

**Pima County
Community Development / Neighborhood Conservation Department
HUD NSP Quarterly Progress Report,
Third Quarter, July-September 2009**

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:

Third Quarter (July-September 2009) Progress Narrative

Pima County Community Development and Neighborhood Conservation Department (CDNC) is refining its process for acquisition and rehabilitation of foreclosed properties with other County departments, and has begun to acquire foreclosed homes, to be rehabilitated and rented for use by low-, moderate- and middle income (LMMI) households.

CDNC is also working to provide NSP funds to two non-profits working in local underprivileged communities: Primavera Foundation has also begun to acquire foreclosed homes in South Tucson to be rehabilitated and sold at affordable rates to LMMI households, and the International Sonoran Desert Alliance has submitted a proposal currently under review, to redevelop vacant stores in the historic Ajo Plaza into new retail spaces.

In addition, CDNC has published an RFP for local non-profit housing development agencies to identify, acquire and rehabilitate foreclosed multi-family residential structures, to be managed as affordable rental units for low-moderate income households.

1. Project Administration

Budgeted:	\$308,687
Quarter Expenditure:	\$ 17,460
Total Expenditure:	\$ 44,239

CDNC administrative activities included reviewing proposals, drafting and completing contracts and compliance clearance for activities with two non-profit agency sub-recipients (Primavera Foundation and International Sonoran Desert Alliance); identifying and inspecting properties, completing compliance clearance, and managing the acquisition process for county foreclosed property acquisition; drafting home rehabilitation specifications, rating of local firms who responded to RFQ, and establishing Job Order Contracts with two firms for home rehabilitation work.

2. Cardinal / Valencia Foreclosed Property Acquisition & Rehabilitation

Housing activities in targeted high-foreclosure neighborhoods in SW Tucson

Budgeted:	\$1,256,463
Quarter Expenditure:	\$ 7,954
Total Expenditure:	\$ 7,954

CDNC coordinated activities of Pima County departments to draft property appraisals, submit purchase offers, and complete compliance clearance on foreclosed properties. We appraised eleven (11) foreclosed properties and submitted offers on eight (8) of those. One (1) foreclosed home was purchased (Fed Home Loan Mortgage Corp.) and we entered escrow for the purchase of two (2) more (FHLMC & Fed Nat'l Mortgage Assn.), closing in October (approx. \$55,000 for 1 home purchase and other activities were drawn after September 2009).

3. South Tucson, AZ Redevelopment

Affordable housing activities in the community of South Tucson, AZ

Budgeted:	\$375,000
Quarter Expenditure:	\$ 0
Total Expenditure:	\$ 0

Pima County entered a contract with Primavera Foundation, Inc. in July 2009 to purchase two (2) foreclosed homes and three (3) vacant lots in the jurisdiction of South Tucson, AZ. Primavera appraised, made an offer, and purchased one (1) foreclosed home for rehabilitation and re-sale (approx. \$73,000 for 1 home purchase and other activities were drawn after September 2009). Some vacant lots were inspected and owners contacted, but no lots were purchased.

4. Ajo, AZ Redevelopment

Redevelopment of vacant retail space in the historic Ajo Plaza in the town center

Budgeted:	\$750,000
Quarter Expenditure:	\$ 0
Total Expenditure:	\$ 0

The International Sonoran Desert Alliance (ISDA) has submitted a proposal for the redevelopment of vacant stores (grocery and mercantile) into new retail spaces in the historic Plaza in Ajo, AZ. We are working out details of the proposal and working on drafting a contract to transfer NSP funding to ISDA.

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

25% of the entire NSP grant is set aside on foreclosed property acquisition and rehabilitation to benefit households at or below 50% of area median income

Budgeted:	\$771,717
Quarter Expenditure:	\$ 0
Total Expenditure:	\$ 0

CDNC published an RFP and will enter a contract with local non-profit housing development organizations / agencies to identify, acquire, rehabilitate and manage foreclosed multi-family residential rental properties. We have discussed potential foreclosed properties with some organizations, but have yet to receive proposals.