize bond funds that were released from prior projects which were completed under budget or cancelled. On May 28th, 2013, Pima County posted an application requesting submissions for shovel ready, green housing (rental or owner-occupied), new construction, or acquisition and rehabilitation, by July 5, 2013. Applicants are encouraged to use LEED or local green building standards, accessibility to public transportation and community amenities (schools, jobs, grocery stores, parks and more). As requested by the Housing Commission, proposals were not to exceed \$250,000 so that several projects would receive be funded – stretching scarce resources as widely as possible. Designed as gap financing, the bond funds are expected to leverage developer funding from the Arizona Department of Housing, the City of Tucson Housing and Community Development Department, the Federal Home Loan Bank of San Francisco and Low Income Housing Tax Credits among other sources.

Housing Industry Update

The National Association of Home Builders (NAHB) supports the notion that housing significantly impacts local economies by creating jobs and generating income and taxes. For each new single-family home that is built, NAHB estimates that three jobs are created. For each new single-family home that is built, NAHB estimates that it generates a total of \$90,000 in government revenue -- \$67,000 in federal taxes and \$23,000 in state and local taxes.

The October 2013 Employment Snapshot published by Harry Dahlstrom shows that nationally 11,000 construction jobs have been gained since October 2013. According to the November Blue Chip Consensus Forecast as reported in the Rose Law Group Reporter on Wednesday, November 20, 2013, strengthening house prices and increased interest rates in metro areas across the country contributed to lower housing affordability in the third quarter (64.5% of new and existing homes sold between the beginning of July and the end of September were affordable to families earning the national median income of \$64,000 – down from 69.3% in the second quarter and the biggest decline since the second quarter of 2004). They believe Tucson is an affordable housing market.

The Future Looks Bright

The October 2013 Southern Arizona Housing Market Letter published by Bright Future Real Estate Research, LLC on November 18, 2013 reports new home closing volume dipped to 155 – falling from 181 in September. The government shutdown stalled loan processing for two weeks. Monthly loan closings are expected to reach 200 in November and December of 2013. The mid and lower priced homes sold for prices between \$156,818 to \$161,870 which is an increase of 7.7% over October of last year. The Market Letter reports the normal market forces are exacerbated by the foreclosure market with those homes accounting for 33% of the total resale market. Foreclosure home pricing peaked at \$160K in May but down to \$137,422 in October, 2013 and the median foreclosure sales price was \$127,162. As the foreclosure markets thins, new market sales should improve.



Completed Project Audit Reports

The following pages provide the Pima County General Obligation Affordable Housing Bond Program Audit Reports for all completed projects. Beginning with the 2004 Program, the project audit reports are provided in the order of the most recently completed project followed by the next most recently completed project and so forth. Then the most recently completed project under the 1997 Program is included followed by the other projects in the same order.



2004 General Obligation Bonds

HR4016, Esperanza en Escalante Veterans Housing Project



Original Scope: 2004 Pima County G.O. Affordable Housing Bond Program funds provided for the construction of a paved roadway around the center of the site, sidewalks, parking, underground utilities and landscaping which support the first of several phases of housing construction.

Benefits: Pima County's investment in infrastructure will support continued development at this site including construction of a total of 203 transitional and permanent housing units for veterans and their families by 2024. EEE will seek additional federal and state funds plus private donations to build transitional and permanent housing for 60 persons by 2017 and an additional 48 units of transitional and permanent housing by 2024.

Location: Adjacent to the Davis Monthan Air Force Base at 3700 S. Calle Polar (southeast of South Wilmot and East Stella Roads), the project is in District No. 2 of the Pima County Board of Supervisors and District 2 of the U.S. Congressional Delegation for Arizona.

Developer(s): Esperanza en Escalante (EEE), a nonprofit agency formed in 1989 by the Vietnam Veterans of America Chapter 106 of Tucson, works with Pima County's Kino Veterans' Workforce Center to help veterans obtain employment or vocational training. The U.S. Dept. of Veteran's Affairs and Southern AZ VA Healthcare System provide funding for EEE veteran services.

Approved Bond Funding: \$944,232

Project Outcome

Completion Date: June 2013

Total Affordable Housing Units: The first phase completed in June 2013 produced a three-unit, 15-bed complex for male veterans; a five-unit, 10-bed complex for female veterans and their families; and a multipurpose community center.

Total Development Cost: \$2,044,904

Leverage: 4.6: 1 (For every \$1.00 bond allotted, \$4.60 in other funding was invested)

Bond \$/Unit: \$37,769/Phase I units; \$3,036 (25 units)/upon completion of all phases (311 units)

Other Development Funding Sources:

- Arizona Department of Housing HOME Program
- U.S. Veteran's Administration

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units, both renter- and owner-occupied types, build equity for homeowners and project owners, and increase local consumption of household services. New homes and apartments give rise to added investment and the sprucing up of existing properties in the neighboring area. In this project, the original residents had been living on land lacking paved roads, parking spaces and sidewalks, proper access to the main road, and adequate street lights.

Condition: All bond funded improvements are complete and in good condition. The first phase of housing units are fully occupied and the community center fully operational. Program staff is working at the site providing services to the pre-existing and new veterans residing at this project.

