



Recovery Plan

State and Local Fiscal Recovery Funds

2025 Report

Award through June 30, 2025

City of Tucson
2025 Recovery Plan

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GENERAL OVERVIEW

Executive Summary

On March 11, 2021, the American Rescue Plan (ARPA) was signed into law and established the State and Local Fiscal Recovery Fund (SLFRF). This fund provided a \$135.7 million allocation to the City of Tucson (the City) to respond to the negative economic and public health impacts from the COVID-19 pandemic. Through their leadership, the City's Mayor and Council created a strategic plan to deploy ARPA funds that included a balanced approach to addressing the effects of the pandemic on the people of our community, as well as investing in efforts to stabilize neighborhoods, reinvest in infrastructure, and support small businesses. To achieve a lasting and meaningful impact, the Mayor and Council's strategic plan suggests spending the ARPA funding across four years, as allowed under the Department of Treasury guidelines.

The strategic plan addresses seven major program categories throughout the City:

1. Promoting Affordable and Stable Housing: The strategic plan calls for a four-year plan that allocates a total funding amount of \$3.03 million toward affordable and stable housing programs of operation.
2. Community Reinvestment and Recovery Parks, Arts, and Culture: The strategic plan calls for a four-year plan that allocates a total funding amount of \$8.40 million toward reinvestment in parks, public spaces and local arts and culture.
3. Relief for Families, Essential and Frontline Workers, and Small Business: The strategic plan calls for a four-year plan that allocates a total funding amount of \$1.73 million to assist community members.
4. Workforce Development: The strategic plan calls for a four-year plan that allocates a total funding amount of \$0.47 million toward the development of job training and skills programs.
5. Youth Development: The strategic plan calls for a four-year plan that allocates a total funding amount of \$0.64 million toward programs aimed at providing opportunities and activities for youths.
6. Investment in the Organization: The strategic plan calls for a four-year plan that allocates a total funding amount of \$121.42 million toward government services.

Uses of Funds

The strategic plan approved by the City's Mayor and Council, includes prioritized spending and projects in the following program categories:

Relief for Families, Essential & Frontline Workers, & Small Businesses – Through this category, and in recognition of the fact that families, essential & frontline workers, as well as small business have in many instances suffered disproportionately because of the Covid-19 pandemic. This being the case, it is the City's intent to help those who have had a correlating negative economic impact recover from the pandemic. An example of a project under this category is the creation of a grant and assistance project for small and legacy businesses in the community. This project is targeted towards local disadvantaged businesses negatively impacted by the public health crisis to provide small business development services and grant funds to allow business owners to invest in their businesses and expand capacity.

- Community Reinvestment and Recovery Parks, Arts & Culture – Projects planned under this category include but are not limited to programs and services to help community members who are experiencing primary and secondary impacts of COVID-19 through support services, community engagement activities, and resources to facilitate programs that target high risk populations and/or reduce violence in the community. These programs will be managed by City departments as well as Community Partner agencies. and will span across several ARPA expenditure categories intended to improve public spaces, assist households and individuals, and nonprofit organizations and small businesses.
- Workforce Development – Projects funded under this program category are intended to be used to support individuals struggling with unemployment/ under employment because of the Covid-19 pandemic. Accordingly, efforts will focus on projects such as, economic workforce development programs to assist unemployed and underemployed workers by increasing the access to employment training and employment incentives. An example project under this category is the establishment of a City-managed program to expand local economic workforce development grant programs with ARPA-related eligibility criteria.
- Youth Development – Projects in this category will jointly be managed by the City and Community Partner agencies. These projects are intended to provide engagement opportunities for youth and senior youth who were negatively impacted by the COVID-19 pandemic. Examples of programs and services that will be provided to support this population, includes opportunities for recreation and fitness activities; volunteer opportunities, access to arts and cultural experiences through nontraditional means; and other opportunities.
- Promoting Affordable and Stable Housing – Projects under this category will address the Negative Economic Impacts of the COVID-19 pandemic on Impacted and Disproportionately Impacted Communities, such as those who are struggling with housing related issues or suffering from homelessness. Projects will be managed by the City and Community Partner Agencies, and include programs intended to enhance access to affordable and/or transitional housing.
- Investment in Organization – Funds in this category will be used to support general governmental services.

