

MESA HOUSING SERVICES GOVERNING BOARD

November 19, 2020

The Mesa Housing Services Governing Board of the City of Mesa met via a virtual format streamed into the lower level meeting room of the Council Chambers, 57 East 1st Street, on November 19, 2020 at 7:31 a.m.

BOARDMEMBERS PRESENT

John Giles, Chairman*
Mark Freeman, Vice Chairman*
Jennifer Duff*
Francisco Heredia*
David Luna*
Kevin Thompson*
Jeremy Whittaker*

BOARDMEMBERS ABSENT

Gary Nelson

STAFF PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(* Boardmembers participated in the meeting through the use of video conference equipment.)

Chairman Giles excused Boardmember Nelson from the entire meeting.

1. Items from citizens present.

There were no items from citizens present.

2. Approval of minutes from the June 25, 2020 meeting.

It was moved by Boardmember Duff, seconded by Boardmember Luna, that the minutes from the June 25, 2020 Mesa Housing Services Governing Board meeting be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson-Whittaker

NAYS – None

ABSENT – Nelson

Chairman Giles declared the motion carried unanimously by those present.

3-a. Hear a presentation and discuss updates on the City's Housing Choice Voucher Programs including utilization, funding, and expenditures.

Housing Supervisor Mary Brandon displayed a PowerPoint presentation reflecting the Housing Authority quarterly report. **(See Attachment 1)**

Ms. Brandon stated the presentation will cover the voucher utilization for 2020, the rent payments for 2020, the Veterans Affairs Supportive Housing (VASH) voucher program, and an update on the families that have been assisted through the housing programs. (See Page 2 of Attachment 1)

Ms. Brandon reported the voucher utilization for calendar years 2019 and 2020, adding the goal is to be as close to 100% utilization as possible. She mentioned the dip in March and April 2019 was due to receiving additional vouchers; and at that point staff began pulling from the waiting list, which increased in utilization in July that continued throughout the year. She reported the good news is 2020 will end right at 100% utilization and the calculation that HUD uses for administrative fees, which is the funding used to run the program, goes off the previous year's utilization, meaning the City will be able to maximize the amount of administrative fees received next year. (See Page 3 of Attachment 1)

Ms. Brandon compared the housing assistance payments for calendar years 2019 and 2020 which shows the percentage of the funding that the City has used for rent allocated from HUD. She remarked for 2020 the City has been over 100% utilization which put the City in a shortfall. She advised there were some HUD-held reserves for Housing Assistance Payments (HAP) that helped with the deficit, as well as applying for some additional funding as a result of rents increasing due to the market rental increase and the COVID participants who had lost income. (See Page 4 of Attachment 1)

Ms. Brandon identified the per unit cost for rental payments. She explained in 2019 there was an 8% increase because the market rents increased and income decreased, adding for 2020 the estimate is an additional 5% increase and a 6% increase for 2021. She emphasized, due to the higher rents and decrease of income, the City is paying higher rent amounts per voucher. She announced that Housing applied for additional per unit cost set aside funding and was awarded \$501,000 to help with the deficit on the rents. (See Page 5 of Attachment 1)

Ms. Brandon provided an update on the VASH vouchers. She stated from January 2019 to November 2020 there were some dips but beginning in January 2020 the number of units increased to 158, which is the highest number of veterans utilizing the vouchers in over three years. She continued by saying at this time 158 are currently in a unit, seven veterans have vouchers in hand that are either waiting to move into a unit or are searching for a unit, which leaves 26 additional vouchers available for veterans. She stated staff will continue to work with the Veterans Administration (VA), the Mesa Veterans Center, and Operation Off the Streets to seek referrals. She shared a success story for a veteran who is hoping to be self-sufficient by the first of the year and will no longer need the VASH voucher. (See Page 6 of Attachment 1)