Applicable IGAs: None





2004 General Obligation Bonds

HR4010, Liberty Corners (formerly Iowa Project)



Original Scope: Chicanos por la Causa, the nonprofit developer of Liberty Corners (formerly the Iowa Project), requested \$166,540 of Pima County bond funds to install off-site improvements and infrastructure in the public right-of-way to support the development of a six single family housing units for sale to qualified low and moderate income households. La Causa Construction, LLC, a subsidiary of Chicanos por la Causa, was hired to build the housing. Homebuyer education was provided by Chicanos por la Causa, a HUD approved housing counseling agency. Bond funds paid for sidewalks, sewer taps, water lines and meter fees, utility trenching, engineering, paving, electrical improvements and construction management of the bond funded activities.

Benefits: Six families whose income is 80% or below the Area Median Income shall own new homes built with Energy Star appliances, energy efficient heat pumps, TEP heating and cooling guarantees, private back patios and yards, irrigated front yard landscaping, stucco exterior finish, 25 year fiberglass shingles, two-car finished garage, and 2-10 homebuyer warranties. Each unit features three bedrooms, two full baths, a combined kitchen-dining area, living room and entry way.

Location: Supervisor District No. 5 at the northwest corner of South Liberty Avenue and West Iowa Street.

Developer(s): Chicanos por La Causa

Approved Bond Funding: \$166,540

Project Outcome

Completion Date: June 2013

Total Affordable Housing Units: 6 homes, completely built and occupied

Total Development Cost: \$16,065,566

Leverage: 9.6: 1 (For every \$1.00 bond allotted, \$9.60 in other public/private funding was invested)

Bond \$/Unit: \$27,757

Other Development Funding Sources:

- Pima County NSP2
- City of Tucson HUD HOME Program
- Line of credit from Northern Trust Bank
- Line of credit from The National Council of La Raza

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: All bond funded improvements are complete and in good condition. The six housing units are completed and occupied by qualified, low and moderate income families.

Applicable IGAs: None





2004 General Obligation Bonds
HRBANC, Pima County Housing Center (El Banco)



Original Scope: The Pima County Housing Center Project restored and preserved one of our most important architectural assets. Originally el Banco de las Americas, this building represented the nation’s first minority-owned bank and Romana Banuelos, the first Latina Treasurer of the United States attended the ribbon cutting ceremony in 1972. The ‘Aztec Temple’ design created by Tucson’s native son and architect, Frederico Palofax, reflects the pride and culture of this rich cultural neighborhood surrounding the project. Today, it’s the center of partnerships between government and non-profits working together to provide affordable, healthy housing. The project involved rehabilitation of the building’s interior; substantial demolition and conversion of the former bank’s drive-through into a large, high tech community room; and parking lot reconstruction. The final phase, a re-landscaping project utilizing native plants and a water harvesting xeriscape, was coordinated by Pima County’s Natural Resources Parks and Recreation Department and Desert Green Designs in order to promote the use of native Sonoran Desert plants that are both beautiful and regionally adapted to our desert climate.

Benefits: Restored and converted vacant bank building into the Pima County Housing Center, serves as a public resource center to help low income residents access affordable housing and housing services.

Location: 801 W. Congress Street, at the Northwest corner of Congress and Linda Avenue.

Developer(s): Pima County Facilities Management

Approved Bond Funding: \$600,000

Project Outcome

Completion Date: June 2012

Performance Indicators: Situated next to El Rio Health Center and the new Mercado San Agustin and also located along the future Tucson Light Rail line, the Pima County Housing Center is well-positioned to meet the growing population and changing needs of Pima County.

Serving a wide range of needs, housing center staff are able assist first-time homebuyers, renters or homeowners with program information and referrals to obtain emergency rental or mortgage assistance, down-payment assistance, budgeting assistance and more.

Public use and awareness of the center has steadily grown. While staff meet with visitors and manage projects, they track the center’s activities. During its first year of operations, approximately 215 community meetings, 950 visitors, 1,300 callers and 45 foreclosure clients, each of whom has received one-on-one assistance, have utilized the housing center and its resources during this fiscal year.

Adjacent to the housing center is the Menlo Park Linda House and Community Garden supporting neighbors in a sustainable lifestyle. Slated for renovations, the Linda House will demonstrate the features of an aging-in-place, green living, and adaptive reuse of residential property. Residents will learn how to modify their homes as their housing needs change.

Condition: All bond funded improvements are complete and in good condition.

Applicable IGAs: None.





**2004 General Obligation Bonds
HR4005, MLK Revitalization**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 68, energy efficient, fully accessible and affordable public housing rental units for occupancy by low-income, elderly and special need households. The bond funds provided for the installation of crucial public amenities, including a community room, lobby, computer lab, library, recreation room and rooftop terrace/courtyard and garden.

Benefits: Financing for new affordable public housing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable for the preservation and enhancement of affordable urban housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a renewed area of growth with increasing land values; especially when it includes USGB certified GOLD LEED design features resulting in energy efficiencies.

Location: 55 North Stone; conveniently located adjacent to the Ronstadt Public Transit Center, the central hub for bus travel throughout Tucson and the surrounding Pima County area.

Developer/Owner(s): City of Tucson Public Housing Authority

Approved Bond Funding: \$ 1,272,678

Project Outcome

Completion Date: December 2010

Total Affordable Housing Units: 68 Apartments

Total Development Cost: \$18,067,009

Leverage: 14.2: 1 (For every \$1.00 bond allotted, \$14.20 in other public/private funding spent)

Bond \$/Unit: \$18,716

Other Development Funding Sources:

- HUD HOPE VI Program
- Low Income Housing Tax Credits
- HOME Program (City of Tucson HCD and AZDOH)
- Federal Home Loan Bank of San Francisco
- CDBG Program (City of Tucson)
- General Funds, City of Tucson
- Land Sales Proceeds

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units create stability for renters and increase local consumption of household goods and services. Rehabilitated homes give rise to the sprucing up of existing properties in the neighboring area which, in turn, encourages private investment in the local community.

