

**Pima County Housing Commission
September 19, 2011 – 3:00 pm**

Pima County Housing Center
801 W. Congress St.
Tucson, AZ

Members Present:

Frank Moreno
Ken Anderson
Henry Boice
Jon Miles
Kathleen Buske
Scott Place
David Greenberg
Ray Clarke
David Godlewski
Frank Thomson

Members Absent:

Tim Escobedo

Staff & Guests:

Betty Villegas
Marcos Ysmael
Martha Martin
Margaret Kish
Samantha Romero
Danny Tylutki
Pat DeVito
Diane Luber
Terry Galligan
Tresina Lister
Gigi Rodriguez
Lillian Lopez-Grant
Mac Hudson
Gal Witman
Danny Knee
Adam Weinstein
Jerry Dixon
Mike Czechowski
Andrea Ibanez

I. Welcome & Call to Order

Commission chair Frank Moreno called the meeting to order at 3:04 pm. He also welcomed new Commissioners Ray Clarke and David Godlewski.

II. Approval of Minutes from April 25, 2011

Motion made by Frank Thomson to approve the minutes from April 25, 2011.
Motion seconded by Ken Anderson. Motion carried unanimously.

III. Discussion and possible action from subcommittee recommendation:

• **Gadsden Company Project Request for Bond Funding**

Mac Hudson from Councilwoman Regina Romero's office spoke in support of the project. He stated that the Gadsden Company has made it their mission to be part of the community with their commitment to small, local businesses, jobs, economic development, and affordable housing. He added that the Gadsden Company has the full support of Councilwoman Regina Romero.

Jerry Dixon from the Gadsden Company spoke in regards to the West End Station – Block A project. Originally a for-sale project, it was changed to a rental housing project

after the market for for-sale housing collapsed. It is a new construction project that will feature affordable workforce rental housing for low and moderate income residents working in or near Downtown and will incorporate the new modern street car lines. There will be 143 affordable units targeted to families at/below 60% AMI, as well as 40 market rate units available to households at 125% AMI. There will also be 24,000 square feet of retail space included in the project. The total development costs for this project are about \$22.56 million, and the Gadsden Company is requesting that Pima County reaffirm their commitment of \$769,518 in General Obligation Bond Funds.

Commissioner Jon Miles asked how many construction jobs the project would create. Jerry Dixon said they estimate about 900 jobs will be created during the construction of the project.

Commissioner Frank Thomson requested a staff report on the project. Pima County staff Marcos Ysmael informed the Commission that the subcommittee met on September 15th to score the project using the updated application information. The project did meet the minimum score needed in order to recommend approval; two commissioners and staff scored the project at 80, and one commissioner scored it at 85. The project would be the first mixed-used, mixed income project, as well as the first transit oriented project to use General Obligation Bond Funds. The conditions for recommending this project for approval by the Board of Supervisors are: all proposed funding must be committed in writing within 12 months or less; no bond funds will be dispersed until all firm funding commitments are in place; updated support letters from Menlo Park Neighborhood Association and the Westside Neighborhood Coalition; The project is subject to final staff underwriting analysis and standard conditions required for General Obligation Bond Funding.

Marcos Ysmael also stated that the Pima County Attorney has stated that the project does comply with the General Obligation Bond Program requirements.

Commissioner Frank Thomson voiced concerns regarding the affordable rental housing project, stating his opinion that rental housing projects will not return as much in the long-run as for-sale housing projects.

Commissioners Frank Moreno, Kathleen Buske, and Jon Miles voiced their support for the project.

Commissioner Frank Thomson added that in his opinion, recommending this project should be a one-time exercise, and that the Housing Commission should identify and prioritize the type of projects funded, especially if the Commission was going to request \$25-30 million from the Bond Advisory Committee on the next voter approved bond election. He stated that the Commission's focus has always been homeownership which should continue to be the commission's priority.

Motion made by David Greenberg to recommend the Gadsden Company Block A request for \$769,518 for approval by the Pima County Board of Supervisors contingent upon the conditions outlined by the subcommittee. It should also be noted that this project is a one-time exception to the Housing Commission's standard practice.

Motion seconded by Kathleen Buske. Motion carried. Henry Boice abstained.

IV. Staff report

- **NSP II**

On behalf of the Pima Neighborhood Investment Partnership Office, Pima County staff Danny Tylutki gave a brief update on the NSP II program. He explained that the program is designed to target the areas in the community that were hardest hit by foreclosures. He announced that the program has completed their down payment assistance activities and have assisted 101 households. He stated that they are now entering the acquisition and rehabilitation phase of the NSP II program.

- **NSP I**

Pima County staff Marcos Ysmael stated that with the NSP I grant eleven homes were purchased and renovated according to the County's green remodeling program. He added that the houses will be transferred to the City of Tucson's El Portal program, which is a scattered-site rental program. Five of the eleven homes will be targeted to families at 50% or below AMI, and the other six homes will be at 120% AMI and could be leased through the El Portal Program or sold through the Pima County Community Land Trust.

Marcos Ysmael also stated that the Primavera Foundation is conducting the South Tucson Revitalization project, and have acquired, renovated, and sold three single-family properties in the City of South Tucson. They also acquired, renovated and leased a duplex property also in South Tucson. There is one remaining property to develop for rental, and two remaining to develop for homeownership.

