



El Pueblo Housing Development Board of Directors Annual Report July 2024-June 2025

1. Board Overview

Board Officers (5):

- President/Chair: Ann Chanecka
- Vice President/Vice Chair: Liz Morales
- Secretary: Johanna Hernandez
- Treasurer: Anna Rosenberry
- Community Director: Dre Thompson

2. Board Meetings

Board Meetings Held and noticed per Arizona's Open Meeting Law:

- January 6, 2025
- March 12, 2025
- May 19, 2025

3. Legal Actions Taken

- Approved the Resolution for Amazon Flats (March 12, 2025)
- Approved the Resolution for Sugar Hill on Stone (May 19, 2025)

4. Compliance

Legal filings completed:

- Arizona Corporation Commission 2025 Annual Report

5. Strategic Alignment with HCD

This year's initiatives supported the following HAST policies:

- Enhance Efforts Aimed at Housing Tucsonans Most Vulnerable to Housing Instability
- Prioritize and Facilitate Affordable Housing in Areas of Opportunity
- Develop Affordable and Mixed-Income Housing on City-Owned Properties

6. Looking Ahead

Legal action items anticipated in the coming year:

- Tucson House financial closing
- Amazon Flats financial closing
- Scattered Sites property transfers from PHA to EPHD

7. EPHD Financial Report

EPHD completed FY25 with an operational ending balance of \$895,824 and an escrow balance of \$2 M. The below tables reflect FY24 and FY25 actuals and forecast financials for FY26 through FY30. As this is the first financial report to the Board, extensive notes follow the tables.

EPHD Financial Plan	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Forecast	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
Beginning Balance	\$ -	\$ 317,760	\$ 895,824	\$ 1,475,974	\$ 2,062,174	\$ 2,047,744	\$ 8,700,784
REVENUES							
Developer Fees	\$ 370,660	\$ 1,049,340	\$ 4,541,780	\$ 743,070	\$ 1,933,040	\$ 18,185,870	\$ 118,780
Admin Fees	\$ -	\$ -	\$ 20,000	\$ 20,600	\$ 21,220	\$ 21,850	\$ 22,510
Tenant Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Voucher Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capacity Building	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Capital Improvement Projects	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Investment Income	\$ 7,900	\$ 5,930	\$ 24,480	\$ 27,380	\$ 30,100	\$ 30,240	\$ 63,500
Total REVENUES	\$ 378,560	\$ 1,055,270	\$ 4,656,260	\$ 2,841,050	\$ 3,034,570	\$ 19,287,960	\$ 254,790
EXPENSES							
Personnel	\$ -	\$ -	\$ -	\$ 776,720	\$ 795,330	\$ 814,730	\$ 834,970
Commodities	\$ 1,690	\$ 960	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Services	\$ 30,930	\$ 86,480	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 430	\$ 1,070	\$ -	\$ -	\$ -	\$ -	\$ -
Communications	\$ 40	\$ 1,530	\$ -	\$ -	\$ -	\$ -	\$ -
Travel and Training	\$ 4,110	\$ 1,920	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Insurance	\$ 1,600	\$ 2,317	\$ -	\$ -	\$ -	\$ -	\$ -
Rental Expenses	\$ 280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repairs and Maintenance	\$ 18,260	\$ 11,440	\$ -	\$ -	\$ -	\$ -	\$ -
Aid to Other Governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General and Administrative	\$ 3,460	\$ (890)	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions to Outside Agencies	\$ -	\$ 372,380	\$ 2,046,110	\$ 468,130	\$ 1,243,670	\$ 11,810,190	\$ 38,830
Capital Improvement Projects	\$ -	\$ -	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
Payments to Participants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total EXPENSES	\$ 60,800	\$ 477,207	\$ 4,056,110	\$ 2,254,850	\$ 3,049,000	\$ 12,634,920	\$ 883,800
Ending Balance	\$ 317,760	\$ 895,824	\$ 1,475,974	\$ 2,062,174	\$ 2,047,744	\$ 8,700,784	\$ 8,071,774

Important information about the EPHD Financial Plan:

- Personnel assumptions:
 - This data includes fully loaded costs for five positions at a 100% allocation, including Deputy Director¹, Housing Development Administrator², Finance Manager, Lead Planner, Housing Development Construction Manager.
 1. The allocation of the Deputy Director will be reviewed in the context of available entitlement and/or general funding.
 2. The plan was modeled with an Administrator level position at mid-point to ensure the position can be sustainably supported. The current approved level of this position is Manager. This position is currently vacant.
 - Year-over-year increase assumptions were made at 1.5% for salaries, 10% for group insurance, and 3% for pension and other benefits.
- Developer Fee revenues are a combination of fees received before, during, and at completion of construction of project as well as deferred developer fees received during project operations.

- Capacity Building revenues are grant monies from a HOME-ARP award that will end in 2030.
- Investment income revenue is a combination of interest income on EPHD's revolving account and transferred-in interest from EPHD's escrow account.
- Expenses are generally project predevelopment costs and non-profit insurance.
- Payments to Codevelopers reflect the guarantee payments to Gorman and Co. for their role as sole financial guarantor on EPHD's CHOICE projects.
- Expenses under Capital Improvement Projects are placeholders for project predevelopment for which there is equal reimbursement in Revenues for the same category the following year.
- This plan includes EPHD's CHOICE projects and the three homeownership projects that will begin this year. It does not yet reflect our entire pipeline. As proformas are developed for the remaining projects, the plan will be updated.

EPHD Escrow	FY 2023 Actuals	FY 2024 Actuals	FY 2025 Actuals	FY 2026 Forecast	FY 2027 Forecast	FY 2028 Forecast
Beginning Balance		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000
Funded 2023	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Guarantee Release	\$ -	\$ -	\$ -	\$ (1,000,000)	\$ -	\$ -
Interest income	\$ -	\$ 45,593	\$ 33,101	\$ 20,000	\$ 20,000	\$ 20,000
Transfers Out		\$ (45,593)	\$ (33,101)	\$ (20,000)	\$ (20,000)	\$ (20,000)
Ending Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000

FY 2029 Forecast	FY 2030 Forecast	FY 2031 Forecast	FY 2032 Forecast	FY 2033 Forecast	FY 2034 Forecast	FY 2035 Forecast
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (500,000)
\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)
\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 500,000

Important information about EPHD Escrow:

- This escrow account was funded in 2023 as the required guarantee for Milagro on Oracle. The funding for this escrow account came from a loan from the City of Tucson General Fund.
- Milagro on Oracle has outperformed expectations and EPHD expects to pay back the first \$1M of the General Fund loan in the summer of 2025, ahead of schedule. This requirement for release of the first \$1 M was project stabilization (defined by three consecutive months of meeting occupancy thresholds). The requirement for the next \$500 K is directly related to the compliance period (10 years) and the final \$500 K is directly related to investor exit. It is expected the final \$1 M will be released in 2035.
- The Escrow account has specific balance requirements and as such, the interest is being transferred out to the revolving account as detailed above.