Condition: The bond funded improvements (community room, lobby, computer lab, library, recreation room, rooftop terrace and garden) appeared in good condition during the most recent site inspection visit in January, 2013. While walking through the building, the inspector noted the computer lab, library, and rooftop garden/sitting areas were in good condition. Viewing through the glass doors of the community room and recreation room verified both areas were also in good condition. The overall condition of the interior and exterior was clean and well-maintained.

Applicable IGAs: City of Tucson





**2004 General Obligation Bonds
HR4006, Ghost Ranch Lodge**



Original Scope: The affordable housing G.O. Bond funds made possible the rehabilitation and adaptive reuse of 30 existing units in a historic motel, along with the addition of 30 new units, for a total of 60 affordable rental homes for low-income, elderly and special need households. The bond funds provided for part of the acquisition costs as well as the installation of new interior amenities, consisting of carpentry, cabinets, appliances and flooring.

Benefits: The preservation of historic buildings is essential to understanding our local heritage. Essentially, it is a recycling program on a grand scale since reusing existing buildings is an environmentally responsible practice. The rehabilitation of this historic motel through the conversion of 30 existing rooms into affordable rental units, along with the construction of an additional 30 new units, provides an economic stimulus for the revitalization of the entire Miracle Mile corridor with the subsequent increasing of land values.

Location: 801 West Miracle Mile, Tucson

Developer(s): Atlantic Development & Investments

Approved Bond Funding: \$ 1,100,000

Project Outcome

Completion Date: September 2010

Total Affordable Housing Units: 60 Apartments

Total Development Cost: \$12,685,022

Leverage: 11.5: 1 (For every \$1.00 bond allotted, \$11.50 in other public/private funding was spent.)

Bond \$/Unit: \$18,333

Other Development Funding Sources:

- Low Income Housing Tax Credits
- HOME Program (City of Tucson HCD)
- Private/Public Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units create stability for renters and increase local consumption of household goods and services. Rehabilitated homes give rise to the sprucing up of existing properties in the neighboring area which, in turn, encourages private investment in the local community.

Condition: During the most recent site inspection visit in January, 2013, the common areas (streets, structures and landscaping) all appeared in good condition.

Applicable IGAs: None





**2004 General Obligation Bonds
HR4017, Sunnyside Pointe**



Original Scope: The affordable housing G.O. Bond funds will make possible the construction of 90 new single family homes for purchase by low-income households. The bond funds provided for the site survey and testing, grading, underground utilities, storm water drainage, street paving, sidewalks, curbs, curb cuts, landscaping, irrigation and permits.

Benefits: Preconstruction infrastructure financing, often viewed as an unattractive investment for private lenders offering a very limited guarantee for a return on their investment, is still valuable as a long-term safeguard for the availability of affordable housing if wisely applied. Additionally, a well-structured investment of bond funds has economic benefits for the entire community by creating an incentive for private investors to follow it into new growth areas with increasing land values. Sunnyside Pointe is such a development that now has 30 newly constructed homes occupied by low and moderate income homebuyers, with 60 more homes planned or already under construction. The enhanced property tax revenue on what was originally a blighted and undeveloped parcel of land with limited assessment value is already delivering a substantial return on the bond expenditure.

Location: Sunnyside Pointe Subdivision (Lots 1 – 267 and Common Areas A – C) South Park Avenue, East Robert Hanson Drive, and Sylvester Drive

Developer(s): Sunnyside Pointe Development, LLC

Approved Bond Funding: \$1,464,218

Project Outcome

Completion Date: June 30, 2010

Total Affordable Housing Units: 90 homes (30 Units constructed and occupied)

Total Development Cost: \$14,497,350

Leverage: 9.9: 1 (For every \$1.00 bond allotted, \$9.90 in other public/private funding was invested)

Bond \$/Unit: \$ 37,308

Other Development Funding Sources:

- Federal Home Loan Bank of San Francisco
- Neighborhood Stabilization Program 2
- Private/Public Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: All bond funded improvements (roads, sidewalks, curbs, storm drainage, underground utilities and site improvements (landscapes and hardscapes) are complete and appeared to be in good condition during the most recent site inspection visit in January, 2013. Of the 90 planned homes, 30 are now complete and occupied by low income homebuyers. An additional 3 homes were under construction at the time of this inspection.

Applicable IGAs: None





**2004 General Obligation Bonds
HR4012, Westmoreland**



Original Scope: The affordable housing G.O. Bond funds will support the construction of 14 new single family homes for purchase by low-income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of grading, storm drainage and underground utilities, as well as providing needed sidewalks, paving, curbs and curb cuts.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The enhanced property tax revenue on what is now a vacant parcel of land with limited assessment value is expected to deliver a substantial return on the bond expenditure; particularly since solar water heaters, grey water systems, rainwater harvesting and county green building standards are designed as features to be incorporated into these new homes.

Location: Menlo Park Neighborhood at North Westmoreland Avenue across from West Placita Cobre

Developer(s): Chicanos Por La Causa

Approved Bond Funding: \$ 407,000

Project Outcome

Completion Date: June 2010

Total Affordable Housing Units: 11 homes (Overall 14 units)

Total Development Cost: \$ 3,042,403

Leverage: 7.5:1 (For every \$1.00 bond spent an additional \$7.50 in other public/private funding sources invested).

