

**CITY OF MESA
HOUSING ADVISORY BOARD
MESA CITY COUNCIL CHAMBERS, LOWER LEVEL
57 EAST 1ST STREET
March 1, 2007
6:00PM
- MEETING MINUTES -**

MEMBERS

Mr. Paul Dugas (excused)
Ms. Diana Yazzie Devine
Mr. Bob Hisserich (resigned)
Ms. Siri Amrit Kaur Khalsa
Ms. Trudy Licano
Mr. Conrad Morin
Mr. Marv Turley
Ms. Deanna Villanueva-Saucedo (excused)
Mr. Jon Scott Williams

STAFF

Ms. Jane Albin
Ms. Kit Kelly

WELCOME AND INTRODUCTIONS

Board member Jon Scott Williams served as Chair in Ms. Villanueva-Saucedo's absence, and welcomed everyone to the meeting.

COMMENTS FROM CITIZENS

Citizens present who requested the opportunity to speak to the Board under this agenda item:

Maria Mancinas, resident of Washington Escobedo Park
Dave Richins, Executive Director, West Mesa CDC
John Smith, President, Housing Our Communities

Chair Williams read the Escobedo Housing agenda item minutes from the February meeting, and then asked for comments from the citizens present.

John Smith said that he and his organization have a commitment to find quality housing for the residents of Escobedo, even if it is not on the Escobedo site. However, if given the opportunity to develop the Escobedo site, he would propose a 4-phase project. The first phase would be a Senior Tax Credit project on the north side of the site. The best use would be two to three story housing. The residents on the south end could remain during this phase. The second phase would be mixed income rental units; the third phase market rate ownership (townhouses or condos), and the last phase, on University, retail/commercial/loft housing. Housing Our Communities would want exclusive negotiations with the City.

Dave Richins said his organization was brought in because of the standard set for community involvement and development—involving the surrounding neighborhood and all the stakeholders—exhibited during the West Main Street charrette (sp). He said that Michael Pyatok of ASU's Stardust Center would also help with the project design. Mr. Richins reiterated that they want the opportunity to negotiate exclusively with the City on a redevelopment proposal on this site.

Mr. Smith said that they're meeting with consultants, and have contacted the Industrial Development Authority of Maricopa County and the National Equity Fund for funding. He related that they do not support an RFQ. He does not believe that an outside developer would get input

from the residents. Housing Our Communities would want the City involved through all phases of development. They are committed to changing the density of low income housing on this site. Mr. Smith said that the project would be a partnership with the City of Mesa, West Mesa CDC and Housing Our Communities.

In response to a question from the Board, they were told that a pro-forma has not been done, but a market study has been done. Mr. Smith said they have some rough numbers, but do not want to commit funds until the City makes a decision to negotiate with them. However, they believe this is a \$55 million project for 200 to 245 units.

APPROVAL OF FEBRUARY 1, 2007 MINUTES

Minutes were approved as written.

REVIEW PUBLIC HOUSING AGENCY PLAN AND RECOMMEND FORWARDING TO HOUSING GOVERNING BOARD FOR APPROVAL

Ms. Debbie Cooke, City of Mesa's Housing Services Coordinator, related the approval process for the Public Housing Agency Annual and Five-Year Plans to the Housing Services Governing Board. HUD requires submittal of these plans on or before April 17, 2007. If not submitted and received by that date, the division risks losing funding for the 2007/2008 fiscal year. The Resident Advisory Board has reviewed the PHA Plan and provided comments. The Board requested they receive further information about the Resident Advisory Board.

The Board unanimously moved to recommend forwarding the Public Housing Agency Annual Plan, Five-Year Update, 2007 Payment Standard Schedule, and Enterprise Income Verification Security Policy to the Housing Services Governing Board for approval.

PROVIDE RECOMMENDATION TO CITY COUNCIL REGARDING THE FUTURE OF ESCOBEDO HOUSING

The Board discussed this issue and the comments made by John Smith and Dave Richins. The following points were made:

- ✓ Phasing a project can be expensive and efficiency may be lost. However, you have to have the sensitivity of people being displaced. Perhaps there is a possibility of doing temporary housing on site 17.
- ✓ There has to be some stipulations for the consciousness of what affect this project has on the current residents. Whoever develops the site has to have buy-in to any provisions or stipulations made for the residents.
- ✓ The concept introduced by Michael Pyatok may be the solution for this site—a revitalization, keeping people intact and retaining their connections to that area.
- ✓ The Board would like to see more details to Mr. Smith's proposal. What's the foundation for the estimated \$55 million project? There would be a concern if this doesn't take on a real sense of progress from the beginning. The Board would want to know that the group chosen to spearhead this project is productive at milestones.
- ✓ When people have a chance to bid, sometimes that produces some of the best results because it is competitive.
- ✓ To bid for work keeps one sharp and creative. It's wonderful to have someone already ahead of what needs to be said to the Council. It's great to have a game plan; however, the Board, as well as Council, would want to see more definition on benchmarks before committing to the project.
- ✓ Anyone with a proposal may have to invest prior to being awarded a contract in order to try and win that contract.

- ✓ It will be a Council decision if the land will go up for sale, be donated to a developer, or do a long-term lease.
- ✓ Redevelopments do work. For example, in Phoenix there is a mixed use/mixed income redevelopment of former public housing. Market rate people are moving there and living next to affordable housing folks. This would be a plausible recommendation for the Escobedo site. However, now we are being asked to make a decision on one entity without the competitive part of it taking place.
- ✓ What's needed is a sympathetic seller and a sympathetic lender. It is difficult for a non-profit to win the public relations war that would occur if people were moved out and displaced. The City may be best served by staying apart as opposed to trying to articulate by contract what would be done with the residents. The Board is trying to find out how to be responsible with ten acres of property, and to do it in a way that there isn't transfer trauma to the residents. The Board may not have any legal obligation to the residents or tenants, but they do have a moral obligation built up over time.

In response to a question from the Board, Ms. Kelly said that tonight the Board is making a motion of what they would like to see happen to the Escobedo site. There is a meeting scheduled this month with the City Council subcommittee, Community and Neighborhood Services, chaired by Councilmember Griswold. They will review the issue and the Board's recommendation. After that, the full Council will review and discuss Escobedo's future.

Board Recommendation: The Board is committed to affordable housing that might include mixed use/mixed income. Mixed income would be affordable and market rate and mixed use could include some retail. They are also committed to making sure there is a sensitivity to the current people that live in Escobedo and that they are taken care of. And the third thing the Board would like is to see Housing Our Communities have an opportunity to non-exclusive negotiations with City Council for 90 days. They recommend that the City actively and in good faith engage in dialogue with Housing Our Communities, and during that time, Housing Our Communities flush out some of the details around pro-forma organizational capability with their consultants to do a project of this scope and size.

This recommendation carried with five Board members voting in favor, and one, Ms. Siri Amrit Kaur Khalsa, opposing.

STAFF REPORTS/ANNOUNCEMENTS

- 1,600 households applied for Section 8 vouchers. Everyone on the prior waiting list was taken care of, and received a voucher if they still needed one.
- The FY07/08 CDBG/HOME/ADDI/ESG federal funding recommendations were presented to City Council at the March 1 study session, and a public hearing will be held at the council meeting on March 5. Council will vote on the final recommendations at the April 2 meeting.

ADJOURN

With no other agenda items to be discussed, Acting Chair Williams adjourned the meeting at 7:22 PM.

Respectfully Submitted,

Jane M. Albin, Management Assistant I

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