

ATTENTION

IN-PERSON AUDIENCES AT HOUSING COMMISSION MEETINGS HAVE BEEN SUSPENDED UNTIL FURTHER NOTICE

[Click here to participate in the online meeting](#)

The public can submit comments to AFisher@flagstaffaz.gov. Public comment will be emailed to Housing Commissioners and will be read at the meeting by a staff member

NOTICE AND AGENDA

**HOUSING COMMISSION
THURSDAY
SEPTEMBER 24, 2020**

**VIRTUAL MICROSOFT TEAMS MEETING
211 WEST ASPEN AVENUE
1:00 P.M.**

1. Call to Order

2. Roll Call

NOTE: One or more Commission Members may be in attendance telephonically or by other technological means.

ROSS ALTENBAUGH
KAIJAYLAAN BEATTIE
ERIC DAVIS
MELINDA DEBOER-AYREY
NICOLE ELLMAN

CATHERINE ESQUIVEL
KAREN FLORES
KHARA HOUSE
CHRIS KEMMERLY
DEVONNA MCLAUGHLIN

MOSES MILAZZO
ERIN O'LOUGHLIN
TAD RIGGS

3. Public Comment

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

4. APPROVAL OF MINUTES

- A. Consideration and Approval of Minutes:** Housing Commission Meeting, August 27, 2020
Approve the minutes of the August 27, 2020 Housing Commission Meeting.

5. **DISCUSSION ITEMS**

A. **Discussion and Input:** Review of Brinshore's Low Income Tax Credit Development, Starpoint Discussion and Input

B. **Presentation on City Owned Land**
Informational only

6. **INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS**

7. **ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. This notice has been posted on the City's website and can be downloaded at www.flagstaff.az.gov.

Dated this _____ day of _____, 2020.

Leah Bloom, Housing Section



Housing Commission

4. A.

From: Leah Bloom, Affordable Housing Advancement Project Manager

DATE: 09/24/2020

SUBJECT: Consideration and Approval of Minutes: Housing Commission Meeting, August 27, 2020

STAFF RECOMMENDED ACTION:

Approve the minutes of the August 27, 2020 Housing Commission Meeting.

Executive Summary:

Minutes of Commission meeting are the requirement of Arizona Revised Statutes and, additionally, provide a method of informing the public of discussions and actions taken by the Housing Commission.

Connection to PBB Key Community Priorities/Objectives & Regional Plan:

Not Applicable

Previous Council Decision on This:

Not Applicable

Attachments

DRAFT August Minutes

ATTENTION

IN-PERSON AUDIENCES AT HOUSING COMMISSION MEETINGS HAVE BEEN SUSPENDED UNTIL FURTHER NOTICE

DRAFT MEETING MINUTES

**HOUSING COMMISSION
THURSDAY
August 27, 2020**

**VIRTUAL MICROSOFT TEAMS MEETING
211 WEST ASPEN AVENUE
1:00 P.M.**

1. Call to Order

Chair Nicole Ellman called meeting to order at 1:05pm.

Vote: 11 - 0 - Unanimously

Vote: 11 - 0 - Unanimously

2. Roll Call

NOTE: One or more Commission Members may be in attendance telephonically or by other technological means.

ROSS ALTENBAUGH - Present
KAIJAYLAAN BEATTIE - Absent
ERIC DAVIS - Present
MELINDA DEBOER-AYREY - Present
NICOLE ELLMAN - Present

CATHERINE ESQUIVEL - Absent
KAREN FLORES - Present, Left at 2:35pm
KHARA HOUSE - Present
CHRIS KEMMERLY - Absent
DEVONNA MCLAUGHLIN - Present

MOSES MILAZZO - Present
ERIN O'LOUGHLIN - Present
TAD RIGGS - Present

COUNCIL LIAISON PRESENT: Councilmember Jim McCarthy – Arrived at 1:10pm

OTHERS PRESENT: Affordable Housing Project Manager Leah Bloom, Housing Director Sarah Darr, Comprehensive Planning Manager Sara Dechter, Deputy City Manager Shane Dille, Housing Specialist Adriana Fisher, Housing Analyst Jennifer Mikelson, Community Development Block Grant Administrator Kristine Pavlik, Zoning Code Manager Dan Symer.