Bond \$/Unit: \$37,000

Other Development Funding Sources:

- City of Tucson Land Grant
- HUD HOME Program (City of Tucson HCD)
- Tucson Electric Power Grant
- Private/Public Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area. Chicanos Por La Causa completed the necessary infrastructure work, but then encountered financial difficulties resulting from the economic downturn with its accompanying housing crisis. The process for selecting a new developer and homebuilder has been initiated to move forward with this essential economic development project.

Condition: All bond funded improvements (streets, curbs, sidewalks, underground utilities) are complete and appeared to be in good condition during the most recent site inspection visit in January, 2013. Construction of new affordable townhomes has been delayed by the economic downturn in the housing market with its accompanying depression in sales. The City of Tucson maintains ownership of the site and is in the process of selecting a new developer and homebuilder.

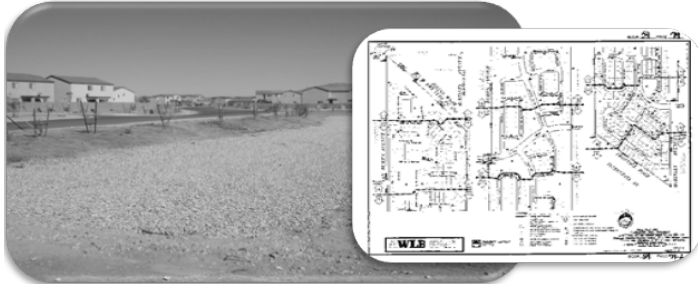
Applicable IGAs: None





2004 General Obligation Bonds

HR4008, HR4011, HR4013 Corazon del Pueblo Phases I, II & III



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 60 new single family home sites for purchase by low-income households, and was key in stimulating the building of an additional 300 single family home sites for moderate income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed sidewalks, curbs, and landscaping.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community, creating an incentive for private investors to progress into a new area of increasing land values. Development of vacant, blighted and undeveloped land into a mixed income subdivision, serving low and moderate income households, arose with the Corazon del Pueblo development which will make 300 homes available to moderate income households along with the 60 homes designated for low-income households. The enhanced property tax revenue on what was originally bare, blighted property with limited assessment value is now delivering a substantial return on the bond expenditure.

Location: Corazon Del Pueblo Subdivision (Lots 1 – 393 and Common Areas A – D) South Van Buren and East Elvira Road

Developer(s): Habitat for Humanity Tucson

Approved Bond Funding: Ph I \$352,694; Ph II \$395,466; Ph III \$408,197 (Total: \$1,133,160)

Project Outcome

Completion Date: June 30, 2007; June 30, 2008; June 30, 2009

Total Affordable Housing Units: 60 (50 of which are completed; 393 units in total development)

Total Development Cost: Ph I \$2,969,635, Ph II \$2,969,635, Ph III \$2,703,120

Leverage: Ph 1, 8:1; Ph II, 7.5:1; Ph III, 6.6:1
(For every \$1.00 in bond allocation, approximately \$8.00 in Ph 1, \$7.50 in Ph 2, and \$6.60 in Ph 3, from additional public/private funding sources were invested)

Bond \$/Unit: \$ 17,648

Other Development Funding Sources:

- HUD HOME Program (City of Tucson HCD)
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: The bond funded improvements (roads, sidewalks, curbs, storm drainage, underground utilities, and site developments of landscapes and hardscapes) were completed and appeared in good condition during the most recent site inspection visit in February, 2013. All Phase I & II homes are complete, as are some in Phase III. That includes 50 (that are now occupied) of the 60 homes designated for low income homebuyers, with the remaining 10 under construction at the time of this inspection.

Applicable IGAs: None





**2004 General Obligation Bonds
HR4004, Sylvester Drive Estates**



Original Scope: The affordable housing G.O. Bond funds made possible the rehabilitation of 13 single family homes for purchase by low-income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed sidewalks, curbs, and landscaping.

Benefits: Infrastructure financing for rehabilitation is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. This occurred with the Sylvester Drive Estates development project, a formerly vacant/undeveloped in-fill parcel which now has 13 newly constructed homes designated for low-income. The enhanced property tax revenue on what was originally blighted-vacant property, with limited assessment value, is now delivering a substantial return on the bond expenditure.

Location: Intersection of West San Juan Trail Road and South Sylvester Drive

Developer(s): Sylvester Drive, LLC and Old Pueblo Community Services

Approved Bond Funding: \$ 485,000

Project Outcome

Completion Date: December 2008

Total Affordable Housing Units: 13 homes

Total Development Cost: \$2,025,500

Leverage: 4: 1 (For every \$1.00 bond allotted, \$4.00 in other public/private funding was spent).

Bond \$/Unit: \$37,308

Other Development Funding Sources:

- Pima County Industrial Development Authority
- Federal Home Loan Bank of San Francisco
- Private Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. Rehabilitated homes give rise to the sprucing up of existing properties in the neighboring area which, in turn, encourages private investment in the local community.

Condition: The bond funded improvements (sidewalks, curbs, streets, landscaping, underground utilities and storm water drainage) appeared in good condition during the most recent site inspection visit in January, 2013 with one minor exception of plant overgrowth that needs to be trimmed and removed in the storm water retention basins. All homes were occupied and none were listed for sale or rent.

Applicable IGAs: None





**2004 General Obligation Bonds
HR4007, Curley School Apartments**



Original Scope: The affordable housing G.O. Bond funds made possible the rehabilitation and adaptive re-use of the Ajo Curley School into 30 multi-family, affordable live/work artisan rental units for occupancy by low-income working households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and sewer along with new underground utilities, as well as providing needed sidewalks, curbs, lighting, landscaping and block walls.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. Renovation and adaptive reuse into live-work, affordable, artisan apartments has generated 30 live/work artisan rental unit designated for low-income households. The enhanced property tax revenue on what had become a shell of a building, with limited assessment value, will now be in a position to deliver a substantial return on the bond outlay through levied taxes.