Expenditure Category	City of Tucson ARPA Plan Allocated Funding	City Managed Projects Per EC (as of June 30, 2025)	Community Partner Projects Per EC (as of June 30, 2025)
Public Health EC1	\$ 357,610	-	3
Negative Economic Impacts EC2	\$ 13,919,377	1	56
Public Health-Negative Economic Impact: Public Sector Capacity EC3	\$ 76,188,000	1	-
Premium Pay EC4	-	-	-
Water, Sewer, and Broadband Infrastructure EC5	-	-	-
Revenue Replacement EC6	\$ 45,231,776	1	-
Total	\$135,696,763	3	59

Promoting equitable outcomes

The effects of COVID-19 have been widespread throughout our diverse community and has affected some of our most vulnerable populations. Families, individuals, local businesses, arts and entertainment venues, and people experiencing homelessness have all suffered disproportionately.

Through ARPA funding, the City found itself in the position to make transformative and sustainable long-term impacts in the community. Through the leadership of the Mayor and Council, the City developed a four-year strategic plan to infuse \$135.7 million into the community, starting with those hardest hit by poverty, crime, and other issues that were exacerbated by COVID-19.

The core of this strategic plan:

- Recovery for all, starting with the hardest-hit communities
- Invest funds with an eye toward long-term investments to address long-standing racial, economic, and social inequities
- Strategic partnerships with Pima County and Pima County School Districts to expand services to the community
- Partnerships with grassroots networks to connect with hard-to-reach communities
- New solutions through evidence gathered through programs created and expanded upon by ARPA funding
- Replication or expansion of proven evidence-based and data-driven models to reduce homelessness, substance abuse, and violence
- Transformative, strategic investments aimed at relief and a resilient recovery for the hardest hit communities

Community Engagement

As part of its strategic approach toward the use of ARPA funding, and with the goal of helping those in the community who are most vulnerable and were impacted by the COVID-19 pandemic, the City has opted to dedicate nearly \$32 million to projects that are intended to be managed by local Community Partner Agencies – nonprofits and small businesses in the community that were either negatively impacted by the pandemic or have the ability to carry out ARPA funded programs to meet the specific needs of the community. To engage with individuals and organizations in the community, the City initiated a grant process that called for nonprofits and social agencies to submit grant proposals for consideration across the various program categories in the City's strategic plan. As a result, nearly \$10 million was awarded in Fiscal Year 2023. Combined with nearly \$8 million awarded in 2023, the City partnered with local agencies to provide \$18 million of community support. In order to give notice about the availability of these grant opportunities, the City utilized Zoom Grant platform, local media, and social media platforms.

Labor Practices

The City of Tucson follows hiring processes outlined by City Charter, City Code, and Civil Service Employment Rules and does not foresee changing its current hiring practices regarding the hiring of permanent employees as a response to ARPA. The City will continue to support local hiring through our ongoing local job and career fair participation, recruitment and outreach efforts, and existing and new partnerships with local schools through internships. At this time, we have not established new labor agreements in response to ARPA, but in all likelihood, any positions created as a result of ARPA would require positions that would fall into two of the City's four recognized labor groups, our Blue- and White-collar unions. These unions have established agreements as part of the City's meet-and-confer labor process.

The City monitors projects where the federal prevailing wage requirements apply, to ensure that contractors' employees are being paid at least the prevailing wages. When contracts are identified as required to meet the federal contracting standards, the Project Manager alerts Procurement's Business Enterprise Compliance Program so that the project can be monitored. City's Procurement

Division ensures that prevailing wage requirements are clearly stated in the request for proposal. Prevailing wage compliance is monitored over the duration of the project by performing visits to job sites, contractor's employee interview and via contractor's payroll records.