Vote: 10 - 0 - Unanimously

3. Public Comment

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Sent via email to Leah Bloom, Affordable Housing Project Manager:

Housing Commission Members - Thank you for taking the time to serve on this important commission that is tasked with finding solutions to one of the largest issues facing Flagstaff. I am a member of the Flagstaff Shelter Services Board of Directors, but am writing today to

express my own opinions. I have seen a great deal of conversation as of late about the city-owned Schultz parcel that is home to a field of invasive weeds that occasionally bloom for about two weeks a year. Those voices are loud, but I want you to know that there are many voices out there that support this parcel as a site for affordable housing, as it was originally intended. Our teachers, first responders, grocery store workers, medical professionals, and many others who have been deemed "necessary" during this pandemic, are priced out of Flagstaff's housing market. The City has invested a significant amount of money in preparing this site to house our neighbors and that plan should not be altered. Protecting a field of invasive weeds surrounded by private property that will likely be developed at some point is not going to serve anyone. This parcel is ready to provide much-needed housing and I encourage you to stay the course and bring this project to reality. Thank you for your consideration.

Jacki Lenners

4. **APPROVAL OF MINUTES**

- A. Consideration and Approval of Minutes:** Housing Commission Meeting, June 25, 2020
Approve the minutes of the June 25, 2020 Housing Commission Meeting.

Moved by Ross Altenbaugh, **seconded by** Khara House to approve the June 25, 2020 minutes as presented.

Vote: 11 - 0 - Unanimously

5. **GENERAL BUSINESS**

- A.** City of Flagstaff, Recovery Roundtable - Update and Resources Regarding Arizona's Eviction Moratorium. Please see video at <https://youtu.be/t3Lpq-MYqhc>.

Ms. Leah Bloom played the City of Flagstaff's Recovery Roundtable video for Commissioners.

Ms. Sarah Darr provided updates about resources from the Recovery Roundtable video and indicated a packet will soon be distributed to the public both electronically and physically. Follow up questions and comments were provided by Commissioners and City Staff, which were well received and answered by Ms. Darr.

6. **DISCUSSION ITEMS**

- A. Discussion and Input: Review of Flagstaff's Regional Plan**
Discussion and Input

Ms. Sara Dechter, Comprehensive Planning Manager, provided broad overview of Regional Plan. Follow-up questions asked by Commissioners, answered by Ms. Dechter.

Ms. Dechter welcomed additional questions by email.

B. Discussion and Input: Review Incentive Policy for Affordable Housing

Discussion and Input

Ms. Jennifer Mikelson, Housing Analyst, provided an overview of the Incentive Policy for Affordable Housing (IPAH), explaining we will be revising the current 11-year-old document and examining possibilities.

Commissioners and Council Liaison made comments and asked follow-up questions relating to:

- Who's leading the rewrite effort?
- Who will be involved?
- The importance of involving the public and experts in the field.
- If other incentive policies offered by the City of Flagstaff can be examined.
- When the working groups will be established.

Questions answered collaboratively by Ms. Mikelson, Ms. Darr, Zoning Code Manager Dan Symer, Housing Manager Justyna Costa.

Ms. Mikelson welcomed questions by email. Ms. Bloom asked Commissioners to please copy her in the email so the information could be shared with all Commissioners.

7. INFORMATIONAL ITEMS TO/FROM COMMISSION MEMBERS, STAFF, AND FUTURE AGENDA ITEM REQUESTS

- Ms. Bloom apologized for not including the web link to the meeting in her meeting appointment for Commissioners, but indicated the link will always be provided in the Agenda packet, which is most important. Council Liaison Jim McCarthy gave Ms. Bloom a thumbs up in the chat regarding her comment.
- Commissioners brought up that some Housing Commission term agreements are ending soon and inquired about how to renew their term and/or refer others to apply to be on the Commission. Ms. Darr and Council Liaison McCarthy indicated that anyone interested, whether already on the Commission or not, would have to submit an application to the City Clerk for Council review. Council Liaison McCarthy encouraged individuals to include a couple of paragraphs about why they're qualified and interested to serve on the Commission. Ms. Bloom indicated there is already a potential vacant seat that can be filled pending Ms. Catherine Esquivel's, who is a community member, resignation.

