



Minutes City Council's Housing Committee June 16, 2009

Minutes of the meeting of the City Council's Housing Committee held on Tuesday, June 16, 2009, 3:00 p.m., in the 3rd Floor Conference Room, Tempe City Hall, 31 E. 5th Street, Tempe, Arizona.

Committee Members Present:

Councilmember Corey Woods, Chair
Vice Mayor Shana Ellis

City Staff Present:

Carlos de Leon, Public Works
Jan Hort, City Clerk
Theresa James, Community Development
Sheri Partridge, Community Relations
Nikki Ripley, Media Relations
Chris Salomone, Community Development
Shauna Warner, Neighborhood Services
Louraine Arkfeld, Courts
Craig Hittie, Community Development

Guests Present:

Pen Johnson, Housing Trust Fund working group
Lisa Roach, NAC
Merl Waschler, CEO, Valley of the Sun United Way
Charlene Flaherty, Sr. Program Manager, CSH
Jason Benneger, SN
Michiko Brooks, ASU SN
Carol Schottke, Homeless Outreach, Hope
Ric Garza, Homeless Outreach, Hope
Matt Taillon, Tempe Board of Adjustment
Allen Carlson, Newtown
Celena Baker, Newtown
Andy Hall, NAC
Stephen Sparks, TCAA
Beth Fiorenza, TCAA
Melissa Zeller, East Valley CPS Comm. Liaison
Gary Zeck, New Day Centers
Kate Hanley, Tempe Community Council

Councilmember Woods called the meeting to order at 3:05 p.m.

Agenda Item 1 – Public Comment

None.

Agenda Item 2 – Housing Trust Fund Advisory Board Update

Councilmember Woods summarized that a city-sponsored Housing Trust Fund Advisory Board had recently been created and also thanked the workgroup for the creation of the ordinance. This is the first board of this type to exist in the east valley.

Individuals selected for the board:

- Chris Martin – Expert in Real Estate Lending Practices
- Shane Graser – Expert in Housing Development/Construction Best Practices
- Myra Jefferson – Representative from the rental housing industry
- Stanley Nicpon
- Kevin Kaesberg
- Colby Granville
- Todd Marshall
- Craig Hittie - Liaison

Terms will go until 2012 – oaths will follow.

Craig Hittie will coordinate a date to meet the formation of the board with its members. The anticipated date is June 29th at 7:00 a.m..

Vice-Mayor Ellis inquired about the expiration of the board members – there is nothing in the code to make sure terms are staggered.

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

Craig Hittie stated that the City submitted an amendment to the 2008 Action Plan regarding the CDBG-R. The amendment was delivered to the local HUD Office on 06/03/09 and will proceed to Washington D.C. for review. Funds are to be awarded no later than 09/30/09. 120 days after the award, contracts must be in place.

- Induction lighting system will be installed by city employees (avoiding Davis Bacon requirements).
- Public Works is submitting proposed activities for the Energy Efficiency and Conservation Block Grant.

NSP/2 (Neighborhood Stabilization Programs/2) – The NSP & NSP/2 developed for the acquisition, rehab, and resale of foreclosed homes to income eligible households. Funds can also be used for the acquisition of foreclosed rental properties if the units are to be rented to low income persons. NSP/2 funding is awarded to non-profits and communities on a competitive basis. Applications are only considered if the organization meets minimum thresholds (FYI, requirement is 75 units completed within the previous two years – COT completed 42 rehabs and 21 homebuyers in the last two years). There is a possibility citizens may still benefit from the program – there may be applicants from qualified neighborhoods to the county and state programs.

Theresa James stated that a RFP went out to invite partners to assist in spending awarded funds to prevent homelessness.

- Getting homeless individuals and families into permanent housing and receiving needed services (3 year maximum dictated by the grant).
- Proposals are due at the end of June.

Theresa James will provide an update next month.

Agenda Item 4 – Presentation regarding the development of permanent, supportive housing for the chronically homeless in Tempe (Merl Waschler, Valley of the Sun United Way)

Merl Waschler presented to the committee. United Way is focused on four objectives; one of those objectives is to end homelessness and hunger.

United Way is working with Charlene Flaherty of CSH. CSH is a non-profit, community development financial institution. They assist communities across the country create permanent supportive housing and act as a resource for best practices.

Permanent Supportive Housing

- Homelessness is expensive; United Way spends 3-4 mil/year in shelter and related services.
- Permanent housing costs less than it does to provide shelter/related services.
- Addresses many other neighborhood issues (safety, beautification, stabilization).
- Housing = healthcare. See an increase in health services due to accessibility.
- Price stabilization of real estate values where permanent supportive housing is in place.
- Denver is good example of progress due to strong jurisdictional leadership.
- Cost analysis – Costs decrease in detox, incarceration, shelter, emergency room use; only increased cost was outpatient costs. Same patterns shown across various sized communities.

United Way Initiative

- Provide services that are preventative.
- Links people with services.
- Raises awareness – creates a community that is supportive of ending homelessness.
- 22% of population is chronically homeless.

Pilot Project

- Create a spread of 1000 units across the valley.
- Hope to start in the City of Tempe
- 35 units – studios, one bedrooms
- Neighborhood characteristics – elements are important to the success of the program (i.e., transportation)
- Dimension of quality for long term success.
- High level of case management.
- Tracking outcomes (housing, services utilized, tenant satisfaction, income/employment, cost effectiveness).

What are the next steps? How do we make this work? What is the finished product?

- Seek assistance from staff
- Work together to implement a regional solution

Councilmember Woods commented on how innovative this program is; it is much more different than what was traditionally built 15 years ago.

Merl Waschler commented further on points and addressed concerns and questions regarding the pilot program.

Benefits to the business community

- Cost – the reduction in the use of various public systems

Mr. Waschler believes that Tempe is the place to target this pilot. Tempe is viewed as the location where this will be most successful. This model provides a greater degree of service

- Greater engagement from health services

- Long-term plan
- County and state support

TCA – Housing first piece – hard time finding housing with supportive service

Ms. Flaherty (CSH) explained that a template plan is being developed. Valley of the Sun United Way would like the pilot program operating by the first quarter of 2010. Partners and resources need to be lined up prior to the start of the program.

- Site location is part of the planning process – looking to the community for input.
- Scattered sight model “clustered” (could be rentals).
- AZ Behavioral currently has units.
- Housing provider and the services provider and the two key elements to this being a success as well as the community support.
- Looking to address higher cost homeless that utilize multiple services.
- Tempe was the first community to implement a mental services court.
- Use of stimulus funds.
- Advocacy Housing Trust Fund, be aggressive to bring funds to the community.
- Successfully linking The Dept. of Health Services to the pilot.
- Looking at successful models where housing is attractive (integrated enhancement to the community)

They are targeting those that are of the highest cost through the Courts. Judge Arkfeld’s efforts represent the first community to instigate a homeless court.

Staff was directed to return to the Committee in August with more background information to include where, cost, use in other communities, and concepts of where to start first and where the program should be later. A September IRS presentation/discussion should also be scheduled.

Agenda Item 5 – Future Agenda Items

- Changed next meeting to July 28th at 2:00PM
- Housing Trust Fund Update
 - Dedicated funding sources
 - Guiding principles in lieu of specific procedures
- American Recovery and Reinvestment Act
- Update on Supportive Housing
- Workshop – Affordable/transitional housing

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

Meeting adjourned at 4:12 p.m.

Prepared by: Mike Anaya
Reviewed by: Liz Chavez

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Jan Hort
City Clerk