Location: 201 Esperanza Avenue, Ajo, Arizona

Developer(s): International Sonoran Desert Alliance (Vantage, Property Management Co.)

Approved Bond Funding: \$ 350,000

Project Outcome

Completion Date: June 2007

Total Affordable Housing Units: 30 live/work artisan rental homes

Total Development Cost: \$ 9,373,915

Leverage: 27: 1 (For every \$1 bond funds spent, \$27 was invested by other public/private funding sources.)

Bond \$/Unit: \$11,677

Other Development Funding Sources:

- Low Income Housing Tax Credits
- HUD HOME Program (City of Tucson HCD, Pima County and AZDOH)
- Federal Home Loan Bank of San Francisco
- CDBG Program (Pima County)
- Private/Public Construction Financing

Performance Indicators: Curley School Apartments is a unique live-work configuration, the project supports artists who create and sell art. Ajo is a winter visitor destination as well as a major thoroughfare to Mexico. As artists and tenants, they support the local economy. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units increase local consumption of household services. Renovated buildings give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: During a walk through the common areas and first floor hallways in December of 2012, everything appeared to be in good condition and operating properly.

Applicable IGAs: None





**2004 General Obligation Bonds
HR4002, Casa Bonita III, IV and V**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 60 scattered-site, multi-family, affordable rental units for occupancy by very low-income, special need households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed sidewalks, curbs, lighting, and landscaping.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The Casa Bonita, Phases III, IV and V development, now has 60 occupied apartments designated for low-income households. The enhanced property tax revenue on what originally were three bare parcels, with limited assessment value, is now delivering a substantial return on the bond through levied taxes.

Location: 1016 & 1050 East Milton Road, and 5720 South Randall Boulevard.

Developer(s): Development Design Group (ConAm, Management Company)

Approved Bond Funding: \$184,611

Project Outcome

Completion Date: June 2006

Total Affordable Housing Units: 60 Rental apartment homes

Total Development Cost: \$5,079, 843

Leverage: 28: 1 (for every \$1 bond funds spent, \$28 was invested by other public/private sources).

Bond \$/Unit: \$3,077

Other Development Funding Sources:

- Low Income Housing Tax Credits
- HUD HOME Program (City of Tucson HCD and AZDOH)
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Rental housing units build equity for their owners and increase local consumption of household services. New development gives rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: The bond funded improvements (storm drainage, underground utilities, roads, sidewalks, curbs and landscaping/hardscaping) are complete and appeared in good condition during the most recent site inspection visit in January, 2013. All rental units are fully occupied and in satisfactory condition.

Applicable IGAs: None





**1997 General Obligation Bonds
HR 1611, Copper Vista II**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 29 new single family home sites for purchase by low-income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of new water and sewer mains, storm drainage and underground utilities, as well as providing needed sidewalks, and curbs.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The Copper Vista II development already has completed 2 of the 29 homes designated for low-income households with more now under construction. The enhanced property tax revenue on what was originally a bare property with limited assessment value has already generated \$32,816 in levied taxes through 2012.

Location: Northeast corner of East Alvord Road and South Randall Boulevard.

Developer(s): Chicanos Por La Causa/La Causa Construction; Habitat for Humanity Tucson & Doucette Builders

Approved Bond Funding: Phase II, \$595,467

Project Outcome

Completion Date: Phase 2, June 2011

Total Affordable Housing Units: 29 homes

Total Development Cost: Phase 2, \$4,049,567

Leverage: 6.8: 1 (For every \$1.00 bond allotted, \$6.80 in other public/private funding was spent)

Bond \$/Unit: Phase II, \$20,533

Other Development Funding Sources:

- HUD HOME Program (City of Tucson HCD)
- Pima County Neighborhood Stabilization Program 2
- City of Tucson Water Equity Fees
- Tucson Electric Power Company
- La Causa Construction
- Private/Public Construction Financing

Performance Indicators: Chicanos Por La Causa completed the necessary infrastructure work but then encountered financial difficulties resulting from the economic downturn with its accompanying housing crisis. In 2011 the project was transferred to a Habitat for Humanity Tucson in partnership with Doucette Builders. Since its completion, the Copper Vista II development has generated property tax revenues of \$32,816. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: The bond funded improvements (roads, sidewalks, curbs, storm drainage and underground utilities) have been completed and appeared to be in good condition during the most recent site inspection visit in January, 2013. Two of the planned 29 homes are completed and occupied by low income homebuyers, and an additional two homes are already under construction.

Applicable IGAs: None





**1997 General Obligation Bonds
HR 1606, Balboa-Laguna**



Leverage: 5.3: 1 (For every \$1.00 bond allotted, \$5.30 in other public/private funding was spent)
Bond \$/Unit: \$22,805

Other Development Funding Sources:

- Land donated by City of Tucson
- HUD HOME Program (City of Tucson HCD)
- Pascua-Yaqui Tribe
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Since its completion, Balboa-Laguna development has generated property tax revenues of \$227,710. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area. Additional parks, such as the one provided by these bond funds, will enhance the lives of all local community residents.

