

Pima County Housing Commission
Pima County Housing Center
801 West Congress Street, Tucson, AZ 85745
Monday, September 16, 2019
3:00 P.M.

Meeting Summary



Members Present

David Godlewski
Frank Thomson, Chair
Jon Miles, Vice-Chair
Ken Anderson
Nicole Brulé-Fisher
Scott Place
Sharayah Jimenez
Tim Escobedo

Members Absent

Kathleen Buske

Staff and Guests Present

Daniel Tylutki, Pima County
Marcos Ysmael, Pima County
Martha Martin, Pima County
Maryann Beerling, Compass Affordable Housing
Gigi Aldridge, Pima County Community Land Trust
Maggie Amado-Tellez, Pima County Community Land Trust
Tom Litwicki, Old Pueblo Community Services
Andres Portela, Southwest Fair Housing Council

Welcome and Call to Order

Frank Thomson, Chair, called the meeting to order.

Roll Call of the Commission

Quorum satisfied.

Pledge of Allegiance

All in attendance stood and recited the Pledge.

Approval of Minutes

Motion made by Commissioner Jon Miles to approve the minutes for the meeting on March 17, 2019. **Motion seconded by Commissioner Ken Anderson. Motion carried unanimously.**

Call to the Audience:

Call to the Audience by **Chair Frank Thomson**. Maryann Beerling introduced herself. Others in attendance were recognized by the Chair.

Announcements

Marcos Ysmael, Housing Program Manager, provided an overview of the last bond project to be completed, The Marist on Cathedral Square and highlighted of the upcoming October 2019 Conference of the National Association for Counties and Economic Development in Tucson. **Commissioner Tim Escobedo** invited conference attendees to attend Tucson Meet Yourself over the same time period. **Daniel Tylutki, Interim Department Director**, invited the commissioners to attend upcoming public meetings for the Pima County – City of Tucson HUD 5-Year Consolidated Plan and discussed funding sources and current issues covered by the

plan. He distributed the meeting flyer and **directed staff to forward the community survey to all Commissioners.**

Development Services Updates

Mark Holden, Pima County Principal Planner did not attend today's meeting. Commissioners and staff discussed pending Arizona State legislation that will mandate counties to offset development fees waived for affordable housing or any other locally approved purposes. Under the current Pima County Roadway Impact Fee Waiver Program for low-income households who seek permits from Pima County to build private, single family homes or to place mobile homes, Pima County has not matched fees. Discontinuation of this program, or revisions to include fee waivers for developers of affordable housing were discussed.

Commissioners requested an analysis of the benefits – including the number of stick built and manufactured or mobile homes - from the current Roadway Impact Fee Waiver Program. Current impact fees are over \$6,000 and will increase to over \$9,000 pending Board approval. Staff and Commissioners discussed how the Commission may be the only body of influence to advocate the continuation of impact (or other) fee waivers because the total amount of offset may not be significant. Based on current staff estimates, 19 waivers per year may result in total county mandated offsets under \$200,000 per year with the one-time exception of an additional 11 waivers awarded this year to Habitat for Humanity for a small subdivision.

Commissioner David Godlewski said the Arizona State Statute will become effective and Pima County must be compliant by January 1, 2021 and the new impact fees shall be reviewed by the Board of Supervisors in 2020 which allows the Commissioners time to explore options and propose policies for consideration by the Board of Supervisors. The City of Tucson's affordable housing waiver program was discussed and **Commissioner Nicolé Brule Fisher requested staff find out from the City what determined how the city offsets their waivers and how they decided what to offer.** No other local jurisdictions are known to offer waivers.

The Pima County rooftop fee program was discontinued upon the advice of the county attorney's office based on an Arizona Supreme Court decision. Rooftop fees of approximately \$45,000 were collected from developers and will be used by the next eligible multifamily rental project that is approved for county funding under the HOME Program as approved by the Commissioner in 2017 (check date).

