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Housing and Community Development Advisory Board

Meeting Minutes

Stephen Sparks – Chair
Stan Hosac – Vice Chair

Donna Bleyle
Susan Brenton
Haydee Dawson
Diana Yazzie Devine
Christian Karas (absent)

Heather Kay (absent)
Heather Landvatter
Linda Starr
Vacant

Thursday, April 3, 2014

6:00 p.m.
Mesa City Plaza Building, Room 170 East/West
20 E. Main Street
Mesa, Arizona, 85201

I. Welcome and Introductions

A. **HCDAB members present at meeting** – All HCDAB members introduced themselves and were present at the meeting except Christian Karas and Heather Kay.

B. **Staff present at the meeting** – The following staff were present at the meeting: Tammy Albright, Ray Thimesch, Scott Clapp, Deanna Grogan and Constance Bachman.

II. Approval of Minutes

A. **Motion to approve the HCDAB minutes from the March 6, 2014 meeting** – Haydee Dawson made a motion to approve the minutes from the March 6, 2014 HCDAB meeting. The motion was seconded by Stan Hosac and carried by a vote of 8-0.

III. Items from Citizens Present

There were no items from citizens present.

IV. Discussion Items

A. **Public Hearing #2 – City of Mesa's Proposed Annual Action Plan for FY 2014-15 – This public hearing was the second in a series of two regarding Mesa's FY**

2014-15 Annual Action Plan (see Attachment A). The Plan contains the city's short-term goals and strategies, including specific activities recommended for funding under the FY 2014-15 Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) Programs. The activities described are those the City of Mesa plans to undertake to address priority needs, in terms of local objectives, that were identified in the City's 2010-14 Consolidated Plan.

1. **Motion to convene Public Hearing #2** – Linda Starr made a motion to convene Public Hearing #2. The motion was seconded by Haydee Dawson and carried by a vote of 8-0.

2. **Discussion regarding the City of Mesa's proposed Annual Action Plan for FY 2014-15** – Board member Diana Yazzie Devine asked if there were any significant changes to the Plan. Director Tammy Albright stated the only major change concerned the designation of HOME funds from Homeowner housing activities to Rental housing activities.

3. **Public comments:** At this time, the general public was encouraged to provide any comments they may have regarding the City's Annual Action Plan for FY 2014-15. Members of the general public were encouraged to complete a blue card in the back of the room and submit it to staff if they wished to speak. Potential speakers were allowed three minutes to comment on the Plan. No public comment was received at this time.

   Members of the public were informed that written comments regarding the Plan could also be submitted. Written comments could be submitted by mail to: The City of Mesa, Housing and Community Development Department, Attn: Rob Schweitzer, Community Revitalization Coordinator, P.O. Box 1466, Mesa, AZ 85211-1466; or, by e-mail to rob.schweitzer@mesaaz.gov. All written comments must be received no later than the end of business on April 10, 2014 to be considered.

   All comments received by the City during the 30-day comment period will be included in the final version of the Annual Action Plan that is submitted to the Department of Housing and Urban Development (HUD).

4. **Approval and Submission of Plan:** Approval of the proposed FY 2014-15 Annual Action Plan is tentatively scheduled on April 21st, 2014 at the regularly scheduled City Council meeting at 5:45 p.m. in the Upper-Level Council Chambers (57 E. First Street, Mesa, AZ 85201). The submission deadline to HUD is May 15th, 2014.

5. **Motion to close Public Hearing #2 regarding the City of Mesa's Annual Action Plan for FY 2014-15** – Linda Starr made a motion to close Public

Hearing #2 regarding the City of Mesa's Annual Action Plan for FY 2014-15. The motion was seconded by Stan Hosac and carried by a vote of 8-0.

B. Consolidated Plan update – WFN has hosted meetings with stakeholders as well as Public Kickoff meetings last month.

V. Action Items

A. **Discuss and take action on a motion recommending Council adopt the City's proposed Annual Action Plan for FY 2014-15** – Donna Bleyle made a motion recommending that Council adopt the City's proposed Annual Action Plan for FY 2014-15. The motion was seconded by Susan Brenton and carried by a vote of 8-0.

B. **Hear a presentation from John Wesley, Planning Director, and take action on a motion recommending Council adopt the current draft of the *This is My Mesa: Mesa 2040 General Plan* as shown on the www.thisismymesa.org/generalplan.aspx website** – John Wesley provided a brief PowerPoint presentation summarizing the current draft of the city's proposed General Plan. Mr. Wesley's presentation focused primarily on those parts of the Plan related to housing issues (chapter 4).

Susan Brenton asked if the City's goal was to phase out mobile home parks, Planning Director John Wesley stated that "no" this was not the goal.

Diana Yazzie Devine suggested re-wording both the Mobile Home and the Multi-Residence sections in order to use more positive language. Diana also suggested having future discussions when Residential Development projects are brought to the Planning and Zoning Advisory Board, so that this board is kept in the loop.

Heather Landvatter asked Mr. Wesley for clarification regarding the General Density and Intensity 2040 map.

Stan Hosac asked if the Light Rail density map reflects the future use for East Mesa, Mr. Wesley stated that no, it does not reflect that at this time.

Diana Yazzie Devine asked Mr. Wesley to mention the Tucson to Phoenix Passenger Rail project that is seeking public input at this time. Diana mentioned that the 2040 General Plan is well worded.