8. ADJOURNMENT

Meeting adjourned at 3:05pm by Chair Ellman.



Housing Commission

5. A.

Co-Submitter: Justyna Costa, Housing Manager

From: Leah Bloom, Affordable Housing Advancement Project Manager

DATE: 09/24/2020

SUBJECT: Discussion and Input: Review of Brinshore's Low Income Tax Credit Development, Starpoint

STAFF RECOMMENDED ACTION:

Discussion and Input

Executive Summary:

Presentation by Whitney Weller, Brinshore's Senior Vice President and Devonna McLaughlin, Housing Solutions of Northern Arizona's Chief Executive Officer.

Connection to PBB Key Community Priorities/Objectives & Regional Plan:


Not applicable

Previous Council Decision on This:

Not applicable

Attachments

Starpoint Housing Commission Presentation



STARPOINT

FLAGSTAFF HOUSING COMMISSION

SEPTEMBER 24, 2020

BRINSHORE



Housing Solutions
OF NORTHERN ARIZONA

BRINSHORE DEVELOPMENT

Strengthening neighborhoods through creative and collaborative real estate developments

- Established 1994
- Based in Northbrook, Illinois
- Developed 7,000 units in over 75 residential communities valued at over \$1.3 Billion
- Active in 17 states and the District of Columbia
- 19th largest affordable housing developer in U.S.
- Winner of over 50 national, state and local awards for innovation and excellence since 2002.



LIHTC BASICS

What is the Low Income Housing Tax Credit?

- Housing subsidy program for rental housing
- Created by Section 42 of the 1986 tax reform
- Administered by State Housing Finance Agencies
 - Arizona's agency is the Arizona Department of Housing (ADOH)
- Each state receives an annual tax credit allocation based on a per capita calculation
- More demand than tax credits available each year = competitive process



LIHTC Project Characteristics

- New construction and rehab projects
- Housing for families, seniors, special needs residents
- 100% affordable and mixed-income
- Project sizes typically range from about 40 up to 120 units – sweet spot for LIHTC
- Projects can be urban or rural



How do Tax Credits Work?

- Tax credits are sold to investors who earn dollar-for-dollar credits against their federal tax liability
- Tax credit sale → equity into project
- Credit pricing depends on a number of factors:
 - Investor appetite/Community Reinvestment Act need. Different markets = different CRA needs
 - Development team track record
 - Timing – both project timing and equity pay-in schedule
 - Project size



LIHTC Restrictions

Income Restrictions

- Based on Area Median Income
- Until 2017 tax reform, LIHTC units were 60% AMI and below; 2017 reform introduced Income Averaging – up to 80% AMI

Flagstaff MSA Rent and Income Limits

LIHTC Income Limits for 2020 (Based on 2020 MTSP Income Limits)					
	Charts	60.00%	50.00%	40.00%	140.00%
1 Person	⚡	31,620	26,350	21,080	44,268
2 Person	⚡	36,120	30,100	24,080	50,568
3 Person	⚡	40,620	33,850	27,080	56,868
4 Person	⚡	45,120	37,600	30,080	63,168
5 Person	⚡	48,780	40,650	32,520	68,292
6 Person	⚡	52,380	43,650	34,920	73,332

Rent Restrictions

- Rent + tenant paid utilities restricted to 30% of income – based on AMIs

LIHTC Rent Limits for 2020 (Based on 2020 MTSP/VI Income Limits)					
Bedrooms (People)	Charts	60.00%	50.00%	40.00%	FMR
Efficiency (1.0)	⚡	790	658	527	964
1 Bedroom (1.5)	⚡	846	705	564	1,024
2 Bedrooms (3.0)	⚡	1,015	846	677	1,266
3 Bedrooms (4.5)	⚡	1,173	978	782	1,653

Compliance Period

- 15 year LIHTC compliance period
- 30+ year income restriction

Source: novogradac.com


How are LIHTCs Administered?