Ms. Brandon identified some of the programs that Housing services administers. She advised that the Security Utility Deposit Program has served 163 families or individuals this year for \$150,000; the Shelter Plus Care Rental Assistance Program partners with Save the Family and have served nine families who have a long-term disability that receive rental and utility assistance monthly; the Landlord Outreach and Retention Program has served 70 families or

individuals who have been assisted with application fees and administrative fees, and paid for vacancy and damage payments to landlords to encourage them to continue working with the program; the Section 8 Housing Choice Voucher Program includes VASH vouchers, Mainstream vouchers for disabled individuals and families, the Family Reunification Program, and Section 8 vouchers that total 1,780 households that are assisted annually, equating to approximately \$14 million annual funding; and the Eviction/Foreclosure Prevention Program has assisted 122 Mesa households for a total of \$385,000 in rental assistance. She discussed that Housing would continue helping with mortgage assistance until the CARES dollars for the Rental Assistance Program runs out, and then will have funding available to continue with the Mesa Eviction and Foreclosure Prevention Program. She reported the total served last year in the five programs was 2,144 households. (See Page 7 of Attachment 1)

In response to a comment from Chairman Giles regarding the difficulty in finding landlords to participate in the program with the current economy and the increasing rents, Ms. Brandon stated the program continually seeks additional landlords but at this point has not had problems in finding units to lease. She mentioned the individuals that run into issues are those coming into the program that have been previously homeless and do not have the rental or income history.

In response to a question from Boardmember Heredia regarding the average rent, Ms. Brandon stated the majority of the voucher holders are in two-bedroom units and those currently rent for \$1,000 to \$1,300 per month.

In response to a series questions posed by Boardmember Duff in relation to whether vouchers can be shared, Ms. Brandon advised that Mesa typically has not followed that practice; however, that is acceptable through the HUD regulations. She commented that the City can look into implementing shared room occupancy as an option. She mentioned a couple months ago the City did received nine additional Mainstream vouchers through the CARES Act funding, adding the funding received from City CARES was used to help administer the program.

In response to questions from Vice Chairman Freeman, Ms. Brandon pointed out the concentration of rental units are mostly in West and Central Mesa because there are a larger number of multi-housing units in that area. She explained the vouchers Mesa has need to be used in Mesa.

In response to a question from Boardmember Duff, Ms. Brandon reported that there are not enough vouchers to meet the demand. She stated besides the Family Unification vouchers, the Mainstream vouchers and the VASH vouchers, there have not been additional vouchers available and that the City can only apply for them when Notice of Funding Availability (NOFA) opens up applications for additional vouchers. She advised the waiting list was last opened in December of 2016 and 7,000 applications were received at that time. She remarked the attrition rate is approximately 12 to 15 per month which equates to about 150 vouchers per year.

In response to a question from Chairman Giles, Ms. Brandon said there are approximately 700 on the waiting list and less than 100 of them are Mesa residents. She pointed out that the preference is to assist Mesa residents and the chronically homeless first. She indicated the desire is to exhaust the existing waiting list before opening up for applications and guessed by the end of next year or the beginning of 2022 the waiting list could be opened again.

In response to a question from Vice Chairman Freeman in relation to incentives for people to get off the program, Ms. Brandon discussed the Family Self-Sufficiency Program, which is voluntary for voucher holders. She highlighted that 11 individuals graduated the program this last year.

In response to a question posed by Boardmember Luna with respect to how the Housing Department gets the word out to the community, Ms. Brandon clarified the VASH and Family Reunification vouchers are done on a referral basis through the Veterans Administration (VA) and the Department of Child Safety and do not come from the waiting list. She discussed the 58 project-based vouchers at La Mesita and 30 at Escobedo, and the waiting list for those vouchers is open at all times because of the immediate need for assistance. She explained 60 days before the regular waiting list opens for applications, outreach takes place to community partners, non-profits, Mesa schools, landlords, the housing authorities, and is also published in the newspaper and on the City's website.

In response to Chairman Giles' inquiry as to whether the Housing office will play a role in the City's homeless strategic plan, Ms. Brandon confirmed Housing has been awarded funding that will go toward rental assistance and will be implementing a program working with Operation Off the Streets to receive referrals for homeless individuals or families who are in need of housing. She added this program will be similar to a voucher program and will be able to house those in need for up to 24 months along with support services to become self-sufficient and help them transition into stable housing.

Ms. Brandon provided an update on the City's partnership with Mesa CAN and stated utilizing the CARES dollars for the Rental Assistance Program, the City has paid \$1.7 million to cover 938 months of rent.