Use of Evidence

Within the various project expenditure categories, the City incorporated evidence-based interventions and program evaluations through data-driven analysis, application of pre-existing studies to enhance the administration of projects and to gain meaningful data and results of the performance of each project. Examples of projects that are utilizing either evidence-based studies as the basis for its projects or performance evaluations include small-scale senior youth housing and mental health services, community violence interventions aimed at diverting teenage offenders from the juvenile correctional system, job training and sectoral programs, and transitional housing facilities. For further information on the uses of evidence for specific projects, please refer to the Project Inventory section that follows.

Performance Report

The City, as well its Community Partner Agencies, incorporated required expenditure category project performance indicators on a quarterly basis outlining the various elements being reported. In addition, each Community Partner Agency has outlined its own goals and program performance expectations for their specific project to indicate progress, individuals and families served, workers enrolled in job training programs and a wide range of specific performance indicators that each agency intends to meet for its project. Performance indicators range from tracking individuals' progress through job training programs and transitional programs to outlining the number of community members impacted by programs that provide medical devices to those in need. By obtaining such performance indicators, the City is able to further understand and analyze the impact of this funding on the community.

PROJECT INVENTORY

Major Projects

Project 383581: Dark Mountain Corporation

Funding amount: \$500,000

Project Expenditure Category: 2.18 Housing Support – Other Housing Assistance

Project Overview

- The Essential Workers Housing Fund supports essential workers in achieving homeownership by granting a portion of closing costs, in combination with down payment assistance.

Use of Evidence

- The project collected program evaluations designed to show the effectiveness of the program assistance.
- No funding was utilized for evidence-based interventions.

Performance Report

- Outcome: Increased the number of lenders and realtors who are trained to approve providing down payment assistance and the closing cost programming to increase the homebuyer assistance to individuals. Trained 960 housing professionals.
- Output: Housing assistance provided to 106 essential workers and their families.
- Number of households receiving eviction prevention: 106
- Number of affordable housing units preserved or developed: 0
- Project Status: Complete

Project: 382034 - YWCA Southern Arizona - Small Business Continuity Grant Program

Funding Amount: \$830,502

Project Expenditure Category: 2.30 Technical Assistance, Counseling, or Business Planning

Project Overview

Grant funds will be used to identify and engage local disadvantaged businesses negatively impacted by the public health crisis to provide small business development services and grant funds to allow business owners to invest in their businesses and expand capacity. Additional training, mentoring, access to peer networks, and counseling services will also be provided as part of the program.

Use of Evidence

- The project will collect program evaluations designed to show the effectiveness of the program assistance.
- Funding allocations for evidence-based interventions: n/a

Performance Report

- Outcome: 1,282 businesses received a financial literacy learning, capacity design, improved business models to help increase capacity and success
- Output: 40 small businesses received financial assistance
- Project Status: Complete

Project: 424232 – Habitat for Humanity Tucson – The Village Tiny Homes for Seniors and Veterans

Funding Amount: \$645,200

Project Expenditure Category: 2.18 – Housing Support Other Housing Assistance

Project Overview

Funding for site planning and land development to allow for construction of up to 30 tiny homes to provide quality, affordable ownership for a targeted population of seniors and/or veterans.

Use of Evidence

- N/A

Performance Report

- Outcome: Approved plat for up to 30 new constructed tiny homes to support affordable homeownership and stability for Tucson Seniors and/or Veterans Completion of the land development phase with installation of infrastructure (utilities, streets, surveys, entitlements, ready to build lots).

- Output: 21 approved plats.
- Number of households receiving eviction prevention: 0
- Number of affordable housing units preserved or developed: 21
- Project Status: Complete

Project: 424172 – I Am You 360 – Small House Experience

Funding Amount: \$785,312

Project Expenditure Category: 2.18 – Housing Support Other Housing Assistance

Project Overview

Grant funds will be used for site planning and land development to construction of up to 10 energy efficient tiny homes for aged-out foster youth, and at-risk populations. Also includes life skill development, financial assistance, and employment services.