Qualified Allocation Plan

- Federal program requirements
- State priorities (sustainability, special needs, urban/rural, etc)

Competitive application process

- Two types of credit: 9% and 4%
- 1-2 application rounds per year



Arizona
Department
of Housing

Low Income Housing Tax Credit Program

2019

Qualified Allocation Plan

Contact Information:

Jeanne Redondo - Rental Programs Administrator
Arizona Department of Housing
1110 West Washington Street, Suite 280
Phoenix, AZ 85007
Tel: (602) 771-1000 • Direct: (602) 771-1031
E-mail: jeanne.redondo@azhousing.gov

This document may be made available in alternative formats upon request.
Please contact Jeanne Redondo, Rental Programs Administrator, Arizona Department of Housing,
by telephone at (602) 771-1031 or by e-mail at jeanne.redondo@azhousing.gov

OTHER FINANCIAL CONSIDERATIONS

- Construction and Permanent Loans
- Fill remaining gap with other sources
 - City/state funding (HOME/CDBG/Trust Funds)
 - Tax Increment Financing (TIF)
 - Project Based Vouchers
 - Grants
 - Philanthropic investment
- Developer earns Developer Fee based on total eligible development costs
 - Deferred fee = final source/gap filler



LIHTC RESOURCES

- Novogradac
- Enterprise Community Partners

Enterprise Resource Center

Home > Resource Center

FILTER BY:

- LIHTC
 - Impact Investing
 - Impacts
 - Inclusionary Housing
 - Jobs
 - LIHTC
 - LIHTC Policy
 - Loan Fund
 - Make Room
 - NMTC
 - National Housing Trust Fund
 - Opportunity Zones
- Type -
- Location -
- File Type -

	PUBLICATION YEAR	
& Native Affordable Housing With The Low Income Housing Tax	2019	Rural Webin
Affordable Housing With The Low Income Housing Tax Credit	2019	Rural Webin

NOVOGRADAC

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Affordable Housing Resource Center

News

LIHTC Basics

- About the LIHTC
- LIHTC Lexicon

Application and Allocation

Bonds

Guidance

Compliance

Data and Tools

Legislation and Court Rulings

Research and Resources

Related Programs

About the LIHTC

The low-income housing tax credit (LIHTC) program, created in 1986 and made permanent in 1993, is an indirect federal subsidy used to finance the construction and rehabilitation of low-income affordable rental housing. Washington lawmakers created this as an incentive for private developers and investors to provide more low-income housing. Without the incentive, affordable rental housing projects do not generate sufficient profit to warrant the investment.

The LIHTC gives investors a dollar-for-dollar reduction in their federal tax liability in exchange for providing financing to develop affordable rental housing. Investors' equity contribution subsidizes low-income housing development, thus allowing some units to rent at below-market rates. In return, investors receive tax credits paid in annual allotments, generally over 10 years.

Financed projects must meet eligibility requirements for at least 30 years after project completion. In other words, owners must keep the units rent restricted and available to low-income tenants. At the end of the period, the properties remain under the control of the owner.

9 Percent vs. 4 Percent

Claimed pro rata over 10 years, the tax credit can be used to construct new or

Related Services

- Low-Income Housing Tax Credit
[More Information >>](#)
- Nonprofit
[More Information >>](#)

