

**Pima County Housing Commission  
September 22, 2008 – 3:00 pm**

Pima County Kino Recreation Center  
2805 E. Ajo Way, Room 104  
Tucson, AZ

**Members Present:**

Frank Moreno  
Frank Thomson  
Kathleen Hewitt  
David Greenberg  
Jon Miles  
Tim Escobedo  
Ed Taczanowsky

**Members Absent:**

Scott Place  
Ken Anderson  
Henry Boice

**Staff & Guests:**

Betty Villegas      Daniella Zepeda  
Gary Bachman      Bill Magnetto  
Marcos Ysmael      Dan Ranieri  
Eloise Brown      Terry Galligan  
Martha Martin      Scott Gillette  
Frank Valenzuela      Pat Benchik  
Steve Russo      Dan Eckstrom  
Betty Slaybaugh      Corky Poster  
Marcy Brell      T. Van Hook  
Ed

Honea

**I. Welcome & Call to Order**

Commission Chair Frank Moreno called the meeting to order at 3:15.

**II. Approval of Minutes from August 18, 2008**

**Motion made by Kathleen Hewitt** to approve the minutes.

**Motion seconded by Ken Anderson. Motion carried unanimously.**

**III. Report from the Community Investment Corporation about the down payment Assistance Program**

funds are totally committed with 64 families receiving a combined total of \$843,000 and 17 others waiting for final approval on a combined total of \$210,000. No additional funds are available at this time; however there is demand for \$740,000 which cannot be funded. However, there is a possibility the State of Arizona will allocate approximately \$2 million to a statewide program helping homeowners to buy foreclosed residential properties. It's estimated that Pima County would receive up to \$500,000.

**IV. Report from the Pima County Industrial Development Authority**

To help stabilize the impact of foreclosures in Midvale Park the Southern Arizona Land Trust (SALT) is completing the purchase of 12 residential units located in this

neighborhood. These units will be rented at below market rates to low income households, preferably those on the Section 8 waiting list. The approximate total purchase price for all 12 properties is \$1.5 million.

SALT also bid on 20 residential lots currently owned by Tom Doucette. If successful in acquiring these lots, SALT may develop them into rental units with affordability restrictions for up to 50 years, or develop them into units for resale to people displaced by foreclosure.

The ultimate use will depend on the source of funding used by SALT. Possible funding sources include: Pima County General Obligation Affordable Housing Bond Funds, Pima County Housing Trust Funds, the anticipated Housing and Recovery Act of 2008 (see staff report) and others, each of which has unique requirements regarding affordability. Intergovernmental agreements between the funding sources and SALT will govern the use of the properties.

**Motion made by Frank Thomson** that we recommend to the Board of Supervisors that we allocate \$1.5 million of the Pima County General Obligation Affordable Housing Bond Program Funds to the Pima County Industrial Development Authority [SALT] through an Intergovernmental Agreement to immediately start a foreclosure program.

**Motion seconded by Kathleen Hewitt. Motion carried unanimously.**

## V. Staff Report

### **Discussion about the Neighborhood Stabilization Program under the Housing and Economic Recovery Act of 2008.**

Pima County staff Gary Bachman explained funds will be allocated under the CDBG program based on HUD formulas including rates of foreclosures and subprime loans. Staff anticipates funds will be available in late October 2008. Staff must prepare a plan for the use of these funds no later than December 2008. Staff reviewed the key features of this legislation including the fact that SALT fits well with key facets of this new legislation and funding (rental housing for very low income households). Commissioners discussed their interest in supporting this new legislation with funding from the bond program and with participation by SALT.

## VI. Subcommittee Reports

### **Application Review Subcommittee**

The subcommittee approved four of five proposals reviewed.

**Initial Motion made by Kathleen Hewitt** that the Commission approves funding as follows: \$1.178 million for Esperanza en Escalante Veterans Housing, \$623,636 in

addition to \$476,864 previously approved for Ghost Ranch Lodge Apartments and \$800,000 for the Town of Marana Honea Heights Development. It was discussed whether the Subcommittee should make funding decisions for the full Commission to consider, whether a summary of the projects was sufficient information for the Commission to carry this motion and the status of the Sunnyside Point Project Application. It was noted that the Board of Supervisors understand the 2 nays voted accordingly because a detailed discussion of all projects was not conducted.

**Motion seconded by David Greenberg. Motion carried 5 to 2.**

**Second Motion amending the first by Kathleen Hewitt** that for discussion purposes the Commission pledge the balance of bond funds to the Sunnyside Pointe Project pending approval of a revised application to be submitted by Sunnyside Pointe within 120 days.

**Seconded by Ed Taczanowsky.**

**Third Motion amending the second motion by Kathleen Hewitt** that the Sunnyside Point Project application whether it's for phase one, two or three, be resubmitted within 90 days while the Commission holds the balance of the bond funds for this project.

**Seconded by David Greenberg. Motion carried unanimously.**

**Chair Frank M. asked for the presentation from Sunnyside Pointe** Daniella Zepeda presented the revised application request.

**Motion made by Kathleen Hewitt** to pledge the balance of the bond funds to this project giving you 120 days or we can discuss that number, to come back to us to verify that you have indeed been able to secure the balance of the funds.

**Motion Second by Ed Taczanowsky.**

**Discussion by Commissioners followed.** Commission directed staff to accept a revised application with the missing information to the Board of Supervisors once the application can pass the initial scoring of 80 points. There was discussion on what the new request needed prior to reaching the passing score, and Commissioner Ed T. requested that staff and Sunnyside team work at getting the recommendation to the Board of Supervisors as early as possible.

**Motion made by Kathleen H.** to amend original motion to say if they can turn in a passing score and staff says it passes the score, that it go to the board of supervisors.

**Motion carried unanimously.**

## **VII. Call to the Audience**

No response.

**VIII. Adjournment**

**Motion made by Kathleen Hewitt to adjourn meeting.**

**Motion seconded by Frank Moreno. Motion carried unanimously.**

Meeting adjourned.