

NOTICE AND AGENDA

HOUSING COMMISSION
MONDAY
NOVEMBER 29, 2021

VIRTUAL MEETING
MICROSOFT TEAMS MEETING
1:00 P.M.

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 LBloom@FlagstaffAZ.gov. Public comment will be emailed to Housing Commissioners and will be read at the meeting by a staff member.

1. **Call to Order**

2. **Roll Call**

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

ERIC DAVIS	SANDI FLORES	ADRAH PARAFINIUK
TYLER DENHAM	KHARA HOUSE	ROSS SCHAEFER ALTENBAUGH
NICOLE ELLMAN	DEVONNA MCLAUGHLIN	
KAREN FLORES	MOSES MILAZZO	

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, October 28, 2021. Approve the minutes of the October 28, 2021 Housing Commission Meeting.

5. **GENERAL BUSINESS**

- A. Elect a Commission Chairperson and Vice Chairperson (one-year terms)
- B. December 16 Housing Commission Meeting - Canceled due to scheduling conflict and issues with quorum.

6. **DISCUSSION ITEMS**

- A. **Discussing and Action** on 2022 Housing Bond Recommendations for City Council
Finalize 2022 affordable housings bond recommendation for City Council

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

- A. Update from Housing Authority Commission Member
- B. Update from Housing Commissioners and other informational items
- C. Update from Housing Staff

8. **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 _____, 2021.

Leah Bloom, Housing Section



Housing Commission

4. A.

Co-Submitter: Adriana Fisher, Housing Specialist

From: Leah Bloom, Housing Project Manager

DATE: 11/29/2021

SUBJECT: **Consideration and Approval of Minutes:** Housing Commission Meeting, October 28, 2021.

STAFF RECOMMENDED ACTION:

Approve the minutes of the October 28, 2021 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.

Attachments

10-28-21 Draft Housing Commission Minutes

DRAFT

DRAFT MEETING MINUTES

HOUSING COMMISSION
THURSDAY
OCTOBER 28, 2021

VIRTUAL MEETING
MICROSOFT TEAMS MEETING
1:00 P.M.

1. Call to Order

Meeting called to order by Chair Ellman at 1:01 pm.

2. Roll Call

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

ERIC DAVIS - Present
TYLER DENHAM - Present
NICOLE ELLMAN - Present
KAREN FLORES - Absent
SANDI FLORES - Present

KHARA HOUSE - Present
DEVONNA MCLAUGHLIN - Present
MOSES MILAZZO - Present
ERIN O'LOUGHLIN - Absent/resigned
ADRAH PARAFINIUK - Present

ROSS SCHAEFER ALTENBAUGH - Present

COUNCIL LIAISON PRESENT: Becky Daggett

STAFF PRESENT: Leah Bloom, Greg Clifton, Justyna Costa, Sarah Darr, Shane Dille, Rick Tadder

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.

None.

4. APPROVAL OF MINUTES

- A. Consideration and Approval of Minutes: Housing Commission Meeting September 23, 2021
Approve the minutes of the September 23, 2021 Housing Commission Meeting.

Moved by Khara House, **seconded by** Sandi Flores to approve the minutes from the September 23, 2021 Housing Commission Meeting.

Vote: 9 - 0 - Unanimously

5. DISCUSSION ITEMS

- A. Discussion and Input Regarding General Obligation Bond Part II.
An informational presentation by Rick Tadder, Management Services Director.

Ms. Leah Bloom, Housing Project Manager, introduced Rick Tadder, Management Services Director, who gave a presentation on the Public Safety Pension debt, fiscal responsibility, and general obligation bonds.

Commissioners thanked Mr. Tadder for his presentation and asked questions regarding bond legal limits, repayments, taxpayer impacts, secondary property tax rate capacity, the timely usage of bond capacity, and anticipated date of when a determination will be made as to what Climate Action items fall under the 20% legal limits. Mr. Tadder answered all questions.

Public comment was received through Teams from Mr. Rick Lopez.

- B. Discussion and direction regarding 2022 housing bond recommendations.
During the March 25 Housing Commission meeting, Commissioners gave direction to revisit 2020 recommendations as a Commission. Staff's recommended action is to revisit 2020 bond recommendations and provide updated recommendations for 2022.

Ms. Sarah Darr, Housing Director, thanked Mr. Tadder for his presentation.

Ms. Darr gave a presentation on a potential bond process, potential bond timeline, and overview of the 2020 bond measure's timing, recommendations, and outcome.

Commissioners asked questions about the separation of bond measures, bond measure process, bond clarity and specificity, upcoming bond timeline, the Bond Committee, the last bond measure's strategy for project allocation, current program expenditures, and fund need and goals for the upcoming bond measure.

Mr. Greg Clifton, City Manager, provided an update and answered questions about the Bond Committee, while Ms. Darr answered other Commissioner questions, with support from Chair Ellman, Vice Chair Khara House, and Ms. Bloom.

Chair Ellman thanked Mr. Clifton for his update.

Chair Ellman facilitated, with guidance from Ms. Darr and Ms. Bloom, a path forward, which involved the creation of three Commissioner composed, informal committees to re-evaluate information from the 2020 bond:

- Emergency Housing
- Rental Housing
- Homeownership

Public comment was provided by Mr. Joe Galli.

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

A. Update from Housing Authority Commission Member

Commissioner Moses Milazzo delivered a brief update.

