

**Pima County  
Community Development / Neighborhood Conservation Department  
HUD NSP Quarterly Progress Report,  
First Quarter, January-March 2010**

The HUD NSP Grant Agreement with Pima County (AZ) was approved on March 19, 2009, for the amount of \$3,086,867. The following was submitted into the HUD Disaster Recovery Grant Reporting System on-line for the quarterly progress report for the county's NSP grant:

**First Quarter (January-March 2010) Progress Narrative**

Pima County Community Development and Neighborhood Conservation (CDNC) Department continued with its NSP1 activities in an area of high foreclosures in southwest Tucson, AZ. We continued foreclosed single-family residential acquisition/rehab activities in this region, and began to accept bids from selected construction contractors to perform rehab on individual homes.

CDNC also coordinated activities with two of its sub-grantees: the Primavera Foundation continued to acquire foreclosed homes in the community of South Tucson, AZ; and a contract was finalized with the International Sonoran Desert Alliance as a non-profit developer for redevelopment of retail space in an historic building, and demolition of blighted structures in the rural community of Ajo, AZ (approved by county Board of Supervisors in early Q2).

CDNC had published an RFP to local non-profit housing developers for acquisition/rehab of foreclosed multi-family properties using the 50% AMI set-aside funds, but received no applications. We decided to re-direct this funding to the on-going foreclosed single-family residential acquisition/rehab being conducted internally and by Primavera.

**1. Project Administration**

Budgeted:	\$308,687
Quarter Expenditure:	\$ 14,896
Total Expenditure:	\$ 78,493

CDNC administrative activities included drafting and completing the contract with the International Sonoran Desert Alliance in Ajo, AZ for retail redevelopment and demolition (\$800,000) and amending existing contract with the Primavera Foundation for foreclosed property acquisition / rehabilitation, vacant property redevelopment, and demolition and clearance activities in South Tucson, AZ (\$485,000).

CDNC continued to identify, inspect, complete compliance and acquire foreclosed residential properties. We also had our rehabilitation contractors begin to inspect properties to submit Job Order Contract bids for required rehabilitation work on individual properties per CDNC instructions, to begin in Q2 of 2010.

## **2. Cardinal / Valencia Foreclosed Property Acquisition & Rehabilitation**

Budgeted:	\$ 903,263
Quarter Expenditure:	\$ 224,922
Total Expenditure:	\$ 385,829

CDNC acquired four (4) vacant foreclosed residential properties in the Cardinal/Valencia region of southwest Tucson in Q1 of 2010 - this brings our total to eight (8) homes total under this activity, and completes the acquisition phase of this DRGR Activity.

The remainder of this Activity's funding will be used for residential rehabilitation. CDNC has begun to request bids for rehabilitation work - we have shown our Job Order Contract firms four (4) acquired properties for them to begin to develop their bids.

## **3. South Tucson, AZ – Primavera Foundation**

Budgeted (acquisition/rehab):	\$ 375,000
Budgeted (demolition)	\$ 28,000
Budgeted (redevelopment)	\$ 20,000
Quarter Expenditure:	\$ 2072
Total Expenditure:	\$ 116,359

The NSP contract with Primavera was amended and additional funding added for demolition of blighted structures, and redevelopment of vacant lots owned by Primavera (installing and up-grading utilities) in South Tucson, AZ.

Primavera Foundation completed the acquisition phase of their NSP1 grant with the purchase of this one (1) final property. Primavera also completed the rehabilitation of their first acquisition, a single-family residence at 338 West 33rd Street in South Tucson - HUD Assistant Secretary Mercedes Márquez announced the award of NSP2 grant recipients at this property on January 14, 2010.

## **4. Ajo, AZ – International Sonoran Desert Alliance**

Budgeted (Redevelopment):	\$ 750,000
Budgeted (Demolition):	\$ 50,000
Quarter Expenditure:	\$ 0
Total Expenditure:	\$ 0

CDNC finalized the NSP1 contract in Q1 of 2010 with the International Sonoran Desert Alliance (ISDA) in Ajo, AZ - the contract will go to the county Board of Supervisors in early April 2010 (Q2) for final approval. ISDA will serve as the non-profit developer, who will oversee the redevelopment of new retail spaces in the vacant grocery and mercantile stores in the historic Ajo Plaza, located in the town's central business district, and demolition of blighted structures at scattered locations around Ajo.

## **5. 50% Area Median Income Foreclosed Property Acquisition & Rehabilitation**

25% of the entire NSP grant is set aside on foreclosed property acquisition and rehabilitation (\$ 771,717) to benefit households at or below 50% of area median income

Budgeted (CDNC) :	\$ 589,917
Budgeted (Primavera):	\$181,800
Quarter Expenditure (CDNC):	\$ 2717
Quarter Expenditure (Primavera):	\$ 0
Total Expenditure:	\$ 2717

We divided the 50% AMI set-aside funds between CDNC and Primavera Foundation to continue respective acquisition/rehab of vacant foreclosed residential properties in the Cardinal/Valencia region and South Tucson.

In Q1 of 2010, CDNC purchased one (1) single family residence (funds to be drawn in Q2), entered escrow for the purchase of two (2) other properties, and conducted appraisals and inspections on an additional seven (7) properties. Primavera purchased one (1) single family residence with a detached guest house (invoiced at very end of Q1), and entered escrow to purchase a residential duplex property.