Original Scope: Because of the affordable housing G.O. Bond funds, the construction of 36 new single family homes for purchase by low-income households was made possible. The bond funds provided for the installation of crucial offsite infrastructure consisting new underground utilities and the provision for storm drainage, as well as providing needed streets, sidewalks, lighting, and a pocket park that will be maintained by the City of Tucson and available to all households in the surrounding neighborhood.

Condition: The bond funded improvements (roads, sidewalks, curbs, storm drainage, underground utilities and common-area site improvements (landscapes and hardscapes) are complete and appeared in good condition during the most recent site inspection visit in January, 2013 with the minor exception of some plant overgrowth in the storm water retention basin which appears to have spread from plant life in an adjacent property to the south. All 36 affordable homes are completed and occupied by low income homebuyers and appear to be in good condition.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The enhanced property tax revenue on what was originally an undeveloped vacant in-fill property with limited assessment value has already generated \$227,710 in levied taxes through 2012.

Applicable IGAs: None

Location: Northeast corner of North Balboa Avenue and West Laguna Street.

Developer(s): Habitat for Humanity Tucson

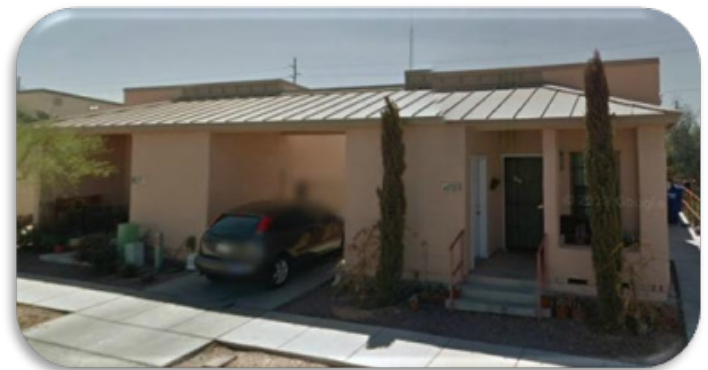
Approved Bond Funding: \$821,000

Project Outcome

Completion Date: December 2008

Total Affordable Housing Units: 36 homes

Total Development Cost: \$4,336,397





**1997 General Obligation Bonds
HR1608, West Ochoa**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 5 new single family homes for purchase by low-income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed sidewalks and curbs.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The West Ochoa development now has 5 new homes designated for low-income households. The enhanced property tax revenue on what was originally an undeveloped, blighted in-fill property with limited assessment value has already generated \$32,390 in levied taxes through 2012.

Location: Directly west of South 9th Avenue at West 25th Street and across the street from West Ochoa Neighborhood Park.

Developer(s): Originally Chicanos Por La Causa; currently Habitat for Humanity Tucson & Doucette Homes

Approved Bond Funding: \$ 120,000

Project Outcome

Completion Date: June 2008

Total Affordable Housing Units: 5 homes

Total Development Cost: \$631,956

Leverage: 5.3: 1 (For every \$1.00 bond allotted, \$5.30 in other public/private funding was spent)

Bond \$/Unit: \$24,000

Other Development Funding Sources:

- Land donated by the City of Tucson
- HUD HOME Program (City of Tucson HCD)
- Tucson Electric Power Rate Guarantee Program
- Private/Public Construction Financing

Performance Indicators: Since its completion, the West Ochoa development has generated property tax revenues of \$32,390. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: The bond funded improvements (sidewalk, curbs, streets, underground utilities and storm water drainage) appeared in good condition during the most recent site inspection visit in January, 2013 with one minor exception of plant overgrowth at the south end of the development. All homes were occupied and none were listed for sale.

Applicable IGAs: None





**1997 General Obligation Bonds
HR 1610, We Chij Estates**



Total Development Cost: \$3,416,000
Leverage: 7.7: 1 (For every \$1.00 bond allotted, \$7.70 in other public/private funding was spent)
Bond \$/Unit: \$21,170

Other Development Funding Sources:

- HUD HOME Program (City of Tucson HCD)
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Since its completion, the We Chij Estates development has generated property tax revenues of \$158,477. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Original Scope: The affordable housing G.O. Bond funds made possible the construction of 21 new single family homes for purchase by low-income households, and was key in stimulating the building of an additional 7 market-rate single family home sites. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed streets, sidewalks and landscaping.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. This occurred with the We Chij Estates development which now has 21 new single family homes occupied by low-income households. The enhanced property tax revenue on what was originally a bare property with limited assessment value has already generated \$158,477 in levied taxes through 2012.

Location: West Nebraska at South Fairland Park directly east of Apollo Middle School and northeast of Liberty Elementary School.

Developer(s): Pima Fairland, Inc. and Old Pueblo Community Services

Approved Bond Funding: \$444,580

Project Outcome

Completion Date: October 2007

Total Affordable Housing Units: 21 homes (Overall 28 units)

Condition: The bond funded improvements (streets, sidewalks, curbs underground utilities) appeared in good condition during the most recent site inspection visit in January, 2013 with the exception of some minor erosion of dirt at the east sidewalk. All the affordable housing designated homes were completed, sold, and appear to be in good condition with only one For Sale sign posted at the time of this inspection. The private, unrestricted market lots were not yet fully developed and have plant overgrowth that needs to be trimmed and removed.

Applicable IGAs: None





**1997 General Obligation Bonds
HR1605 Copper Vista I**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 29 new single family home sites for purchase by low-income households. The bonds funded Phase I for the installation of crucial offsite infrastructure, consisting of new underground utilities and storm drainage, as well as providing needed streets, curbs and sidewalks.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The enhanced property tax revenue on what was originally a bare property with limited assessment value has already generated \$112,072 in levied taxes through 2012.