Chairman Giles thanked Ms. Brandon for the presentation.

4. Adjournment.

Without objection, the Mesa Housing Services Governing Board meeting adjourned at 7:59 a.m.

JOHN GILES, CHAIRMAN

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Mesa Housing Services Governing Board meeting of Mesa, Arizona, held on the 19th day of November 2020. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

City of Mesa Housing Services Governing Board

November 19, 2020

7:30am

Mary Brandon

Community Services Deputy Director

Housing Services Governing Board Agenda

- 2020 Voucher Utilization
- 2020 Rent Payments (HAP)
- VASH Program Update
- Housing Programs

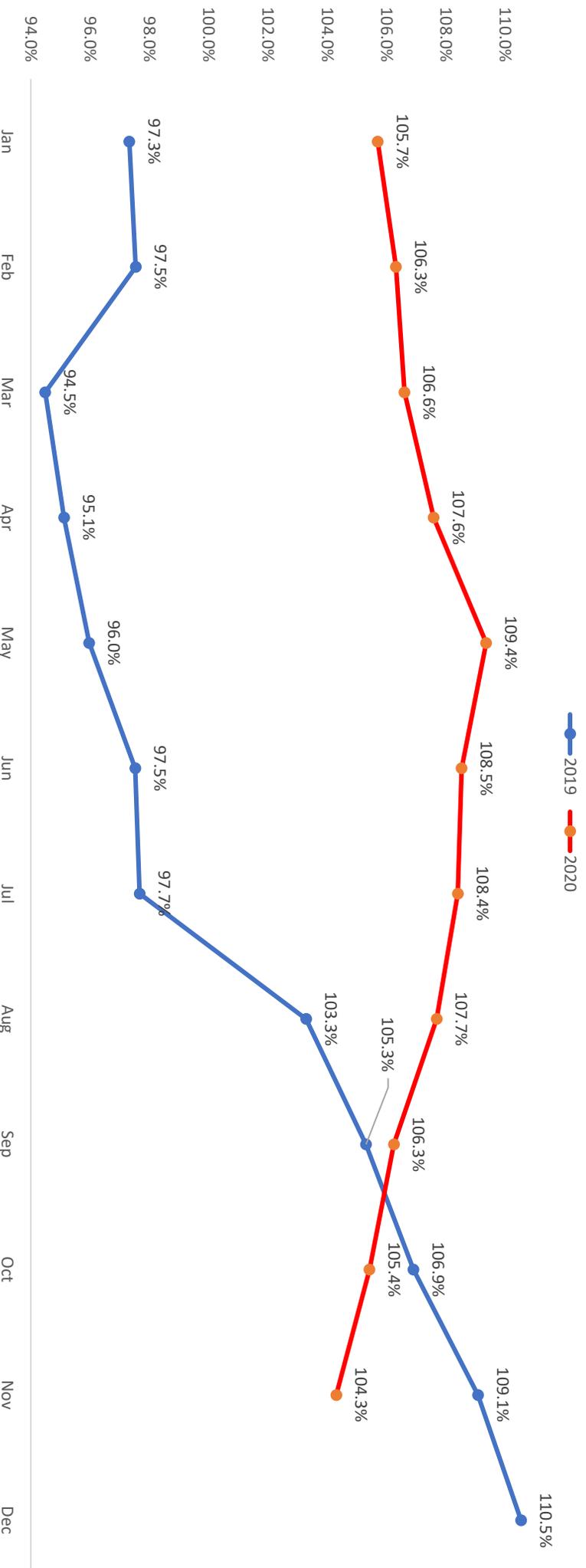
Voucher Utilization – CY2020