NOVOGRADAC Journal of Tax Credits

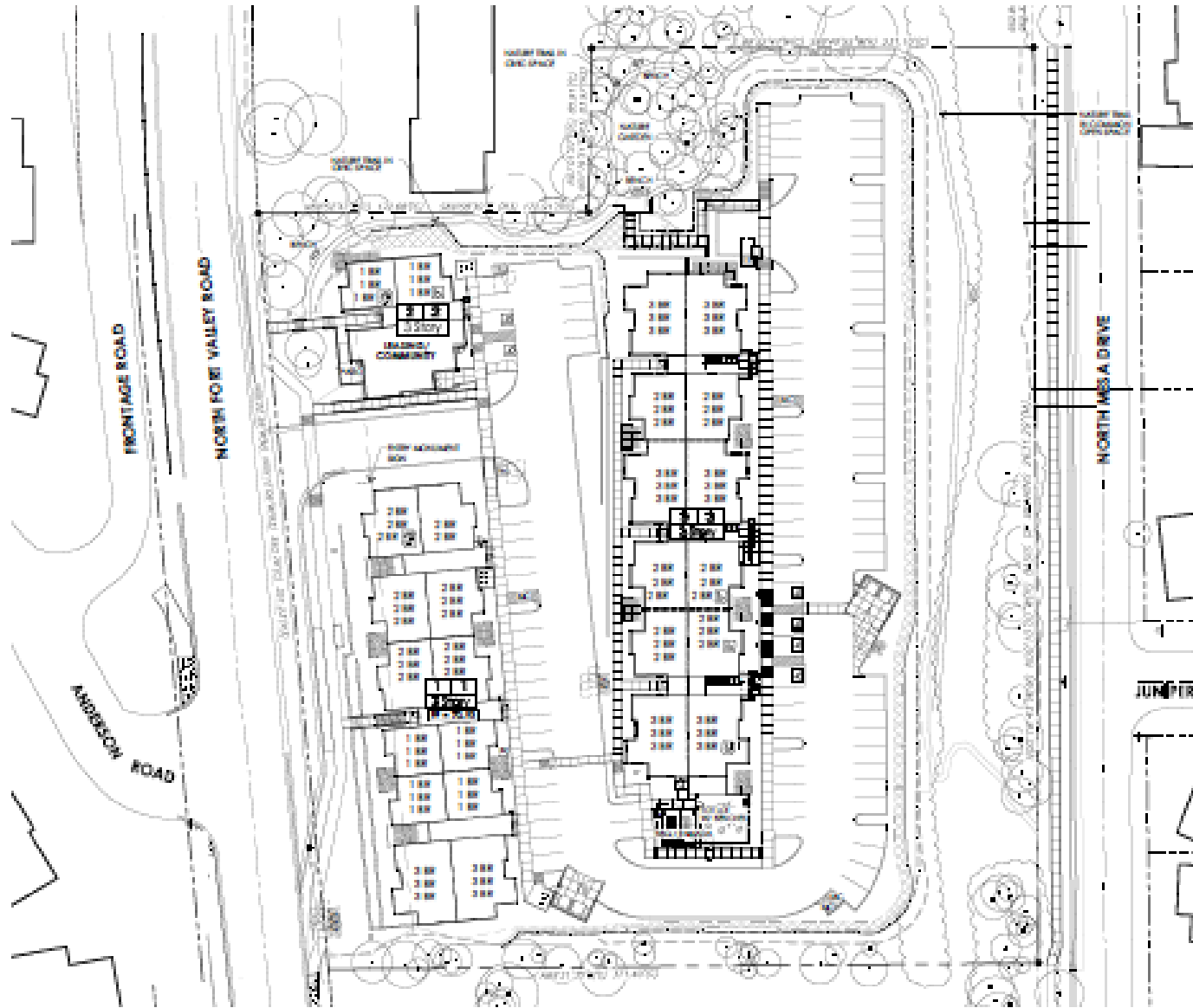
THE 4 PERCENT LIHTC/BONDS ISSUE

30th Anniversary

STAY IN THE LOOP

THE LATEST COMMUNITY DEVELOPMENT NEWS AND ANALYSIS

STARPOINT SITE PLAN



STARPOINT ELEVATIONS



NORTH ELEVATION

3/32" = 1'-0"



SOUTH ELEVATION

3/32" = 1'-0"

COLOR SCHEDULE

1	COLOR OF FINE - VERTICAL SIBU MFR. SERRAVALLO SIV-12
2	COLOR OF FINE - HORIZONTAL MFR. SERRAVALLO SIV-12
3	COLOR OF FINE - TERTIARY MFR. SERRAVALLO SIV-11
4	COLOR OF FINE - QUATERNARY MFR. SERRAVALLO SIV-11
5	COLOR OF FINE - QUINQUARY MFR. SERRAVALLO SIV-11
6	COLOR OF FINE - SEXQUARY MFR. SERRAVALLO SIV-11
7	COLOR OF FINE - SEPTUARY MFR. SERRAVALLO SIV-11
8	COLOR OF FINE - OCTOARY MFR. SERRAVALLO SIV-11
9	COLOR OF FINE - NONARY MFR. SERRAVALLO SIV-11
10	COLOR OF FINE - DECARY MFR. SERRAVALLO SIV-11
11	COLOR OF FINE - UNDECARY MFR. SERRAVALLO SIV-11
12	COLOR OF FINE - DUODECARY MFR. SERRAVALLO SIV-11
13	COLOR OF FINE - TRIGESIMARY MFR. SERRAVALLO SIV-11
14	COLOR OF FINE - QUADRAGESIMARY MFR. SERRAVALLO SIV-11
15	COLOR OF FINE - QUINGAGESIMARY MFR. SERRAVALLO SIV-11
16	COLOR OF FINE - SEXAGESIMARY MFR. SERRAVALLO SIV-11
17	COLOR OF FINE - SEPTUAGESIMARY MFR. SERRAVALLO SIV-11
18	COLOR OF FINE - OCTOGESIMARY MFR. SERRAVALLO SIV-11
19	COLOR OF FINE - NONAGESIMARY MFR. SERRAVALLO SIV-11
20	COLOR OF FINE - CENTESIMARY MFR. SERRAVALLO SIV-11



