

\$15 million in planned Housing Trust Fund Investments in State Fiscal Year 2020 to combat Homelessness

\$3 million – Development of Supportive Housing Units for formerly Homeless

The Department will issue a Notice of Funding Availability (NOFA) for the Development of Supportive Housing Units for formerly Homeless persons. Trust Funds will be combined with Federal funding to provide up to \$10 million in total investments for potential projects. Not-for-profit housing development agencies wishing to develop supportive rental housing for this population will have an opportunity to submit an application by a specified monthly deadline, starting this fall and ending in December 2019, or until funds are exhausted. Eligible types of projects will include new construction or acquisition/renovation projects not currently in use for housing.

\$3 million – Transitional Shelter for Homeless with a Behavioral Health emphasis

The Department, in partnership with the Arizona State Hospital and several other state agencies, has proposed to renovate an existing building on the State Hospital grounds in Phoenix to provide single rooms to be used for transitional shelter for unsheltered homeless populations diagnosed with serious mental illness or experiencing general mental health issues. Length of stays at the facility could be for up to two years in order to allow residents to transition from living on the streets, until they are able to transition back into the community. The Department will work with the State Hospital and other state agencies to select a licensed mental health services provider to operate the facility.

\$2.5 million – “Center of Hope Apartments”

\$2.5 million, as well as other resources available through the Department such as 4% Federal Low-Income Housing Tax Credits, will be utilized for the “Center of Hope Apartments” which is Phase Three of the “Center of Opportunity” project located at 4554 S. Palo Verde Road, Tucson.

The Center of Opportunity campus project is located in a former hotel that is being renovated and repurposed for utilization as a campus to aid in combating homelessness in the Tucson area by providing shelter, services, and affordable rental units. The Trust Fund investment will provide resources for La Frontera Partners, Inc., to renovate an existing hotel tower into 100 affordable, one-bedroom rental units. The Developer expects mostly seniors and single persons will reside in the apartments.

Phase One of the project includes a 150-bed shelter operated by the Gospel Rescue Mission. Phase Two will include a medical clinic, multi-agency office for supportive services, and a job training center that provides services to both the shelter and the rental housing residents.

Other Phase Three partners include the Pima County Industrial Development Authority, which will be issuing bonds for the development and Pima County has committed to provide federal funds to the project, and others.

\$3 million – Fort Whipple Homeless Veterans Housing

Trust Funds are being set aside for investment in a project proposed by the U.S. Department of Veterans Affairs (VA), which intends to issue a notice this fall to select a developer who will be provided with an extended use lease agreement with VA. The lease agreement would allow the developer to utilize six former officers' quarters, as well as vacant land on the Ft. Whipple VA campus located in Prescott, to provide housing for homeless veterans. A public meeting to inform the community of the upcoming project was held by VA on July 8 and an informational Forum was held on Sept 9.

The Department, who serves as the Public Housing Authority for Yavapai County, will also provide additional resources beyond the trust funds to the project, such as Section 8 vouchers specifically for Veterans. It is also working with the State

Historic Preservation Office, the Arizona Department of Veterans Services and the Arizona Industrial Development Authority to identify other resources for the development.

\$3.5 million – Secure Behavioral Health Residential Facility

Within the \$15 million allocated to the Housing Trust Fund, \$3.5 million was specifically designated in the budget to be utilized to provide residential treatment for individuals with a Serious Mental Illness designation who have been resistant to treatment and have been ordered to the facility by a court order. The facility will provide 24/7 treatment and behavioral health programs. The Department is working with other state agencies such as the Arizona Department of Health Services and the Arizona Health Care Cost Containment System to identify licensing requirements and ongoing funding resources for the project. Site selection and an operator for the facility have not yet been determined.