

Manufactured and Affordable Housing Strategy Committee
Wednesday March 26, 2008
4:00-6:00 p.m.
Public Works Building, Conference Room C

Draft MEETING SUMMARY

Participants:

Members (or alternate) present:

Ken Anderson	Tom Unger for Max Cañez	Susie Good
Sheila Casserly	Rene Gastelum	John Glaze
Noemi Navarro	Terri Hutts	Rita Hall
Chuck Stury	Eddie Peabody, Jr.	Tom Spendiarian
Jesse Wood for C. DeAngeli	Gary Bachman for B.Villegas	

Pima County staff:

Greg Hitt	Jennifer Dederich
Jim Forbus	Daniel Tylutki

Facilitation Team:

Tahnee Robertson	Todd Gaston (recorder)
------------------	------------------------

Agenda

- Welcome, Agenda Review, Updates
- Review the ‘Pima County Affordable Housing Strategy Survey’
- Discussion
- Select Affordable Housing Strategies

Times and dates

- If it is not the 4th Wed of the month, than 4pm is best time for meetings
- Field trip in late April/early May
 - Rita out of town 4/21 to 5/6 and prefers week of May 12

Survey

Top 10 strategies (as ranked by survey results) plus county recommended additions and discussion

- 1. Facilitate and prioritize the reuse of abandoned, vacant, and tax-delinquent properties.**
 - Potential benefits:
 - Something that the county has discussed in the past
 - There is a very long list of many homes that are delinquent, etc.
 - Potential for a program through a NP to be set up
 - Potential drawbacks:

- The distressed property committee never got off the ground
- You can buy the tax liens but not by the properties, they must be foreclosed upon
- It is not a simple process of gaining ownership of those properties
- Unknown ramifications of such a strategy; legal etc.
- Profiteering must be averted
- There is always a reason for the tax delinquency, meaning there will be a long list of problems as baggage
- MAHSC is not in the position to do the research to find the pros and cons
- Strategy 1 has an amount of complexity unmatched by the rest of the list

2. Expand homeownership education and counseling.

- Potential benefits:
 - This strategy may serve to help keep people in their homes
 - Counseling is generally combined with down payment and closing cost assistance
 - Counseling is generally required with down payment assistance
 - Counseling can help potential homeowners to learn if a home is beyond their means, etc.
 - This is important for helping people to avoid making bad decisions
 - These educational components also help people learn to improve their credit score
 - Home ownership is a generational concept. If the generations of a family have been renters, then the budgeting, etc, is not taught to them
 - Strategy 2 is an important to any of the other strategies being successful
- Potential drawbacks:
 - This strategy only helps to educate people, it does not provide homes
 - Housing professionals such as those on MAHSC hardly stay within HUD guidelines; how can MAHSC expect low income families to afford to be homeowners?

General agreement that 2 is an important component to any of the other strategies being effective

3. Adopt building codes to facilitate rehabilitation of existing homes and affordable rentals. AND 9. Adopt expedited or “fast-tracking” permitting and review policies for developments that directly produce affordable homes.

(3 and 9 have been combined due to general agreement concerning their similarity)

- Potential benefits:
 - Usually, it costs far more than necessary to upgrade according to many codes
 - The NJ code, which falls in and out of favor, allows properties to be held to different standards if allocated for low income
 - Fast tracking or leniency could be very helpful in providing less expensive buildings
 - Lenient is not necessarily required, just a fast-tracked interpretation of the codes
 - A presentation from Eves, an inspector who is ahead of the curve, could be very helpful; his recommendations could influence recommendations
 - In Seattle they allowed a certain leniency to allow for more affordability: As a general rule, any building over three stories must utilize steel construction, but

under the more lenient interpretation, the bottom three stories must be stone or steel, and above that, wood can be used

- Potential drawbacks:
 - With the exception of historical preservation, etc. Building codes are very strict; The rules are the same for everyone under building code
 - A more lenient interpretation of the code must be a strict “if”; Only “if” the building will provide affordable housing
 - Individual inspectors have different personality traits and this prevents consistency; if it were one person, this would assist in expediency
 - The desire of elected officials to provide/increase affordable housing would need to be pursued

- *On behalf of the group, Tom Spendiarian will talk with Yves Khawam, the Chief Building Official for Pima County*

3. Develop incentives that promote infill development.

(There is suggestion that 4 and 5 be combined and consequently objection to their combination. Similarly, there is suggestion that 6 should be a subset of 4 and objection to this on the grounds that 6 goes beyond 4, so it should not a subset of 4. I did not combine them in any manner due to their already close proximity.)