EAST ELEVATION

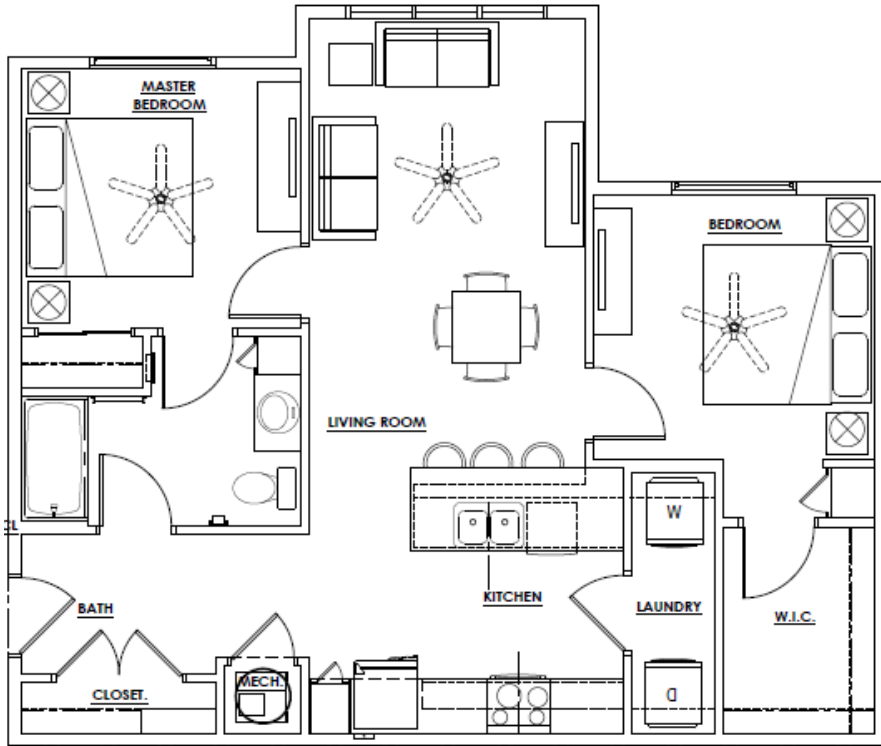
3/32" = 1'-0"



WEST ELEVATION

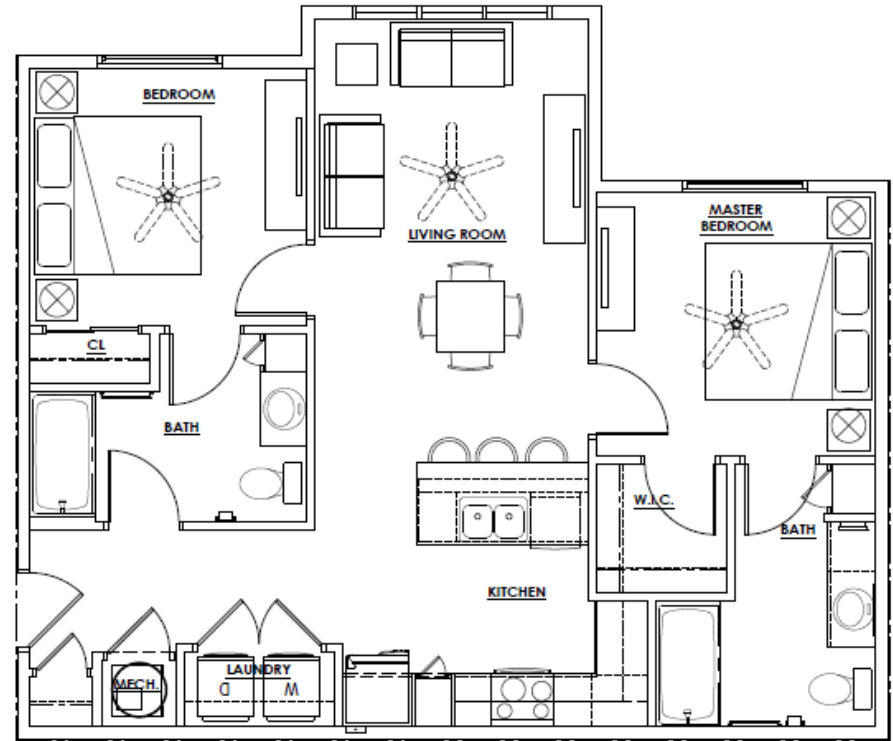
3/32" = 1'-0"