Location: Northeast corner of East Alvord Road and South Randall Boulevard.

Developer(s): Chicanos Por La Causa/La Causa Construction and Habitat for Humanity Tucson/Doucette

Approved Bond Funding: Phase I, \$435,000

Project Outcome

Completion Date: Phase I, June 2006

Total Affordable Housing Units: 29 Units

Total Development Cost: Phase I, \$4,339,175

Leverage: 9.98: 1 (For every \$1.00 bond allotted, \$9.98 in other public/private funding was spent)

Bond \$/Unit: Phase I, \$15,000

Other Development Funding Sources:

- HUD HOME Program (City of Tucson HCD)
- Tucson Electric Power Rate Guarantee Program
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Chicanos Por La Causa completed the necessary infrastructure work along with construction of the first two planned homes but then encountered financial difficulties resulting from the economic downturn with its accompanying housing crisis. In 2011 the project was transferred to a Habitat for Humanity Tucson in partnership with Doucette Builders, and since the completion of Copper Vista's Phase I, \$112,072 in property tax revenue has been generated. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: The bond funded improvements (roads, sidewalks, curbs, storm drainage, and underground utilities) were complete and appeared to be in satisfactory condition during the most recent site inspection visit in January, 2013. Of the 29 planned homes, four are now complete and occupied by low income homebuyers. An additional five homes were well under construction at the time of this inspection.

Applicable IGAs: None





**1997 General Obligation Bonds
HR1609, Valle Del Sur Townhomes**



Bond \$/Unit: \$4,556

Other Development Funding Sources:

- Low Income Housing Tax Credits
- HUD HOME Program (City of Tucson HCD)
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Since its completion, the Valley Del Sur Townhomes development has generated property tax revenues of \$165,878. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Original Scope: The affordable housing G.O. Bond funds made possible the construction of 60 new single family townhomes for lease/purchase by low-income households. The bond funds provided for the installation of crucial offsite infrastructure, consisting of storm drainage and underground utilities, as well as providing needed sidewalks, curbs, and landscaping.

Condition: The bond funded improvements appeared in good condition during the most recent site inspection visit in January, 2013 with two exceptions, some overgrowth of weeds in both of the storm water retention basins need to be cleaned out, and the east retention basin occasionally fills to overflowing due to a chain link fence installed at the north side of that retention basin blocking the designed flow route. The Property Manager noted that they have been able to maintain 100% occupancy and estimates at least 25% of tenants are original tenants that have lived at property since the property opened.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. The Valley Del Sur Townhomes development now has 60 occupied homes designated for low-income households. The enhanced property tax revenue on what was originally a bare property with limited assessment value has already generated \$165,878 in levied taxes through 2012.

Applicable IGAs: None

Location: City of South Tucson at the southeast corner of W. 38th St. and So. 9th Avenue.

Developer(s): Development Design Group (Current Owner: Simpson Housing Corporation)

Approved Bond Funding: \$ 273,984

Project Outcome

Completion Date: February 2006

Total Affordable Housing Units: 60 townhomes

Total Development Cost: \$8,004,343

Leverage: 29.2: 1 (For every \$1.00 bond allotted, \$29.21 in other public/private funding was spent)





**1997 General Obligation Bonds
HR1607, High Sierra Estates**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 15 new single family homes for purchase by low-income households, and was key in stimulating the building of an additional 6 market-rate single family homes. The bond funds provided for the installation of crucial offsite infrastructure, consisting of underground utilities and storm drainage, as well as providing needed streets, sidewalks, and landscaping.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. This occurred with the High Sierra Estates development which now has 6 occupied market-rate homes along with the 15 designated for low-income households. The enhanced property tax revenue on what was originally an undeveloped bare property with limited assessment value has already generated \$178,607 in levied taxes through 2012.

Location: Elvira Neighborhood near South Clara Avenue and West Carolchristine Place.

Developer(s): Major Construction & Old Pueblo Community Foundation

Approved Bond Funding: \$434,743

Project Outcome

Completion Date: June 2005

Total Affordable Housing Units: 15 homes (Overall 21 units)

Total Development Cost: \$2,575,663

Leverage: 5.92: 1 (For every \$1.00 bond allotted, \$5.92 in other public/private funding was spent)

Bond \$/Unit: \$28,982

Other Development Funding Sources:

- HUD HOME Program (City of Tucson HCD)
- Federal Home Loan Bank of San Francisco
- Private/Public Construction Financing

Performance Indicators: Since its completion, the High Sierra Estates development has generated property tax revenues of \$178,607. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area.

Condition: All bond funded improvements (sidewalks, curbs, storm drainage, underground utilities and common-area site improvements (landscapes and hardscapes) are complete and in satisfactory condition with the exception of some overgrowth of weeds in the storm water retention basin. All 15 affordable homes are completed and occupied by low income homebuyers and appear to be in good condition based on the most recent site inspection visit in January, 2013. Additionally, all 6 of the non-bond funded market rate lots were sold; those homes are completed, occupied, and appear in good condition.

Applicable IGAs: None





**1997 General Obligation Bonds
HR1604, Chantlalli Estates**



Original Scope: The affordable housing G.O. Bond funds made possible the construction of 37 new single family homes for purchase by low-income households, and was key in stimulating the building of an additional 24 market-rate single family homes. The bond funds provided for essential engineering, underground utilities, storm drainage, streets, sidewalks, lighting, landscaping and block walls.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. This occurred with the Chantlalli Estates development which now has 24 occupied market-rate homes along with the 37 designated for low-income households. And, since the project's completion, new adjacent developments have taken place and are holding on well to their initial values. The enhanced property tax revenue on what was originally a bare property with limited assessment value has already generated \$652,185 in levied taxes through 2012.