Heather Landvatter asked about the walkability aspect and if it will be an option throughout the city or only in the concentrated areas of Mesa.

Susan Brenton asked about the anticipated average age of the population in the years to come.

Stan Hosac made a motion recommending that Council adopt the current draft of the *This is My Mesa: Mesa 2040 General Plan*. The motion was seconded by Linda Starr and carried by a vote of 8-0.

A public hearing will be held on May 21, 2014. Council action will be taken in June or July, 2014, along with a vote in November 2014.

C. Hear applicant presentations, discuss and make funding recommendations to Council on the following Low-Income Housing Tax Credit (LIHTC) Program applications within the City of Mesa. In total, these applicants are requesting $1,540,800 in HOME Investment Partnership funds to supplement their LIHTC applications to the Arizona Department of Housing. There is approximately $1,449,893 in HOME funds available for use by these types of projects.

Presentations were provided by the following entities seeking city support in the form of HOME Investment Partnership funds to supplement their LIHTC applications to the Arizona Department of Housing.

1. **AMCAL Multi-Housing, Inc. (Sycamore Station Fund, LLC) – *Sycamore Station – Board recommends reducing allocated HOME funds by $30,302 and awarding $335,498***
    - Location: 1830 W. Main Street, Mesa, AZ 85201-6914
    - HOME funds requested from Mesa: $365,800
    - Type of assistance: Loan
    - Total project cost: $18,521,673
    - Number of multi-family units: 82
    - Number of low income units: 81
    - Target population: Low- to moderate income families

2. **El Rancho Affordable Housing II, LP – *El Rancho Apartments Phase II – Board recommends reducing allocated HOME funds by $30,302 and awarding $269,698***
    - Location: 659 & 701 E. Main Street, Mesa, AZ 85203
    - HOME funds requested from Mesa: $300,000
    - Type of assistance: Loan
    - Total project cost: $15,115,660
    - Number of multi-family units: 47
    - Number of low income units: 46
    - Target population: Low- to moderate-income families

3. **MHA West, LLC – *Encore on First West — Board recommends reducing allocated HOME funds by $30,302 and awarding $719,698***
    - Location: 25 W. First Avenue, Mesa, AZ 85210
    - HOME funds requested from Mesa: $750,000
    - Type of assistance: Grant – It was clarified at the meeting that they were actually requesting a loan.

- Total project cost: $8,400,000
- Number of multi-family units: 44
- Number of low income units: 44
- Target population: Low- to moderate income seniors

4. **A New Leaf, Inc. (La Mesita Apartments Phase 3, LP) – *La Mesita Phase III – Board recommends allocating entire requested HOME funds at a total of $125,000***
    - Location: 2254 W. Main Street, Mesa, AZ 85201
    - HOME funds requested from Mesa: $125,000
    - Type of assistance: Loan
    - Total project cost: $7,826,305
    - Number of multi-family units: 30
    - Number of low income units: 30
    - Target population: Chronically homeless very-low income families and individuals

Diana Yazzie Devine recused herself from scoring all HOME projects due to a conflict of interest with each. Linda Starr recused herself from scoring the Encore on First West project due to a conflict of interest. Staff recommended that she also recuse herself from scoring any competing applications as well.

After the ratings from the Board were tallied, the projects were ranked in order from highest to lowest as follows:

- ***La Mesita Phase III*** – received average score of 97 out of 100 possible points.
- ***Encore on First West*** – received average score of 94 out of 100 possible points.
- ***Sycamore Station*** – received average score of 90 out of 100 possible points.
- ***El Rancho Apartments Phase II*** – received average score of 85.5 out of 100

After some discussion regarding the merits of the applications, the Board agreed they were all worthy of receiving HOME funds from the city. To deal with the anticipated $90,907 shortage of available HOME funds, the Board recommended that Council fully fund the highest rated project (La Mesita Phase III) and reduce funding for each of the remaining three projects by an equal amount ($30,302). Should one or more applicants not receive funding from the Arizona Department of Housing's LIHTC program, the city would then have enough HOME funds to meet the funding requests of the three or less remaining projects.

A motion was made by Stan Hosac recommending that Council approve the entire HOME funding request for the ***La Mesita Phase III project***.

Their request was for $125,000. The motion was seconded by Susan Brenton and carried by a vote of 6-0.

Stan Hosac then made a motion recommending that Council approve a reduced HOME funding request for the ***Encore on First West project***. Their original request was for $750,000 and their recommended reduced allocation would be $719,698. The motion was seconded by Susan Brenton and carried by a vote of 6-0.

Stan Hosac then made a motion recommending that Council approve a reduced HOME funding request for the ***Sycamore Station*** and ***El Rancho Apartments Phase II projects***. Their original requests were for $365,800 and $300,000 respectively. With a reduction of $30,302 each, their recommended HOME funding amounts would be $335,498 and $269,698 respectively. The motion was seconded by Susan Brenton and carried by a vote of 6-0.

VI. Staff Announcements

There were none at this time.

VII. Adjourn the meeting

Haydee Dawson made a motion to adjourn the meeting. The motion was seconded by Donna Bleyle and carried by a vote of 8-0. The meeting was adjourned at 8:50 p.m.

Deanna Grogan

Submitted by Deanna Grogan, Community Revitalization Specialist