- Conditions:
 - An AMI range, sewer and impact fee waivers, etc. would be helpful
 - Compatibility should be a requirement
 - Specification of infill type is required
 - Incentives must be specified

4. Ensure that zoning policies support a diversity of housing types and infill development.

- Factory built housing is example
- The present plats may serve as a barrier to strategy 5
- Most subdivision plats restrict what can go in; this would be reviewed by committees; a subdivision with a recorded plat would not allow certain types of housing as infill
- Those portions of property that might be zoned CR1 may be able to support a small store, or a pizzeria, etc.
- This would simply allow more diversity of development; this might allow a small strip mall or apartments, etc.
- Rezoning requests have mandatory notice, are well attended, and are a great forum to bring up this strategy
- A two story duplex built where a single story home once was is the type of zoning relaxation that is possible, though the neighbors may not want a two story near them
- There really is not much difference in standards between the center of town or near the county line when infill is concerned
- The key word is infill; This serves to prevent the paving of new roads to the middle of nowhere and new infrastructure requirements
- The reason development is spreading out, is that land is cheaper away from town; If there was incentive to develop in town this would prevent the sprawl

- County zoning policies are not mixed use friendly
- Parking requirements are the biggest impediment to much infill
- It is possible to put something in the zoning code to restrict areas to affordable housing; this is legal and has been done
- Need to be sure that it is not just affordable housing and that there is mixed income

5. Revise impact fee structures for affordable housing developments/project.

- This refers to development rather than infill
- There is a low income waiver, but it is done on an individual basis and it can be denied
- A fee structure supporting affordable housing in the future should be created

6. Preserve affordable rental homes.

- There are various ways of preserving affordable rental homes
- An enforcement mechanism is needed to ensure that these investors will serve the low income population
- Rental housing is an important asset in the community and renters should not be vilified
- The issue is that the county is losing a lot of affordable rental housing
- In Tucson there are many rentals due to the new law on immigration
- There used to be a rule of thumb that if you were going to live in a house for less than 5 years, you should not buy; the way the market is now, no property ownership is profitable
- Rental “homes” should be changed to rental “housing”

7. Expand the supply of homes that are affordable through land use planning that promotes density and a diversity of housing types.

(There is suggestion that 8 is related to 5, but no clear decision to combine them was evident in the discussion)

- This is related to 5, but specifically states “land use planning” which may be more comprehensive
- This could link into tax amendment territory, if the county wants to target what infill is, etc.
- A comprehensive plan is a powerful tool
- As a caveat; when the Oro Valley comp plan came up a few years ago, the people went nuts; the words “multi-use” gets a lot of resistance
 - What came out of the last comp plan were good, workable changes
 - No one was happy, but a lot of compromise was made

8. *(Combined with 3 above)*

9. Pursue, support, and leverage employer-assisted housing initiatives.

- The UofA, etc. should be considered for such a strategy; they have already been looking at such a program to keep their staff.
- Nurses and teachers do not make 150%AMI, but maybe 100%AMI and need assistance to become homeowners

- CA has been considering such programs for a long time; Kaiser Hospitals has been considering it for nearly 10 years
- Resorts have a problem with housing for their low income employees as they are located in the hinterlands
- This would be going to the industry sectors and bringing them to the table and saying “what do you want to give your employees to get them to stay here”
- Strategy 10 would be asking the industries to offer employees some incentive to stay in the county
- As a county it would be tough to be hands-on with this type of thing
- The county could have a facilitator present this info to employers as a package to more easily get a positive reception
- There is very little discussion in Tucson Regional Economic Opportunities’s (TREO) agenda about affordable housing
- Such a strategy may be beyond the scope of MAHSC
- Strategy 10 could be an example listed under another strategy

Integrating the Results with Staff Recommendations:

In addition to the strategies referenced above, staff recommends the MAHSC committee also review and evaluate the following strategies in addition to any other recommendations the committee may propose:

10. Make publicly owned land available for affordable homes. (staff recommendation)

- Clarification:
 - These are infield type properties, for example Brownfield sites
 - This is not open space land or state land, this should be clarified
- Concerns:
 - If a subdivision is to be sold at a certain cap, it will affect the market value

11. Facilitate Community Land Trust models. (Staff Recommendation)

- In a community land trust, the person owns the house, not the land, making the home more affordable
- There are restrictions on the amount of profit that can be gained from such houses
- The housing trust fund was one of the more highly ranked
- Land trusts are one of the more cutting edge ways of providing affordable housing

Concerning the addition of these additional strategies:

- Concern is voiced about the county staff adding a couple of strategies not resulting from the survey
- The County responds:
 - The staff recognized that while these strategies were not ranked in the top 10, they provide other important avenues for addressing affordable housing needs in Pima County and should at least be discussed further.
 - There was a lot of feedback in the survey results concerning these two strategies, particularly trying to better understand them, which is another reason they were included

- The Facilitator reminds the committee that: 1) this was not meant to be a rigorous survey with statistically significant results but to serve as important additional input into the committee's analysis, and 2) all strategies will be discussed further and the committee will review and decide by consensus which to ultimately include in their recommendations.

General comments:

- Some strategies are easier and some the County is already doing
- We do not need the same recommendations for each area
- This is about what the county is going to do, and they work in this all of the time
- Foreclosures are not specified in the survey and there is interest amongst committee members to see it addressed
- Committee would like AMI results included in synopsis
 - Over 71% want to do 80 – 120% AMI, a significant majority
 - Federal subsidy is limited to 80% and below, but there is an interest in the county for expanding their range
- It is noted that “Assistance for homeowners” received less support than expected
- Survey Participation:
 - The survey was for people in the field
 - There is suggestion that if lenders were involved in the survey, the results may have been drastically different
- It is agreed that the survey results give the committee more to think about
- It is agreed that though non-scientific, the survey results serve as an excellent guide, but not an end all be all
- “As long as we don't limit ourselves to this as our only focus, it is a great tool”

Next Meeting: April 9, 4-6 p.m.