



**PIMA COUNTY COMMUNITY DEVELOPMENT AND
NEIGHBORHOOD CONSERVATION DEPARTMENT**

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**PIMA COUNTY
HOUSING COMMISSION
Tuesday, December 01, 2009 3:00pm
Pima Community College District Office
4905 E. Broadway
Building C Room C-105
Tucson, Arizona**

MINUTES

PIMA COUNTY HOUSING COMMISSION MEMBERS

Present Ken Anderson
 David Greenberg
 Jon Miles
 Frank Moreno
 Brad Smith
 Kathleen Hewitt

Absent Henry Boice
 Tim Escobedo
 Scott Place
 Frank Thomson

**COMMUNITY DEVELOPMENT AND NEIGHBORHOOD CONSERVATION
DEPARTMENT STAFF**

Betty Villegas–Pima County Community Development and Neighborhood
Conservation

Gary Bachman–Pima County Housing Officer

Marcos R. Ysmael–HOME Program Coordinator

Martha Martin–HOME Program Coordinator

Daniel Tylutki– HOME Program Coordinator

Ana Durazo–Contract Specialist

OTHERS PRESENT

Hank Atha, Deputy County Administrator

WELCOME AND CALL TO ORDER by Housing Chair Moreno at 3:04pm.

ROLL CALL

Quorum present

CALL TO AUDIENCE

An audience member spoke on about his concern of low income families being wiped out of the downtown area and asked that the Commission consider maintaining affordable housing in the downtown area.

BACKGROUND PRESENTATION ON CORONADO HOTEL:

History, Management, Present Condition

Mr. Albert Elias, from the City of Tucson, informed the Commission about the history of the Coronado Hotel, being built in 1928, considered a historical 42-unit structure, which was later purchased in 1989 by Downtown Development Corporation and was converted for low income and disabled. In May of 1991, DDC signed a 15 year contract with the City of Tucson to make the units subsidized housing. The contract expired in 2006 and DDC renewed the contract on an annual basis, therefore fulfilling their contract with the City of Tucson. Mr. Elias added that if the building was sold the residents there now, would be allowed to stay there until July of 2010. Mr. Elias also added that if the residents were asked to leave, that the City of Tucson would have vouchers from the HUD Section 8 program to assist them in finding new living quarters.

Mr. Corky Poster, a local architect, addressed the Commission and gave a report on the present condition of the building. Mr. Poster stated that the building was last rehabilitated in 1991 and is now safe for housing, but added that the building could use \$700,000.00 worth of rehabilitation, primarily for new condensing units and replace the 18 year old roof.

Mr. Elias commented that DDC received about \$20,000.00 in collectible monthly rents and about \$5,000.00 were used in building expenses, allowing the building to have a free monthly cash flow of about \$15,000.00.

DISCUSSION ON COUNTY ADMINISTRATOR CHUCK HUCKELBERRY RECOMMENDATION

Mr. Hank Atha addressed the Commission and reviewed the memo the County Administrator sent on December 1, 2009 where he proposed that

if the building was purchased by the County that either the City of Tucson or a nonprofit organization manage the building.

There was discussion amongst the Commission members in regards to asking price of the building, the rehabilitation needs of the building and about the County purchasing building to maintain affordable housing to prevent a developer from evicting the low income residents.

DISCUSSION AND POSSIBLE ACTION

Reallocation of Housing Bond Funds

Ms. Betty Villegas addressed the Commission and discussed that with the discretion of the Commission, the \$1.5 million dollars that were originally allocated to purchase foreclosed homes, a portion of that money be reallocated for the purchase of the Coronado Hotel building. She went on to explain that these funds had not been expended due to some challenges that had come about with the County purchasing foreclosed homes, but added that there would be no implications to the foreclosure program, since there was about \$20 million dollars of stimulus federal funds being awarded to the County and the City of Tucson for the foreclosure programs.

There was discussion amongst the Commission members in regards to the asking price of the building. They were informed that at this point, there were five other offers to purchase the building. They continued their discussion in regards to the management of the building if it was to be purchased by the County and who would undertake the rehabilitation responsibilities, with the main concern for the tenants there now.

Mr. David Greenberg made a motion to recommend that \$800,000.00 be reallocated from the foreclosed program for the potential purchase of the Coronado Hotel building by the County, with the stipulation that if the purchase is not successful, the funding be returned to the foreclosure program and that there be a cap on the \$800,000.00, if the County becomes a bidder. Mr. Ken Anderson seconded. Motion passed unanimously.

Mr. David Greenberg made a motion where the Committee authorized the County to purchase the Coronado Hotel building where not to exceed the

\$800,000.00 was subject to the terms and conditions on the County Administrator's memo date December 1, 2009. Mr. Ken Anderson seconded. Motion passed unanimously.

Mr. David Greenberg asked that Mr. Hank Atha inform the Board of Supervisors about the Commissions questions and concerns they had for the County Administrator.

ADJOURNMENT

Mr. Moreno moved to adjourn, and Mr. Greenberg seconded. Motion was approved unanimously. Meeting adjourned by Chair Moreno at 4:15 pm.

Minutes submitted by Ana Durazo