B. Update from Housing Commissioners and other informational items

Chair Ellman requested a presentation from the City's head of development to discuss development fees.

C. Update from Housing
Staff

Ms. Bloom reminded Commissioners that there is one week left to provide public comment on the Draft 10-Year Housing Plan.

7. ADJOURNMENT

Meeting adjourned at 3:07 pm by Chair Ellman.



Housing Commission

6. A.

From: Leah Bloom, Housing Project Manager

DATE: 11/29/2021

SUBJECT: Discussing and Action on 2022 Housing Bond Recommendations for City Council

STAFF RECOMMENDED ACTION:

Finalize 2022 affordable housings bond recommendation for City Council

Executive Summary:


Presentation by Sarah Darr, Housing Director and Housing Commissioners regarding potential 2022 affordable housing bond recommendations.

Attachments


Housing Commission 2022 Potential Bond Recommendations



1



Overview



- Housing Section Mission
- Lessons learned and what has changed
- Working Group Housing Bond Recommendations
 - Emergency Housing
 - Rental Housing
 - Workforce Housing
- Commission Discussion/Action

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Housing Section Mission



The City of Flagstaff Housing Section works to improve access to housing attainability through programs and tools that:

- Increase affordable housing inventory availability and attainability
- Economically stabilize lower income families through the benefits of homeownership
- Support efforts for safe and adequate homes
- Revitalize community neighborhoods

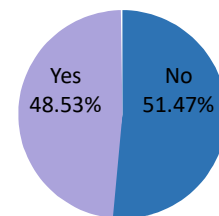
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Lessons Learned




In 2018, Proposition 422 did not pass by fewer than 3% of votes. The Housing Commission explored why and found:




- Council direction to place 422 on the November 2018 ballot was later than typical timing for similar items, limiting the time available to prepare to inform and educate citizens
- Divided Council support (4-3 decision to place on ballot)
- Citizens felt the proposition was vague and lacked accountability
- Many citizens misunderstood the tax implications of the bond

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What has changed?



Timing

- Work started in 2019
- Framework for recommendations in place early (2020 and refreshed in 2021)

City Council Support

- Established a Housing Commission and Declared a Housing Emergency
- Council has expressed support for a Housing bond measure multiple times


Oversight and Accountability

- Housing Commission with specific, broad membership
- Ordinance creating the Housing Commission specifically mentions oversight of bond funds


Specificity in Programs/Activities and Predicted Outcomes

- Housing Commission Working Groups have created **very specific bond recommendations with predicted outcomes**
- 10-Year Housing Plan nearly completed
- Incentive Policy for Affordable Housing underway


Growing Community Interest and Understanding



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Emergency Housing Recommendations - \$17 Million




Project (<i>Prioritized</i>)	Amount	Estimated Community Benefit	Revolving Fund Capability (Yes/ No)
EH1: Support existing, and develop new, housing assistance and eviction prevention programs to serve households experiencing or at risk of experiencing homelessness, to advance sustained community efforts in housing stabilization and permanency.	\$17 Million	8,500 Households Served	No

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Rental Housing Recommendations - \$16 Million




Project (Prioritized)	Amount	Estimated Community Benefit	Revolving Fund Capability (Yes/ No)
RH1: Redevelopment of housing owned & managed by the City	\$5 million	250 units minimum (serving various AMIs)	No
RH2: Incentivize private sector affordable rental housing development through the creation of a revolving loan fund	\$8 million	700-800 units (assuming an investment of \$750K per project – 10 projects)	Yes, with repayment after expiration of affordability time period
RH3: Acquisition of property in partnership with private developers to adaptively reuse available property for the creation of affordable housing	\$3 million	Approximately 75 households	Yes

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Workforce Housing – Homeownership - \$17 Million




Project (Prioritized)	Amount	Estimated Community Benefit	Revolving Fund Capability (Yes/ No)
OWN 1: Homebuyer Purchase Assistance Loan Program	\$11 million	480 homeowners served with initial purchase funding	Yes
OWN 2: Development and/or Acquisition Assistance for land/units to create affordable homeownership opportunities	\$5 million	125 housing units created	Yes
OWN 3: Owner Occupied Health and Safety Housing Rehabilitation Loan Program	\$1 million	25 households served with initial funding	Yes

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Housing Commission Bond Recommendations




Projects	Rec. #1	Rec. #2	Rec. #3
EH1: Support existing, and develop new, housing assistance and eviction prevention programs to serve households experiencing or at risk of experiencing homelessness, to advance sustained community efforts in housing stabilization and permanency.	\$ 17,000,000	\$ 13,000,000	\$ 10,000,000
RH1: Redevelopment of housing owned & managed by the City	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
RH2: Incentivize private sector affordable rental housing development through the creation of a revolving loan fund (Revolving)	\$ 8,000,000	\$ 6,000,000	\$ 3,000,000
RH3: Acquisition of property in partnership with private developers to adaptively reuse available property for the creation of affordable housing (Revolving)	\$ 3,000,000	\$ 2,000,000	\$ 2,000,000
OWN 1: Homebuyer Purchase Assistance Loan Program (Revolving)	\$ 11,000,000	\$ 9,000,000	\$ 6,000,000
OWN 2: Development and/or Acquisition Assistance for land/units to create affordable homeownership opportunities (Revolving)	\$ 5,000,000	\$ 4,000,000	\$ 3,000,000

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Discussion/Action



- Are there programs/projects missing?

Next Steps:

- Citizen Bond Committee

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