Use of Evidence

- N/A

Performance Report

- Outcome: Developed site for additional 9 units and community center.
- Output: 9 units established.
- Number of households receiving eviction prevention: 0
- Number of affordable housing units preserved or developed: 9
- Project Status: Complete

Project: 423912 – YWCA of Southern Arizona – Business Continuity Program Round 2

Funding Amount: \$1,403,322

Project Expenditure Category: 2.29 – Loans or Grants to Mitigate Financial Hardship

Project Overview

Providing capacity-building services and grants to a minimum of 60 disadvantaged businesses. Services include business training courses and small business counseling and coaching.

Use of Evidence

- N/A

Performance Report

- Outcome: Provided training and assistance to disadvantaged local businesses.

- Output: 1,695 businesses served through training programs; 69 businesses received financial assistance.
- Project Status: Complete

Project: CHSP – Community Health and Safety Programming

Funding Amount: \$3,713,932

Project Expenditure Category: 2.22 – Strong Healthy Communities: Neighborhood Features that Promote Health and Safety

Project Overview

Grant funds provided to partner organizations to address impact of the pandemic across local neighborhoods and impacted communities. Major focuses on arts and civic engagement.

Use of Evidence

- N/A

Performance Report

- Outcome: Created a new revolving microloan fund to support local businesses that have experienced negative economic fallout related to COVID-19 to support administrative costs and technical assistance to sustainability.
- Output: Technical assistance to 187 individuals/organizations; 53 organizations received financial support; construction of outdoor recreational area serving over 470 families; established a community garden serving over 500 families.
- Project Status: Complete

Project: GFRERV – City of Tucson - Revenue Recovery

Funding Amount: \$45,231,776

Project Expenditure Category: 6.1 – Provision of Government Services

Project Overview

Funds were used to provide government services with the majority of funding to support core services payroll.

Use of Evidence

- N/A

Performance Report

- Outcome: Funds up to the calculated revenue replacement total.

- Output: Core government services provided to community.
- Project Status: Complete

Project: GR001392 – City of Tucson – Public Safety QCT Services

Funding Amount: \$76,188,000

Project Expenditure Category: 1.7 – Other COVID-19 Public Health Expenses Including Communications Enforcement Isolation Quarantine

Project Overview

Grant funds were used for payroll related to public safety calls, services, incidents, and enforcement performed within qualified census tract.

Use of Evidence

- Qualified census tract data and public safety tracking information to determine the number of calls/incidents and the location of those services.

Performance Report

- Outcome: Provided public safety services within qualified census tracts.
- Output: Over 335,000 calls for service and responses to incidents within the tracts.
- Project Status: Complete

Comprehensive Project Listing

Name	Project ID	EC #	Budget	Expenditures
PMHDC Southwest Medical Aid	384085	234	6,234.45	6,234.45
PCOA's Emergency Assistance Fund	382729	23	8,707.74	8,707.74
The Community Artist School	423555	234	14,271.64	14,271.64
HOPE Tucson	384607	112	19,862.20	19,862.20
Apex Athletix Tucson Baptist Church Gymnasium Improvement Project	383948	222	20,000.00	20,000.00
Safe Routes to School and Afterschool Bicycle Clubs	384464	234	20,121.68	20,121.68
The Scoundrel and Scamp Theatre Program	423648	234	23,238.89	23,238.89
Small Business Programs	BNSBP	229	28,369.71	28,369.71
Financial Wellness and Emergency Financial Assistance	381378	23	28,732.00	28,732.00
Spreading Threads Expansion	384273	234	29,353.57	29,353.57
SAAS CARES Project Renew	382333	234	30,000.00	30,000.00
Afro-Brazilian Arts for Youth Capoeira, Music, Dance, Fitness, and Culture	384327	236	30,971.00	30,971.00
Pandemic, Isolation and Reengagement	384201	112	37,367.68	37,367.68
Tucson Family Advocacy Center	424298	234	38,396.10	38,396.10
Caridad Community Kitchen Training Workforce Development	384316	210	39,600.00	39,600.00
Harvesting a Renewed Commitment to Community	382698	222	41,472.00	41,472.00
Comprehensive After School Sports Programs for Youth Programming Development	383620	222	41,655.51	41,655.51
Stories For Change Building Technology Skills and Community Connections	384103	236	49,957.77	49,957.77
REAL Program for Children and Youth in Tucson Who are Blind	384438	226	50,000.00	50,000.00
Senior Housing Connection Program	382878	219	50,961.60	50,961.60
Art After Dark Expansion	423281	234	51,517.64	51,517.64
Pima County Teen Court Plus Pre-Arrest	381268	211	52,826.39	52,826.39
Workforce Development Program	383944	210	59,650.87	59,650.87
'In Memory Of' Public Artwork about loss in the southside of Tucson	383131	236	65,000.00	65,000.00