The Ajo Redevelopment Plaza is underway, and it will redevelop the historic Ajo Plaza for retail space.

- **General Obligation Bond Program**

Marcos Ysmael stated that there are 16 projects completed between both the 1997 and 2004 General Obligation Bond Programs. He mentioned that as the two most recently completed projects the MLK Revitalization Project and the Ghost Ranch Lodge Project are highlighted in the General Obligation Bond Project Annual Report.

- **Housing Trust Fund**

Pima County staff Martha Martin informed the Commission that the first report on the Housing Trust Fund in August 2008 reported twelve mom-and-pop properties that had applied and been processed for the agreement, and since then there have been twelve more. One of those properties has resulted in the payment of \$2,925. She also stated that Canoa Ranch has executed an affordable housing agreement and lien, and two properties have resulted in a payment of \$10,000. There is a total of \$12,925 in the Housing Trust Fund.

- **Update on Copper Vista I and II**

Pima County staff Betty Villegas explained to the Commission that these were projects funded by the General Obligation Bond Program that were thought of as completed because all of the funds were utilized for the infrastructure. Since these were 1997 Bond Funds and the improvements were made in the public right-of-way, the County was not able to place any liens on the properties. The properties have been conveyed back to the City of Tucson, and they are working with a local architect to develop an updated plan for the completion of affordable housing units on the properties. Betty Villegas stated that it is important to note that the intent of the project will result in these two properties building affordable housing subdivisions.

- **Housing Center Grand Opening on October 13th and Housing America Community Day on October 22nd, 2011**

Betty Villegas invited the Housing Commission to a luncheon and grand opening of the Pima County Housing Center on October 13th from 11:00 a.m. to 2:00 p.m. She also invited the Commission to the Housing America Community Day on October 22nd from 9:00 a.m. to 1:00 p.m.

V. Discussion and possible naming the new housing center conference hall

• **George “Jorge” Pettit and Jon Miles Housing Community Room**

Pima County staff Betty Villegas explained that Supervisor Richard Elías felt strongly that the room should be named after George Pettit and Jon Miles, two great advocates of affordable housing who were instrumental in getting the 1997 General Obligation Bond package for Affordable Housing approved.

Motion made by Frank Thomson to name the new Pima County Housing Center conference hall the George “Jorge” Pettit and Jon Miles Housing Community Room.

Motion seconded by David Greenberg. Motion carried unanimously.

VI. Discussion and possible action in response to letter sent out to T Van Hook on Marana Honea Heights Project

• **Letter from Chair Moreno to T Van Hook, Marana Housing Director**

Betty Villegas reminded the Commission that at the April 25th meeting there was a motion made to send T Van Hook a letter requesting an update on the Honea Heights Project. The letter was sent out on June 30th.

• **Response letter from T Van Hook to Chair Moreno**

The letter states that no further action can be made until the Town of Marana receives a letter from Pima County Wastewater regarding wastewater capacity. It is not known whether or not they will receive the letter. Commissioner Frank Moreno stated that he thinks the Town of Marana needs to be given a formal notice indicating a timeline within which they need to comply. Betty Villegas stated that the Town of Marana also needs to have their other funding sources in place before the project can move ahead. Commissioner David Godlewski agreed on asking for timeline, but also added that he would like to know how soon the project could begin should the two issues be cleared up.

Commissioner Frank Thomson suggested that the Chair and staff should speak with Deputy County Administrator Hank Atha regarding what can and cannot be done with this project. Once it has been discussed with Hank Atha, a letter should be sent to the Town of Marana asking that they provide a timeline for how quick they could begin building homes if the two issues, wastewater capacity and funding sources, were to be resolved. He also stated that in the mean time, the Commission should seek other providers to move the funding to in case the Town of Marana does not provide a favorable response.

VII. Discussion on joint meeting with Tucson Metropolitan Housing Commission to discuss Project Action Program (short presentation and update by Jane Kroesen)

Betty Villegas explained that the Tucson Metropolitan Housing Commission had met the previous week and had a presentation by the Project Action Program supervisor. Pima County staff Jane Kroesen explained to the Commission about what Project Action is. It is a three-year funding project that is specific to preventing homelessness by providing rent assistance and utility assistance.

Commissioner Frank Thomson suggested that since the next item on the agenda is regarding a subcommittee to work on priorities and other things for the Commission to

work on, that this joint meeting be discussed within the subcommittee, presented to the full commission, and decided on then.

VIII. Discussion on future meetings and subcommittees to review application and process for future funding allocations

If any commissioners are interested in being on the subcommittee, email Betty Villegas.

IX. Call to the audience

Danny Knee, Deputy Director of Habitat for Humanity Tucson, addressed the Commission in regards to knowing whether or not funding is available. He stated that it is important to know if funding is available, because a lot of work goes in to putting an application together, and if there aren't funds available they won't take the time to apply. He also spoke in regards to stalled homeownership projects stating that Habitat for Humanity has continued to build homeownership units, albeit at a slower rate than previously funded projects.

Terry Galligan addressed the Commission to congratulate Jon Miles.

X. Announcements

No announcements.

XI. Adjournment

Meeting adjourned at 5:15 pm.