

PUBLIC HOUSING AUTHORITY COMMUNICATION

December 10, 2024

Subject: Public Hearing – City of Tucson/Pima County PHA Annual Plan

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Significant Amendment (City Wide)

<u>Issue</u> – The City of Tucson, as a public housing agency (PHA), is required by the Department of Housing and Urban Development (HUD) to submit any Significant Amendment to its Public Housing Agency Plans which includes the Annual Plan.

<u>City Manager's Office Recommendation</u> – After the Board of Commissioners hears from the public, the City Manager recommends that the Board authorize a resolution adopting the PHA's Significant Amendment to the Annual Plan and authorizing its submission to HUD.

Background – On October 21, 1998, Congress enacted the Quality Housing Work Responsibility Act of 1998 (QHWRA). This Act made important changes to the operations of Public Housing and Housing Choice Voucher (HCV) Programs. One of the most important changes resulting from QHWRA was the introduction of the Housing Agency Plan. Accordingly, each housing authority was charged with establishing a comprehensive planning process for the agency's five-year plan and an Annual Plan update. The five -year agency plan describes the mission of the housing authority, and the long-range goals and objectives for achieving its mission over the next five years. The Annual Plan details operational concerns and programmatic needs and charges for the upcoming fiscal year. In addition, when the PHA needs to make changes to an existing, approved plan it must submit a Significant Amendment.

<u>Present Considerations</u> – The PHA complied with the required 45-day comment period to amend the Annual Plan, including holding an outreach meeting with the Resident Advisory Board, public housing residents, and Housing Choice Voucher participants. Comments, including those received this evening, will be added to the documentation. Once the Board of Commissioners approves the Significant Amendment to the Annual Plan, it will be submitted to HUD for approval.

A Significant Amendment is required to cover the following new Asset Repositioning activities that the Housing and Community Development Department is working to advance. However, each of the activities listed below will come back to the Board of Commissioners in early 2025 for specific approval before an Asset Repositioning application is submitted to HUD.

- Section 18 Disposition for the Tucson House (Repositioning Tucson House from public housing to the Housing Choice Voucher Program)
- Section 18 Disposition for Scattered Site Units (Repositioning the 215 homes that have been identified to keep in the City's housing portfolio from Public Housing to the Housing Choice Voucher Program)

MAYOR AND COUNCIL COMMUNICATION

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Plan Significant Amendment (City Wide)

<u>Plan Tucson Considerations</u> – This item relates to the *Plan Tucson* elements of Housing, and is supported by the following policies:

 $\mathrm{H7}-\mathrm{Increase}$ access to safe, healthy, and affordable housing choices, including mitigating the impacts of foreclosure.

H8 – Address the housing needs of the most vulnerable populations in the community, including those at risk of homelessness.

H9 – Promote safe, decent, and affordable housing and neighborhoods that support aging in place.

H10 – Provide housing, human services, public facilities, and economic development programs to end homelessness

<u>Financial Considerations</u> – The PHA programs are federally funded by the U.S. Department of Housing and Urban Development. However, the Public Housing program is not financially sustainable long term. On September 19, 2023, the Board of Commissioners directed staff to pursue the Public Housing Financial Stability Plan to ensure the PHA has viable funding for the future. This Significant Amendment is required to move forward with Asset Repositioning activities.

<u>Legal Considerations</u> – The Annual Plan and corresponding Board Resolution have been reviewed and approved by City Attorney as to form.

Respectfully submitted, Ely Morals

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Housing and Community Development

Attachment(s): Resolution