

**COMMUNITY HOUSING TASK FORCE
MEETING
August 26, 2003**

MEMBERS PRESENT

Joe Udall
Carie Allen
Jim Davidson
Linda Flick
Jack Hannon
Teresa Brice-Heames
Greg Holtz
Sean Lake
John Poulsen
Jeff Rogers
Maynard Schneck
Marty Whalen (Excused)
Stephanie Wright

STAFF

Hershel Lipow, Dennison & Associates
Michael Doaks, Dennison & Associates
Ben Patton, Neighborhood Services
Kit Kelly, Community Revitalization
Ruth Anne Norris, Housing Services
Donna Hunter, Housing Services
Lisa Hembree, Community Revitalization
Lisa Wilson, Neighborhood Services
Deanna Villeneuve-Saucedo, Outreach

OTHERS PRESENT

Stanley Silas, Community Legal
Services

WELCOME AND INTRODUCTIONS

Joe Udall started the meeting by welcoming those in attendance.

Mr. Lipow advised the Community Housing Task Force of a transition in his employment. He is now affiliated with Dennison & Associates. He also acknowledged Michael Doaks of Dennison & Associates who will be working alongside Mr. Lipow in completing the Housing Master Plan.

APPROVAL OF MINUTES FOR JUNE

The minutes of July 29, 2003 were approved unanimously with amendments, which can be found within the revised version online.

Jim Davidson asked for further information from the City Attorney's Office regarding the status of Patricia Duarte. Ben Patton stated that he would follow up with Joe Padilla and have him contact Joe Udall.

REVIEW OF AUGUST EVENTS

Mr. Patton was unable to attend the housing tour that took place in the Phoenix area. Overall, the tour was a success and members agreed that the Mesa City Council should have the same opportunity to view the housing units in Phoenix and hear presentations from Reid Butler and Eric Brown. Although Eric Brown was unable to speak with the CHTF tour group, he did provide them with access to his project.

CHTF members did have several questions regarding the projects. John Poulsen had some questions about the affordability of Legacy Bungalows but was impressed with the look of the project.

Sean Lake stated that caution should be used when showing City Council the projects so that unrealistic expectations are not created. The City needs viable projects and not projects that could go into bankruptcy.

Linda Flick commented that she'd like to see projects that have opportunities to incorporate mixed-use, employment, retail, and housing but not specific to one income level.

Jack Hannon had questions regarding Eric Brown and Reid Butler's qualifications to make the claims regarding the financing but further stated that members shouldn't be too pessimistic because it seems that the men have successful projects.

Mr. Udall was impressed with their ability to cut through the red tape and create projects in areas that would otherwise not be developed.

Mr. Lipow stated that there is vitality in the older parts of Mesa where projects like these can serve as infill and new developments.

Mr. Davidson stated that any project that houses people has a certain measure of success whether economically viable or not.

Mr. Lake commented that the City of Mesa could help developers be successful by assisting the (first in) developer. He also would provide information on individuals who are doing IDA (Maricopa's Industrial Development Authority) bond projects that could speak to the City Council.

Mr. Patton gave a summary regarding the data from the citizen survey that was distributed. He received 232 responses.

Teresa Brice-Heames stated that because most of the responses were generated via e-mail, we must assume that these people are at least living in single-family homes and therefore, may not be representative of the community as a whole.

Mr. Lipow stated that questions two and three reinforce the fact that there is support for affordable housing.

DRAFT REVIEW PROCESS

Mr. Patton presented the group with a revised schedule for reviewing the Housing Master Plan draft. All members are to provide comments on the draft to him by September 12, 2003 at noon. The final meeting to discuss the full document will be on September 23, 2003. Another meeting may be necessary. This meeting would be held in the Lower Level Council Chambers, which has been scheduled for September 30, 2003 as a wrap up

meeting. Mr. Udall commented that it was an aggressive schedule but due to events beyond the group's control it was necessary to alter the schedule. Mr. Lipow will follow up with the City Council in October.

Ms. Brice-Heames voiced her concern on the lack of quantitative details provided in the document.

Mr. Udall stated that he would like the group to have that discussion because it deals with implementation.

Mr. Lipow stated that the quantitative issues would be addressed when the group gets to the appropriate portion of the document.

OVERVIEW & DISCUSSION OF DRAFT

Mr. Udall pointed out three items that the group should discuss. The first is the categorization of the broader goals or recommendations, and the priority and the specific wording of the plan. Second is Ms. Brice-Heames question regarding how specific the plan should be about goals? The third item is what group will continue the work of the CHTF and ensure implementation of the document.

