

**CITY OF PEORIA, ARIZONA  
COUNCIL CHAMBER  
JULY 27, 2011**

A **Regular Meeting** of the **Council Not-for-Profit Review and Housing Sub-Committee** for the City of Peoria, Arizona, was convened at 8401 West Monroe, Peoria, Arizona, July 27, 2011 at 4:02 p.m.

**Members Present:** Members Ron Aames, Tony Rivero and William Patena

**Members Absent:** Chair Bob Barrett

**Others Present:** Carin Imig (Neighborhood & Revitalization Administrator, City of Peoria) and Debbie Stone-Muller (Administrative Assistant, City of Peoria)

**Audience:** None

**Comments from the floor on non-agenda items:** There were no comments from the floor on non-agenda items.

**Minutes:** Approved minutes from the regular meeting conducted on June 27, 2011.

**REGULAR AGENDA**

**NEW BUSINESS, PUBLIC HEARINGS AND/OR ACTION:**

**3R     CDBG AND HOME PROGRAM AMENDMENTS**

Discussed formal requests to renew expired CDBG and HOME Program contracts. Carin Imig, City of Peoria Neighborhood and Revitalization Administrator, stated that formal requests have been received from A New Leaf, Habitat for Humanity Central Arizona and Housing Our Communities (HOC) to renew contracts through the end of City Fiscal Year 2012. Ms. Imig explained that A New Leaf was awarded \$25,000 in City Fiscal Year 2011 CDBG funding for pre-construction costs of the West Valley Community Behavioral Health Outpatient Counseling Center. Ms. Imig explained that A New Leaf's construction plans were delayed because it wanted to downsize its originally proposed building from 15,000 square feet to 7,500 square feet and was not able to begin construction before the expiration of its June 30, 2011 contract period. Ms. Imig is therefore recommending renewal of A New Leaf's CDBG contract for City Fiscal Year 2012.

Ms. Imig stated that Habitat for Humanity Central Arizona is requesting to renew its City Fiscal Year 2010 HOME Program and City Fiscal Years 2010 and 2011 CDBG contracts. Ms. Imig explained that the carry over amounts for Habitat would be approximately \$183,000 in HOME Program Funding and \$118,000 in combined CDBG funding. Ms. Imig further explained that the sub-committee previously approved Habitat's request to amend all of its existing contracts to accommodate land acquisition, infrastructure development, rehabilitation, resell and homebuyer assistance and felt that this recent approval would allow Habitat to expend its grant funding in a timelier manner. Ms. Imig is therefore recommending approval to renew Habitat's previous years CDBG and HOME Program contracts for City Fiscal Year 2012.

Ms. Imig stated the final request was received from Housing Our Communities (HOC) to renew its City Fiscal Year 2011 Homebuyer Assistance CDBG grant funding. Ms. Imig explained that HOC was originally awarded \$75,000 in CDBG grant funding for this program; during its contract period, HOC assisted two families expending approximately \$15,000 in funding. Ms. Imig is not recommending renewal of HOC's contract due to the program's low productivity rate and the fact that the City's new Neighborhood Stabilization Program (NSP3) would be able to continue to assist income eligible clients with purchasing a home in the program's target area. In addition, HOC has been awarded \$300,000 in CHDO funds to be used for this same purpose. None of the CHDO funds have been expended to date.

**Committee Action:** Committee Member Patena moved to approve staff's recommendation to renew A New Leaf and Habitat for Humanity Central Arizona's previous year's contracts through City Fiscal Year 2012 and denied renewal of the HOC CDBG contract. The motion was seconded by Committee Member Rivero and, upon vote, the motion was carried unanimously.

**Reports from Staff:**

Housing Our Communities (HOC) Update – Ms. Imig reported that the HOC's HOME Program/CHDO agreement with Maricopa County HOME Consortium and the City of Peoria for the multifamily project expired on June 30, 2011. While no actual construction took place on the project, Ms. Imig stated approximately \$87,000 in CDBG grant funding was expended to purchase land and pay for development costs associated with the multifamily project. HOC obtained a \$250,000 construction loan through Wells Fargo that was used for expenses unrelated to the project. Due to its construction loan, Wells Fargo placed a deed restriction on the land purchased for the multifamily project. Housing Our Communities failed to meet Maricopa County's 45 day deadline to have the Wells Fargo deed restriction removed from the purchased property or allowance to have a City deed of trust placed on the property in first position. Ms. Imig is working with Maricopa County and the City Attorney's office to discuss the current situation and will keep the sub-committee apprised of future updates. Additionally, Ms. Imig stated that the City still has one outstanding HOME Program/CHDO agreement with HOC for the purchase, rehabilitation and resell of single family homes that will expire in 2013. Ms. Imig explained that HOC has an encumbrance deadline of September 30, 2011 for the single family project that currently has not been fulfilled.

**Reports from Committee:** None.

**Adjournment:**

There being no further business to come before the Sub-committee, the meeting was duly adjourned at 4:37 p.m.

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Bob Barrett, Chair

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Date Signed