



## Minutes City Council's Housing Committee May 19, 2009

Minutes of the meeting of the City Council's Housing Committee held on Tuesday, May 19, 2009, 3:00 p.m., in the 3<sup>rd</sup> Floor Conference Room, Tempe City Hall, 31 E. 5<sup>th</sup> Street, Tempe, Arizona.

**Committee Members Present:**

Councilmember Corey Woods, Chair  
Vice Mayor Shana Ellis

**City Staff Present:**

Liz Chavez, Housing Admin  
Carlos de Leon, Dep Public Wrks Mgr  
Shelley Hearn, Com Rel Mgr  
Jan Hort, City Clerk  
Theresa James, Comm Dev  
Jayson Matthews, TCC  
Sheri Partridge, Com Rel  
Nikki Ripley, Media Rel Coord

**Guests Present:**

Pen Johnson, Housing Trust Fund working group  
Lisa Roach, NAC

Councilmember Woods called the meeting to order at 3:06 p.m.

**Agenda Item 1 – Public Comment**

None.

**Agenda Item 2 – Housing Trust Fund Advisory Board Update**

Councilmember Woods summarized that at the Council Issue Review Session on May 7<sup>th</sup>, Mayor Hallman expressed concerns about a residency requirement and applications for the Housing Trust Fund Advisory Board. The Mayor's concern regarding residency was that this is an important board and that there would be too many non-resident members. He also had a concern with the number of applications received. With seven positions required, three of the positions were set aside for specific qualifications, with four as general members.

Councilmember Woods had looked at the applications and felt there were enough. When the process was started for seven seats, there were about 13 or 14 applications. When the need for more applications first was presented, the process was extended for an additional two or three weeks.

Nikki Ripley summarized the outreach.

- Two postings were made to the City news list serve which goes to about 800 subscribers (residents and media).
- There was no direct media coverage seeking applications, except on a website called EastValleyLiving.com. *Tempe Town News* had planned a story but held it at the last minute for space.
- *Tempe Today* in March ran a column, but no direct solicitation for applications was in that column.
- Community Development published information two times in their Friday e-newsletter.
- The same article that ran in the *Tempe Today* was also picked up by the *Arizona Republic*.

Councilmember Woods added that after the *Arizona Republic* article, he got about six to eight phone calls from citizens who had seen it in the *Tempe Today* or the *Arizona Republic*. Some were inquiring about becoming a member of the Housing Trust Fund Advisory Board, and others called about use of the housing trust fund. The applications increased to about 20 or 21 at that point. This item will be on the May 28<sup>th</sup> Issue Review Session agenda.

Regarding residency, Councilmember Woods stated that in the past, people who served on boards or commissions could be either Tempe residents or work in Tempe. There is already a standard set that all members had to be Tempe residents. Concerning the number of applications, he believed there are enough applications representing enough to fill both the four general positions and the three specialized positions. His concern with re-opening is with the summer approaching and fewer Council meetings during the summer, if we miss one or two more meetings and the board doesn't get seated, it might go all the way to Labor Day. People do want action.

Vice Mayor Ellis stated that she served on the Human Relations Commission at one time and residency was not a requirement.

Liz Chavez added that the housing trust fund is unique and it is a regional effort to get something like this to work in a city. Reaching outside the city brings the experience and expertise we need.

Councilmember Woods stated that he has not had any specific conversations with the Mayor about the applications that were turned in, but they will have that conversation before the 28<sup>th</sup>. He did feel it is important that for an effort such as this, we do bring in as much expertise as possible to make sure this gets off on the right foot considering that the first thing the board will be tasked with will be to look for revenue sources.

Jayson Matthews added that the Housing Trust Fund Advisory Group was very involved in getting the word out. There was a lot of interest and passion from the TCC Board of Directors. The announcement from Community Development also went to the affordable housing list serve that Craig Hittie and Steve Wise set up. Also, the TCAA and NewTown were trying to generate a lot of local interest. Regarding the residency requirement, he was one of the few non-residents that were grandfathered in on the Transportation Commission because he had served on the commission when the residency requirement was to live or work in Tempe. When the standardization of the boards and commissions took place, it was still his understanding that any new commission could be formed by Mayor and Council as they saw fit to fit their requirements of that particular function. When Mayor and Council voted in the past, that structure was already built in for the specific needs for this board. In that structure, he felt they were within their purview to structure this particular board as they saw fit.

