RAÚL M. GRIJALVA 7TH DISTRICT OF ARIZONA

NATURAL RESOURCES COMMITTEE RANKING MEMBER

COMMITTEE ON EDUCATION AND THE WORKFORCE

SUBCOMMITTEE ON EARLY CHILDHOOD, ELEMENTARY, AND SECONDARY EDUCATION

SUBCOMMITTEE ON HIGHER EDUCATION AND WORKFORCE
DEVELOPMENT

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CHAIR EMERITUS

Congress of the United States

House of Representatives Washington, DC 20515

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Tom Cole Chairman Subcommittee on THUD, Related Agencies U.S. House of Representatives Mike Quigley Ranking Member Subcommittee on THUD, Related Agencies U.S. House of Representatives

Dear Chairman Cole and Ranking Member Quigley,

I am requesting \$975,000 under the FY 24 HUD-Economic Development Initiative program for Habitat for Humanity Tucson's proposal to fund the development of a highly visible vacant land parcel consisting of 2.44 acres of undeveloped land in Tucson, Arizona. The undeveloped parcel will be suited to expand opportunity for critically needed affordable housing in southern Arizona through the development of 18 new affordable home ownership opportunities.

The project funds will be used for the Civil Engineering and Civil Construction development of the property which will house the new home units. This will include costs related to site analysis, surveys, platting and architecture, grading, drainage, roads, curbing & sidewalks, utilities & sewer. The balance of the remaining development and home construction costs will be committed by Habitat Tucson through donors and local partners, as well as through their primary sources of revenue. This property was recently purchased through a donor and gifted to Habitat Tucson for the purpose of affordable home ownership development in January 2023.

Arizona has experienced a 30.9 percent escalation in housing costs in one year, causing a severe shortage of housing that is attainable for households with low and moderate incomes. Strengthening private and public partnerships through investments in workforce and affordable homeownership is essential to demonstrate the ability to respond to the worst housing crisis in modern times. The University of Arizona MAP Dashboard recently released alarming data showing housing affordability has plummeted, and the State of Arizona Housing Supply Committee released a study in December, 2022 showing there is a shortage of 200,000 units in Arizona. Nearly half this amount is needed in Southern Arizona more specifically targeting households with incomes below \$50,000 per year - an income that can achieve homeownership at Habitat Tucson.

Habitat for Humanity offers an innovative solution to housing including mortgages at an affordable rate and it solely serves incomes at or below 80 percent of Area Median Income. Additionally, homes are constructed through volunteer and community labor and this home construction will be an extension of Habitat Tucson's new workforce development and training program.

This project meets all requirements, is shovel ready, and can obligate funds within a year. Thank you for your consideration for this important proposal.

Sincerely,

Raúl M. Grijalva Member of Congress