Staff Reports

Marcos Ysmael provided an overview of the 2004 General Obligation Affordable Housing Bond Program Project Report. All projects are complete with 240 rental and 64 homeownership units occupied. One project awaits development of affordable housing units after weak market conditions forced the original developer to transfer ownership to the City and they plan to release a request for proposals from new developers in the near future.

Discussion and possible action

Pima County will receive a repayment of bond funds from a nonprofit developer, La Frontera whose homeownership project at Sunnyside Pointe has not achieved anticipated demand. **Commissioner Scott Place** asked whether the price point was too high and suggested the developer brief the Housing Commission on what happened. Marcos Ysmael stated lookers at the two model home homes were more interested in renting rather than owning. Rather than seek approval from the commission for a bond contract amendment, they will repay the unused bond funds. This will provide approximately \$200,000 to \$300,000 in new funds for another affordable housing project. The Commissioners will have an opportunity to recommend how these funds will be allocated when they are returned later this year.

Commissioners Frank Thomson and David Godlewski presented a number of ideas in support of affordable housing development given the unlikelihood of any future Pima County housing bond issues. **Commissioner Frank Thomson** mentioned the survey by the National Home Builders Association found 80% believe there is an affordable housing crisis in America. What other cities are doing and what Pima County may consider include: Chicago's inclusive zoning, which provides a bonus for density; the Levittown housing developments

built after World War II; City of Flagstaff picking sites for development of affordable housing and giving waivers; redevelopment of defunct airports (Austin, TX) for affordable housing; City of Sedona requesting proposals for development of workforce and other affordable housing; City of Boston considering zoning redistricting to remove obstacles to the development of affordable housing; Freddie Mac and Fannie Mae looking at manufactured housing as eligible affordable housing; and the U.S. Department of Housing and Urban Development working to eliminate its barriers to affordable housing development. **Commissioner Godlewski** asked whether the Commission still considers affordable housing a local priority and whether it will review these and other tools that can be implemented by Pima County. **Staff Daniel Tylutki** suggested the Housing Commission consider recommending to the Board of Supervisors that Pima County Real Property Division transfer county-owned real estate, both commercial and residential, to economic or affordable housing development purposes. **Commissioner Thomson** said this is a good example of turning government surplus into an asset.

Commissioner Ken Anderson discussed NIMBY prevails when manufactured housing is developed. The national association for manufactured housing is working on a product that competes with stick-built homes and has won approval by Freddie Mac and Fannie Mae for the same mortgage products, appraisals and HUD housing code criteria available to stick-built homes. The very high roof pitch, garage and drywall/tape construction are among features that make the manufactured homes indistinguishable from stick-built homes. **Commissioner Sharayah Jimenez** stressed the emphasis on single-family homes and zoning is contrary to the need for high-density, urban development of affordable housing. **Staff Daniel Tylutki** mentioned the City of Portland's discontinuance of single-family zoning and approval for the installation of modular housing in private lots with a five year affordable housing restrictions. **Commissioner Thomson** stated a mix of housing types would promote diversity but require builders' support. They should build homes like cars – hundreds of different options resulting in diverse, affordable housing options.

Commissioner Tim Escobedo moved to form a subcommittee to explore the various proposals for possible action by the Housing Commission at the next quarterly meeting. **The motion was seconded by Commissioner David Godlewski. Motion carried.** Commissioners who volunteered for the subcommittee are **Nicole Brulé Fisher, Sharayah Jimenez, Ken Anderson, David Godlewski and Frank Thomson.** Staff Marcos Ysmael will advise absent **Commissioner Kathleen Buske** of this sub-committee. **Staff Daniel Tylutki** suggested the subcommittee consider both regulatory and non-regulatory options to promote affordable housing development in Pima County.

Next Meeting

Next meeting shall be Monday, December 16, 2019 beginning at 3 o'clock at the Housing Center.

Adjournment

Commissioner Ken Anderson moved to adjourn. **Motion seconded by Commissioner Tim Escobedo.** Meeting adjourned at 4:30 p.m.