DISCUSSION OF DRAFT

The group started with reviewing the matrix document. Mr. Lipow explained the reason for having the tax credits under programs rather than financial.

He also explained tool IF, exactions and linkages. Mr. Lake made a motion to have this portion deleted from the document because voluntary guidelines often become requirements. Mr. Davidson made a motion to have this section "reflect to the Council some concern over the availability of dollars to fund housing through low income housing tax credits and that in the future we are going to have the need to look for more public-private partnerships to finance housing. A lot of the revenue that seems to be available now will be diminishing or drying up over the years". Greg Holtz seconded the motion and it passed unanimously.

Mr. Holtz then had Mr. Lipow further explain the tool IF and decided that he wanted to second Mr. Lakes motion to delete that section. A vote was then taken, four to six to leave the section as is.

The group discussed the tool ID. Ms. Flick made a motion to delete the phrase "local funds" and change it to "additional non-federal funds may be needed". Ms. Brice-Heames seconded. The motion passed unanimously.

Tool IIA and CDFIs were discussed. Mr. Holtz suggested that references to specific agencies not be used in the document. Mr. Lake seconded and the motion passed unanimously.

Mr. Poulsen commented that the City of Mesa should provide a way to bridge the gap between the developers and these financial programs and other resources to target the needs of specific areas in Mesa. Mr. Lipow welcomed those comments and stated that perhaps he could use them in the next draft.

A suggestion was made to move the housing counseling and homeownership training from tool IA, financial to program tools. Mr. Hannon seconded and the item passed unanimously.

There was a discussion regarding tool IF dealing with manufactured housing. Modular, manufactured and mobile homes were lumped into one group relating to non-site built homes within the document. Mr. Lake made a motion with the aid of Mr. Lipow to include a tool IIF that states, "Mesa will encourage the rehabilitation of existing mobile homes and the revitalization of their communities". Mr. Poulsen seconded and the item passed unanimously. There was further discussion on the subject. The group agreed to make adjustments on some of the wording when the next draft is received.

Mr. Davidson had comments regarding tool IIA and was concerned about the City of Mesa isolating itself from the continuum of care by stating within the document, "the City actively and aggressively seeks establishing a City of Mesa HOME entity". Mr. Lipow explained that these are two separate elements. "The continuum of care deals with the homeless although it is permanent housing and then there is the concept of moving from emergency shelter to permanent housing. The HOME fund is actually run through the County. The idea is to have autonomy in bringing more funds to Mesa and deciding how those funds should be spent here and it is a delicate balance of being a regional player and contributor. My suggestion is that this is a very important thing to do if it is cost effective. It will not be at the expense of the region. It will come out of the general pot of money the treasury gives through the appropriation to the country for the community development block grants and HOME. In most cases other than in state programs, whenever a separate entitlement is created, it doesn't compromise the existing consortium. It is a way of bringing money to Maricopa County and to Mesa."

Discussion then moved to tool IIC, Occupant Education and Cooperation. Ms. Brice-Heames suggested including legal rights and responsibilities and fair housing issues. She commented that there is a need to include landlord tenant classes to educate landlords about their obligations and responsibilities as well as educating homeowners and renters. Mr. Lake stated that he would be in favor of this motion only if it were on a voluntary basis.

Mr. Hannon had a question regarding tool IIE and asked if Mr. Lipow could add comments regarding sweat equity. Mr. Lipow agreed to do that in the next draft. Mr. Hannon also suggested changing the title in tool IIC to "Occupant and Landlord Education" and deleting the words "and Cooperation". Mr. Poulsen made a motion and Mr. Lake seconded. The motion passed unanimously.

The discussion moved to the planning tools of the matrix. Mr. Davidson asked about the density bonuses. Mr. Davidson understood the document to say that we are going to give a density bonus and gives examples, such as open space, creation of affordable housing and other things valued by the community. He asked if those can be weighted, for example would a builder get more density if he built affordable housing than he would if he did a project that preserved open space.

Mr. Lipow stated that it normally is part of the negotiated process. “It depends on what the City requires when a subdivision is put in place. In some places, the infrastructure is paid for by the developer, in most there is some trade off.”