Tucson Youth and Peace	384095	234	72,908.57	72,908.57
YOTO Student Financial Assistance	422529	22	75,000.00	75,000.00
Poverello House of Tucson Round 2	421990	216	76,136.47	76,136.47
MMSA Meal Delivery Program Expansion	383477	222	80,334.18	80,334.18
Splinter Collective Housing Justice	424182	234	85,974.56	85,974.56
Small Business Retention through Employee Ownership	384402	230	88,908.90	88,908.90
Second Chance Training Programs	383667	210	91,461.46	91,461.46
The Homing Project	381097	216	93,060.50	93,060.50
YOTO Student Financial Assistance	381561	23	100,000.00	100,000.00
Prestamos Revolving Micro-Loan Fund	383506	229	118,656.77	118,656.77
Health and Wellness Program for People who are Blind	381957	234	120,786.09	120,786.09
Tucson Youth and Peace 2023	423960	234	127,545.65	127,545.65
ARPA CUPMGH	381083	216	136,084.73	136,084.73
Steinfeld Courtyard Improvements	384016	234	149,969.38	149,969.38
CHRAPA American Rescue Plan CHARPP	382277	218	173,456.72	173,456.72
Housing First Direct Service Worker Academy Pilot Program	422868	210	175,115.07	175,115.07
Southern AZ Anti-racism Border Outreach and Community Centering for Immigration	421732	234	189,500.01	189,500.01
Energy Retrofit Grant and Loan Program for Low-Income Families	384448	218	191,741.94	191,741.94
Hem and Her Bridal Celebrating 40 years in Tucson	423479	234	197,299.73	197,299.73
From Our Families, For Our Future	383590	234	216,910.95	216,910.95
Poverello House of Tucson	382233	234	218,985.37	218,985.37
Workforce Development and Skill Building	WDSB	210	224,691.37	224,691.37
Bicycle Inter-Community Arts and Salvage	383871	234	237,256.27	237,256.27
Goodwill's Adult Reentry Work Experience Project	423646	210	246,463.94	246,463.94
Housing Resource Connection Program Wraparound Services	HRCPWS	218	259,999.06	259,999.06
La Doce Community Land Trust Model	383690	234	266,818.85	266,818.85
Deflection Program	381389	113	300,380.04	300,380.04
PCCLT Community Development Fund	381256	215	324,072.91	324,072.91
Regenerative Arts Workforce	381810	236	442,089.00	442,089.00
I Am You 360 Small Home Experience	382313	215	478,842.00	478,842.00
Dark Mountain Essential Workers Housing Fund	383581	218	500,000.00	500,000.00

The Village Tiny Homes for Seniors and Veterans	424232	218	645,200.00	645,200.00
Small Home Experience 2024	424172	234	785,312.00	785,312.00
YWCA Small Business Continuity Grant Program	382034	230	830,502.30	830,502.30
YWCA Small Business Continuity Grant Program Round 2	423912	229	1,403,321.99	1,403,321.99
Community Health and Safety Programming	CHSP	222	3,713,931.91	3,713,931.91
General Fund Revenue Recovery	GFREVR	61	45,231,775.87	43,423,648.12
Public Safety QCT Services	GR001392	31	76,188,000.00	76,188,000.00
			<u>135,696,763.00</u>	<u>133,888,635.25</u>