SECTION 8 UNITS CY 2019 / 2020



Housing Assistance Payments (rent) – CY2020

SECTION 8 RENT CY 2019 / 2020



Per Unit Cost for Rent Payments

2019

Jan \$623

Dec \$680

Increase
8%

2020

Jan \$691

Dec \$728*

Increase
5%

* estimate

2021*

Jan \$732*

Dec \$775*

Increase
6%

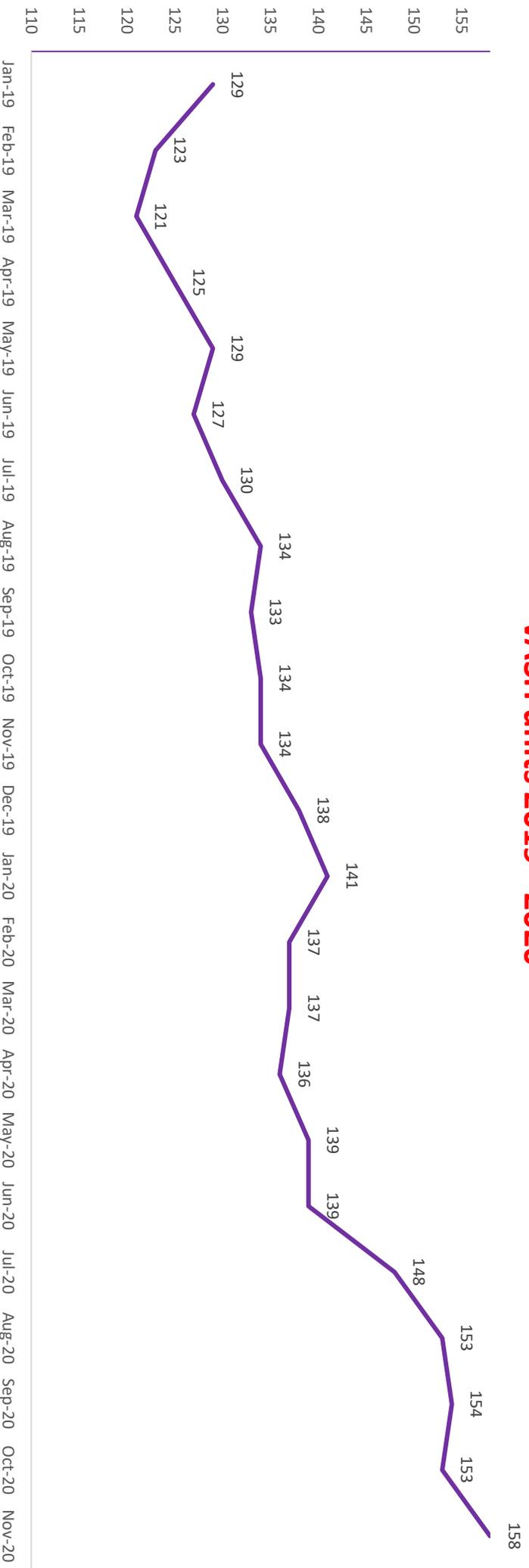
* estimate



Veterans Affairs Supportive Housing



VASH units 2019 - 2020





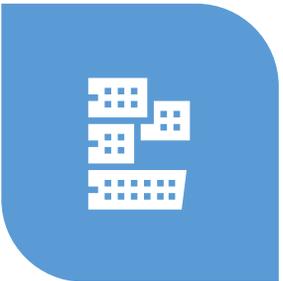
SECURITY UTILITY
DEPOSIT
PROGRAM



SHELTER + CARE
RENTAL ASSISTANCE



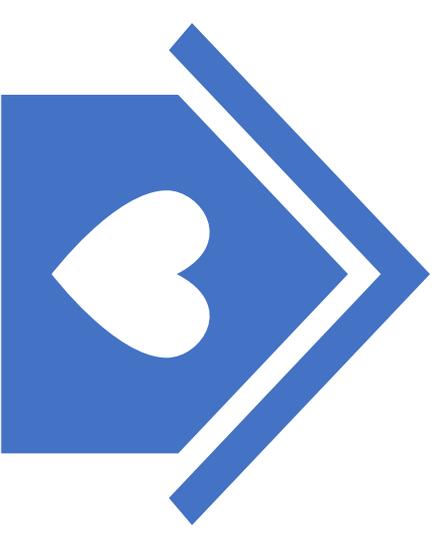
LANDLORD OUTREACH &
RETENTION PROGRAM



SECTION 8 HOUSING
CHOICE VOUCHER
PROGRAMS



EVICITION/FORECLOSURE
PREVENTION PROGRAM



Mesa
Residents
Served



Questions?