Location: Southwest Corner of North Silverbell Road and North Introspect Drive

Developer(s): Chicanos Por La Causa/La Causa Construction

Approved Bond Funding: \$300,000

Project Outcome

Completion Date: June 2004

Total Affordable Housing Units: 37 (Overall 61 units)

Total Development Cost: \$6,669,540

Leverage: 22.2:1 (For every \$1.00 bond allotted, in other public/private funding was spent)

Bond \$/Unit: \$8,108

Other Development Funding Sources:

- Land donation from Pima County and City of Tucson
- HUD HOME Program (City of Tucson HCD)
- Fannie Mae Foundation
- Tucson Electric Power Rate Guarantee Program
- Private/Public Construction Financing

Performance Indicators: Since its completion, the Chantlalli Estates development has generated property tax revenues of \$652,185. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area. Within a couple of years following its completion, new developments have begun adjacent and south of the Chantlalli Estates. That construction has been finalized and all those homes have sold.

Condition: All bond funded improvements (roads, sidewalks, curbs, storm drainage, underground utilities and common-area site improvements (landscapes and hardscapes) are complete and in satisfactory condition. All 37 affordable homes are completed and occupied by low income homebuyers and appear to be in good condition based on the most recent site inspection visit in January, 2013. Additionally, all of the non-bond funded market rate lots were sold, those homes are completed, occupied, and appear in good condition.

Applicable IGAs: None





**1997 General Obligation Bonds
HR1603, Sunland Vista**



Original Scope: Pima County’s first affordable housing G.O. Bond issue made possible the construction of 30 new single family homes for purchase by low-income households, and was key in stimulating the building of an additional 35 market-rate single family homes. The bond funds provided for the installation of crucial offsite infrastructure, consisting of a new water main and storm drainage, as well as providing needed streets, sidewalks, lighting, landscaping, block walls, and generating alley ROW improvements.

Benefits: Preconstruction infrastructure financing is often viewed as one of the least attractive investments for private lenders because it offers a very limited guarantee for a return on their investment. But, when it is wisely applied, such funding is still valuable as a long-term safeguard for the availability of affordable housing. Additionally, a well-structured initial investment of bond funds has economic benefits for the entire community since it creates an incentive for private investors to climb on board into a new growth area with increasing land values. This occurred with the Sunland Vista Development which now has 35 occupied market-rate homes along with the 30 designated for low-income households. Also under development is the adjacent University of Arizona Bio Park. The enhanced property tax revenue on what was originally an undeveloped vacant in-fill property with limited assessment value has already generated \$1,149,503 in levied taxes through 2012.

Location: South Campbell Avenue and East Sunland Vista

Developer(s): United Housing & Educational Development Corporation

Approved Bond Funding: \$765,134

Project Outcome

Completion Date: September 2003

Total Affordable Housing Units: 30 homes (Overall 65 units))

Total Development Cost: \$1,743,925

Leverage: 2.30: 1 (For every \$1.00 bond allotted, \$2.30 in other public/private funding was spent)

Bond \$/Unit: \$25,504

Other Development Funding Sources:

- Local Initiatives Support Corporation
- HUD HOME Program (City of Tucson HCD)
- Federal Home Loan Bank of San Francisco
- Tucson Electric Power Rate Guarantee Program
- Private/Public Construction Financing

Performance Indicators: Since its completion, the Sunland Vista Development has generated property tax revenues of \$1,149,503. Housing construction impacts the local economy by creating additional jobs and through the purchase of major materials. Occupied housing units build equity for homeowners and increase local consumption of household services. New homes give rise to added investment and the sprucing up of existing properties in the neighboring area. Sunland Vista Estates was Tucson’s first Catch the Dream development. Mel Martinez, U.S. Housing and Urban Development Secretary when the project commenced, praised the Sunland Vista Estates single-family housing development as “a sterling example of what the public and private sectors can do when they work together to build affordable housing for minority families.”

Condition: The bond funded improvements appeared in good condition during the most recent site inspection visit in January, 2013 with two exceptions, some overgrowth of weeds in the storm water retention basin, and a damaged section of sidewalk caused by a Mesquite tree growing against the sidewalk’s edge.

Applicable IGAs: None





Pima County Housing Center
 801 W. Congress St.
 Tucson, AZ 85745
 (520) 624-2947

<http://www.pima.gov/ced/housing.shtml#homeownership>

- **Housing Resources** — Home ownership, affordable rental housing search, sustainable housing, homeless services, fair housing.
- **Walk-in Services** — Access to computers, assistance with on-line applications consultations with housing staff, housing counselors & lending institutions
- **Workshops** — money management (crisis budgeting, credit repair, debt management), fair housing, sustainability, and more!
- **Foreclosure Prevention/Recovery** — Educational forums & workshops, loan modification counseling, scam & fraud awareness.
- **Mortgage Modification Assistance** — Mortgage modification assistance offered by HUD approved housing counseling agencies.

Community Meeting Rooms

Room A

Small Community Meeting Room
 Room Capacity — 30

Room B

Large Community Meeting Room
 Room Capacity — 90

*Audio visual and computer equipment, polycom, white board, kitchen facilities, free parking

Pima County Housing Center - Contact Information

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AT BARRIO SAN ANTONIO

Pima County Affordable Housing • 2004 G.O. Bonds



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