Jan Hort added that when the Housing Trust Advisory Board went through the Council, the ordinance to update the code actually had a clause that residency did not pertain.

Councilmember Woods clarified that this ordinance did go through two public hearings and it passed unanimously.

Pen Johnson stated that he felt it was important to keep the momentum going. Further, this is when that group should be doing their work, when things are a little slower, not when a big housing project comes on board.

**Agenda Item 3 – American Recovery & Reinvestment Act (ARRA) Funding Update**

Liz Chavez stated that money is coming at them quickly with short timelines. Staff has been trying to gather citizen input. Regarding the CDBG money:

- The total is \$432K, an entitlement fund that staff will be requesting from HUD with the approval of their activity.
- As of today, they have met with several directors who had projects presented on the ARRA list on the website, and they also invited the directors who had projects that may fall under the regulation for CDBG.
- Staff needed to get information regarding that activity because there are a lot of strings attached. Federal oversight will be on that project.
- Staff is mandated to post a public notice which is currently posted.
- Staff has selected a public works project that will deal with energy efficiency lighting. When the regulations came out on that project, it was very strong in its language on what the money for a CDBG-R could be used for. It wanted energy efficiency projects that were shovel ready.
- Public Works will use this fund to replace highly inefficient high pressure sodium lighting with energy efficient induction lighting in neighborhood street lights where at least 51% of the area residents are low or moderate income. We could move quickly on that project and it will require \$350K.
- This will be presented for approval on May 28<sup>th</sup>.

Vice Mayor Ellis asked for explanation on what that means. Is it better lighting, or is it energy efficiency?

Ms. Chavez responded that she isn't experienced with this lighting, and John Osgood would be the better person to answer this. It will be in the application packet that will be presented to Council.

**DIRECTION:** Move forward.

Ms. Chavez continued with the Neighborhood Stabilization Program (NSP2) funding.

- Staff has until mid-July to apply for the funds.
- It is unique that this second pot of money for NSP is for foreclosures or abandoned properties.
- It is open to non-profits and public housing agencies and because the City has a public housing authority in the City government, we can apply.
- Staff is determining how to spend the minimum of \$5M. It will consist of non-profit and partnerships responding to an RFP on behalf of the City.

Councilmember Woods asked for clarification between NSP-1 and NSP-2.

Ms. Chavez responded that initially the NSP-1 was given to non-profits and to state agencies. It was given to entitlement home communities that met a threshold of foreclosures in their communities. Tempe was only one of three in the state that did not meet that threshold. In this round, it has been opened to non-profits and again to public housing authorities that fall under city government and they have defined them as eligible to apply.

Theresa James summarized Homelessness Prevention and Rapid Re-Housing Program.

- All required documents have been submitted to HUD and they have until July 2 to review.
- In the meantime, an RFP has been created and gone to Procurement and will be issued soon.
- Will spend \$661,447 to both prevent people from becoming homeless and to do rapid re-housing and stabilization with those already homeless.

Councilmember Woods asked about the necessary software for this program.

Ms. James responded that the City does not have this software, but will become a user of that software. Community Information and Referral is the entity that oversees that software and they are looking at how non-profits can get on board quickly.

There was a question about the NSP-2 and what kinds of partners would be involved.

Ms. Chavez responded that it requires non-profits that have the capacity to run this type of activity. Through the RFP, agencies will come forward and say what they have the capacity to do. It does include some administration funds. She did not expect to have a lot of respondents.

Mr. Matthews stated that the TCC would help get information out when ready.

There was a question whether part of the NSP-2 could be used for the housing trust fund.

Ms. Chavez responded that it cannot. This is a time sensitive timeframe to spend the money. At least 50% must be expended within two years, and 100% within three years.

**Agenda Item 4 – Future Agenda Items**

- United Way Presentation - June
- Housing Trust Fund Advisory Board - June
- Housing Forum Update
- Communication with Public Regarding Predatory Lending - July

Councilmember Woods thanked everyone for their participation and for getting the information out.

**Meeting adjourned at 3:45 p.m.**

Prepared by: Connie Krosschell  
Reviewed by: Liz Chavez

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Jan Hort  
City Clerk