

Lower income communities that are lacking in infrastructure and located within 150 miles of the U.S.-Mexico border can become designated as a colonia. Once a community is designated as a colonia, it is eligible for Community Development Block Grants (CDBG) set aside by the State of Arizona specifically for colonias.

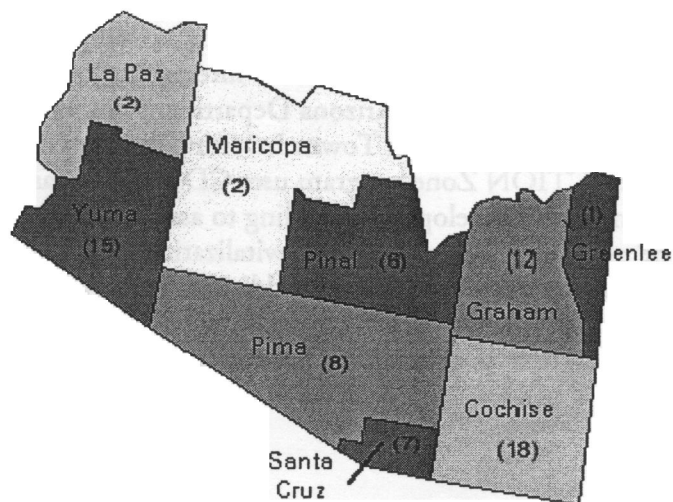
## What is a Colonia?

The U.S. Department of Housing and Urban Development (HUD) defines a colonia as “any identifiable community in the U.S.-Mexico border regions of Arizona, California, New Mexico, and Texas that is determined to be a colonia on the basis of objective criteria, including lack of a potable water supply, inadequate sewage systems, and a shortage of decent, safe, and sanitary housing. The border region means the area within 150 miles of the U.S.-Mexico border excluding Metropolitan Statistical Areas with populations exceeding one million.”<sup>50</sup>

In 1990 Congress passed a law that now requires the states of Arizona, California, New Mexico, and Texas to set aside at least 10 percent of their CDBG funds for colonias.<sup>51</sup> In 1999, Arizona’s total CDBG funding was \$10,409,000.<sup>52</sup> Approximately \$2,082,849 of that CDBG funding went to colonias, almost double the federal requirement. The three federal agencies that have colonias programs include HUD, the U.S. Department of Agriculture (USDA), and the Environmental Protection Agency (EPA).

There are approximately 80 designated colonias in Arizona, including certain Native American reservations.<sup>53</sup> The following figure shows the number of colonias by county; colonias designated on Native American reservations.

FIGURE 7: COLONIAS IN ARIZONA



## The Colonia Designation Process

Residents of a community that may qualify for colonia status can request that the county board of supervisors to adopt a resolution designating the community as a colonia.<sup>54</sup> After the resolution is adopted, the county then submits the resolution to the USDA's rural development office and/or the Arizona Department of Commerce's Housing and Infrastructure Division. The community and county then complete a form verifying that the area is a colonia by HUD's standards. A community may then pursue funding in the following ways:<sup>55</sup>

- It can submit a grant application directly to HUD for competitive programs, which gives preference points to colonias. An example of this program is the HUD Rural Housing & Economic Development Program, which gives additional points to distressed communities that have special designations, such as colonias.
- It can submit a grant application for HUD CDBG pass-through funds, which go through the Arizona Department of Commerce, and then through regional councils of governments (COG) in rural areas. These COGs are: Southeastern Arizona Governments Organization (SEAGO) for Santa Cruz, Cochise, Graham and Greenlee Counties; Central Arizona Council of Governments (CAAG) for Pinal County; Pima Association of Governments (PAG) for Pima County; and Western Arizona Council of Governments (WACOG) for Yuma and La Paz Counties. There is a 10 percent annual set aside of all CDBG funds that must go to colonias projects, which amounts to approximately \$1 million per year.
- It can submit an application for funds to USDA regional offices. Regional offices are located in Willcox, Yuma, and Nogales. USDA has programs like the 502 and 504 housing rehabilitation program and the 306c sewer hookup program which have explicit set-asides favoring colonias communities.
- It can contact the EPA's Office of Wastewater Management, which provides water and wastewater services to colonias.

### Colonia Projects in Arizona

According to HUD, more than 40 colonia projects in Arizona have already received about \$8.5 million in funding.<sup>56</sup> Colonia projects have included investments in sewage and water infrastructure, rehabilitation of housing, installation of roads, streetlights, youth centers, and libraries. Many of the successful colonia projects involve interagency collaborations such as the Rural Infrastructure Committee facilitated by the Arizona Department of Commerce and the ACTION Zone program (Arizona Cities/Counties and Towns Investing in Overcoming Needs) developed by the State of Arizona. The ACTION Zone program uses CDBG colonias set-aside funding as well as other state and HUD community development funding to assist rural communities. Yuma County used an ACTION Zone planning grant to develop revitalization strategies for the unincorporated communities of Gadsden, Padre Ranchitos, Speese Addition, Tacna and Wall Lane/Drysdale. A \$1 million ACTION Zone implementation grant was awarded to Gadsden to rehabilitate 11 homes and improve its wastewater system, benefiting 738 residents.

## **Pirtleville, an Arizona Colonia**

Pirtleville is an unincorporated community located three miles north of the U.S.-Mexico border in Cochise County, just outside the larger City of Douglas.<sup>57</sup> The community encompasses two square miles and is home to more than 1,300 residents. Local housing officials estimate that approximately 65 percent of the housing is unsafe and substandard. The community has access to sewer and water facilities through the City of Douglas. At the time of the 1990 Census, 96 percent of Pirtleville residents identified themselves as Hispanic. Nearly 60 percent of the residents lack a high school education, and 25 percent were unemployed at the time of the 1990 Census. Employment in the community includes seasonal farm labor, local retail jobs, seasonal factory work, and employment with government organizations, including local, state and federal agencies. What benefits Pirtleville has received as a colonia are not known.

### **For further information:**

See HUD's web page on colonias: [www.hud.gov/cpd/colonias.html](http://www.hud.gov/cpd/colonias.html)

Contact HUD's Tucson field office: 33 N. Stone Avenue, Suite 700, Tucson, AZ 85701; 520/670-6237

# Choices for Unincorporated Communities in Arizona

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