Mr. Davidson stated that he like for the language to reflect that the bonuses would be based on the trade off. He would like the City to explore the possibility of weighting what type of amenities would get which bonuses. Mr. Lipow made some suggestion on how the item should be worded. He suggested striking the last sentence and continue the second sentence to “bonuses may be offered in exchange for preservation of open space, the creation of affordable housing units, or other things valued by the community based upon the value of the exchange”. Mr. Davidson made a motion and Mr. Udall seconded. The item passed unanimously.

The discussion moved to the regulatory tools. Ms. Flick had a comment regarding the second sentence of tool IB, fast track development. She felt that too much emphasis is placed on workforce housing and would like that sentence deleted. She made the motion to delete “such as workforce housing”. Mr. Davidson suggesting deleting the sentence. Mr. Lake disagreed with deleting the sentence and made a new motion to include “as determined by the planning director” and replacing ”such as workforce housing. Mr. Udall suggested going back to deleting the sentence all together. Mr. Lake made the motion and Jim Davidson made a second. The item passed unanimously.

Stephanie Wright needed clarification on tool IC, Mesa Building Rehab Code. Ruth Anne Norris stated that the intent of this tool is to address the regulatory requirements for remodeling or renovating existing buildings. The changes make it easier for an owner to renovate a building based on the amount of work proposed. Now, if you do work beyond a certain amount of square footage you have to upgrade the entire building. The community will have the regulatory tools to make it possible to renovate the building at a lower cost.

Mr. Udall stated that there were two issues that needed to be discussed. First, the question of the entity or body that could continue the work of the Task Force in reviewing housing issues and help set an annual agenda with items that the City needs to focus on. The second is the question of how specific the document needs to be about quantitative goals.

The discussion returned to tool IIA. Mr. Lake stated that he disagreed with the statement to limit the rate of noncommercial building permits. “Whether they recommend it or take it out of the plan, I disagree with it and I want to go on the record stating that I think it’s

just a bad policy.” He then made the motion to delete the item. Mr. Poulsen seconded. Members discussed the issue further. Mr. Udall suggested making an amendment instead of deleting with the idea of focusing more on balance opposed to limits. Ms. Brice-Heames opposed the issue. The vote passed to amend the item.

Ms. Norris led the CHTF in a discussion regarding the creation of another Board or entity to implement the Housing Master Plan. She outlined three possibilities.

- The Housing and Neighborhood Revitalization Roundtable
- The Housing and Human Services Advisory Board (H&HSAB)
- Separating housing from the Housing and Human Services Advisory Board and establishing a City Council advisory board that would be focused purely on housing

Ms. Norris then explained the role of the Roundtable and the H&HSAB. Members made various suggestions. Mr. Holtz made a motion to split the existing H&HSAB into a housing advisory Board with the Roundtable serving an advisory group that would assist the first years of the housing advisory citizen’s advisory board.

Ms. Flick seconded the motion. More discussion ensued and Mr. Udall suggested acknowledging the existence of the Roundtable and the value it provides and insist that it continues to exist and assist. During the discussion Ms. Brice-Heames had to leave. The motion passed minus her vote.

The CHTF discussed Ms. Brice-Heames request that the group be more specific in giving staff direction to have specific quantitative goals for what they want to accomplish. Mr. Davidson agreed with Ms. Brice-Heames regarding the idea of implementing performance measures on any project. He stated, “There is a section that speaks to the affordability gap and Mr. Lipow told us that information came from the Arizona Affordable Housing Profile, a report by Elliott D. Pollack & Co., Inc.. Mr. Udall stated that he would like to give staff direction to develop specific goals for housing, that might address the need to provide additional units at both the upper and lower income ranges. Mr. Udall asked “Mr. Lipow, when we say goals as part of the table of contents, what does that actually say in the document?”

Mr. Lipow explained, “We start out with a needs statement and that goes the range of housing that the market place is not providing. It talks about the executive level of housing and the opportunities to attract a higher income group to the area. It talks about the gap in affordable housing and the quantitative goal that’s set out by the General Plan to add 2000 units a year to get to the build out in 2025. But then we get into the more qualitative statements, the character, the vision, the way we want the community to grow. There is a general statement about the types of development, the quality, the character, and those items that are a part of our vision statement. Then we move into the specific tools to achieve those things”.

Mr. Poulsen seconded the motion to accept Mr. Lipow's approach, which stops short of quantitative numbers and instead leaves the housing strategy for review and creation. A vote was taken and the item passed unanimously.

WRAP-UP

The meeting adjourned at 9:55 pm.

Respectfully Submitted,

Ruth Anne Norris, Housing Services