STARPOINT FLOOR PLANS



UNIT B - 2 BD / 1 BATH FLOOR PLAN

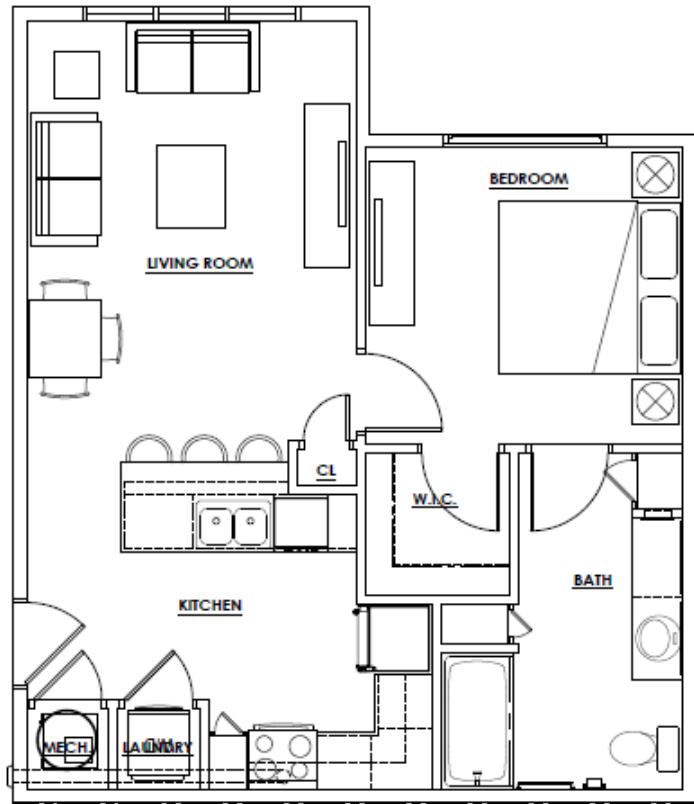
SCALE: 1/4"=1'-0"



UNIT B - 2 BD / 2 BATH FLOOR PLAN

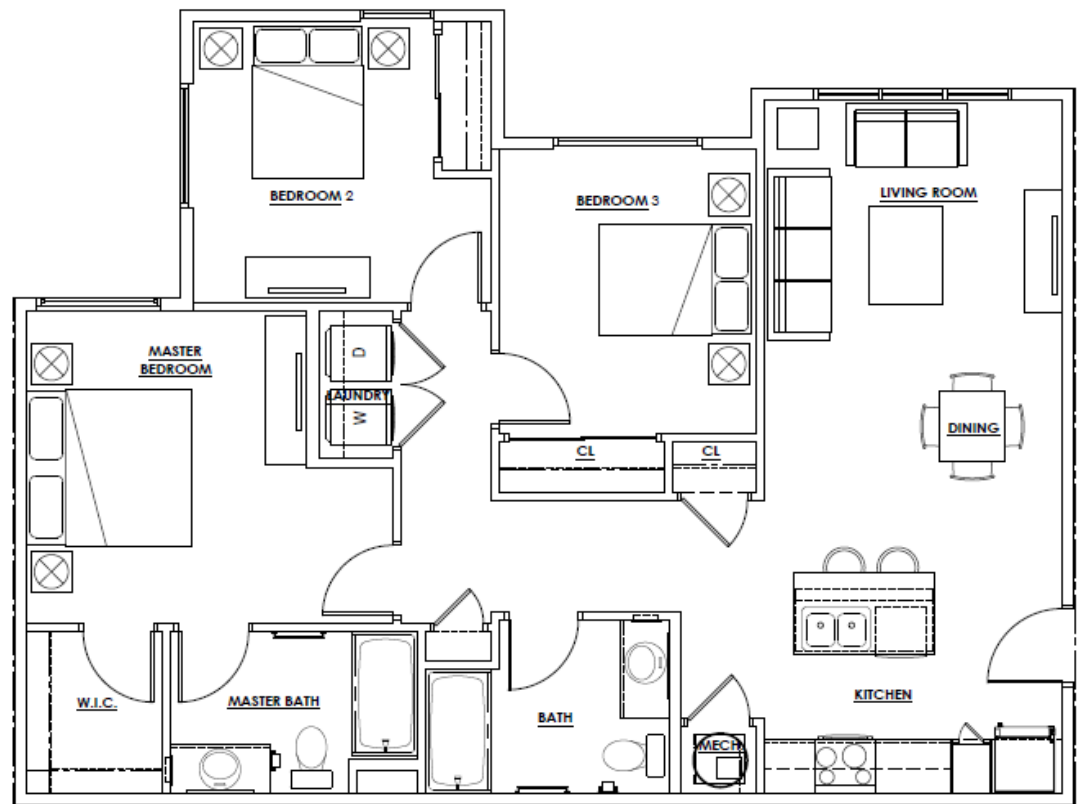
SCALE: 1/4"=1'-0"

STARPOINT FLOOR PLANS



UNIT A - 1 BD / 1 BATH FLOOR PLAN

SCALE: 1/4"=1'-0"



UNIT C - 3 BD / 2 BATH FLOOR PLAN

SCALE: 1/4"=1'-0"

STARPOINT FACTS

- 77 units: 90% affordable and 10% unrestricted/market rate
- One, two and three bedrooms units
- Rents \$492 to \$1620
- \$25 million total development cost:
 - 9% LIHTC equity
 - Permanent loan
 - State HOME Funds
 - Deferred developer fee



STARPOINT PROGRAM

Rent and Income Levels

	1 Bedroom	2 Bedroom	3 Bedroom	Rent	Income
40% AMI	6	11	6	\$492 to \$678	\$24,064 to \$34,893
50% AMI	5	10	7	\$633 to \$874	\$30,080 to \$43,616
60% AMI	5	11	7	\$774 to \$1069	\$36,096 to \$52,339
Market Rate	2	3	4	\$1224 to \$1620	

Bedroom Mix

- 18 One Bedroom Units
- 35 Two Bedroom Units
- 24 Three Bedroom Units

Affordable Resident Examples

- Paraprofessional working for Flagstaff Unified School District making \$22,890 with one child can afford a 40% AMI unit.
- Full-time Librarian Clerk at the City of Flagstaff making \$30,640 with two children can afford a 50% AMI unit.
- Full-time bank teller at National Bank making \$31,200 can afford a 60% AMI unit.



THANK YOU!





Housing Commission

5. B.

From: Leah Bloom, Affordable Housing Advancement Project Manager

DATE: 09/24/2020

SUBJECT: Presentation on City Owned Land

STAFF RECOMMENDED ACTION:

Informational only

Executive Summary:

Sarah Darr, Housing Director will present a GIS story map titled *Sites with Potential*. This presentation is informational only. The GIS tool has been revised and continues to be updated by the City's Real Estate Division. At this time the story map link is not sharable. The informational presentation regarding City owned property is based off of the March 12, 2020 City Council Meeting, a presentation provided by the City of Flagstaff's Housing and Real Estate Division

Connection to PBB Key Community Priorities/Objectives & Regional Plan:

Not applicable

Previous Council Decision on This:

At the March 12, 2020 City Council Meeting, the Real Estate Division presented City of Flagstaff owned parcels with potential. Staff did not seek direction from Council on pieces of property as the presentation was informational only.
