

**CITY OF PEORIA, ARIZONA  
COUNCIL COMMUNICATION**

CC: 5C  
Amend No. \_\_\_\_\_

Date Prepared: September 2, 2008      Council Meeting Date: September 16, 2008

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**TO:** Carl Swenson, City Manager  
**THROUGH:** Glen Van Nimwegen, Community Development Director *GN*  
**FROM:** William L. Patena, Neighborhood Services Manager *WLP*  
**PREPARED BY:** Carin Imig, Management Analyst *CI*

**SUBJECT:** Adoption of an Intergovernmental Agreement (IGA) with the Housing Authority of Maricopa County (HAMC) to administer housing services on behalf of the City of Peoria Housing Authority.

**RECOMMENDATION:**

That the Mayor and City Council authorize the City Manager to execute the final Intergovernmental Agreement with the HAMC to administer housing services on behalf of the City of Peoria Housing Authority.

**SUMMARY:**

In 2001, Staff presented the Council with the option of privatizing all operations of the City of Peoria Housing Authority. Council approved this concept and the City contracted its housing services to Community Services of Arizona, Inc. (CSA) in 2002. That contract was recently renewed for another five (5) years. However, on July 1, 2008 the City received notice from CSA that due to ever changing HUD regulations that make the management of the Housing Authority more challenging and more costly every year, they are exercising their contractual right to rescind their agreement with the City effective on or before December 31, 2008.

During our most recent bid solicitation for housing services, CSA was the only organization to respond. Knowing there were no other viable not-for-profit or private

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**CITY CLERK USE ONLY:**

- Consent Agenda
- Carry Over to Date: \_\_\_\_\_
- Approved
- Unfinished Business (Date heard previous: \_\_\_\_\_)
- New Business

ORD. # \_\_\_\_\_ RES. # \_\_\_\_\_  
LCON# 17708 LIC. # \_\_\_\_\_  
Action Date: \_\_\_\_\_

businesses interested in administering our Housing Authority, and knowing that it was not financially feasible to bring the operation back in-house, City Staff immediately turned to other housing authorities to determine if there was any possibility of negotiating an IGA to administer these programs. The HAMC was the only organization that was interested in negotiating an IGA with the City.

The IGA being sought by the City is for management and oversight of both Public Housing and the Section 8 voucher programs. The HAMC anticipates managing the housing program with funds equal to the same amount as the City receives from the U.S. Department of Housing and Urban Development (HUD). This can be achieved through economies of scale in staffing.

The Board of Commissioners of the HAMC has the approval of the attached IGA on their public hearing agenda on September 16, 2008. Their Board is well versed on this matter and the item is expected to be approved. The IGA attached to this Council Communication is considered to be 95 percent complete by the City Attorney's Office. Any further changes will be minor and will not be substantive.

Local HUD authorities have stated they are in favor of this agreement. They believe this relationship will enhance services to our clients and result in improvements to our overall operations.

The City of Peoria Housing Commission held an open and public meeting regarding this matter and recommends that City Council approve the attached IGA.

**ATTACHMENTS:**

**Draft Intergovernmental Agreement between the Housing Authority of Maricopa County and the City of Peoria**

**Letter from Community Services of Arizona, Inc. (CSA) dated July 1, 2008 exercising their option to rescind their agreement to manage the City of Peoria Housing Authority**

**Housing Advisory Board Resolution authorizing submission of the draft Intergovernmental Agreement to the Peoria City Council**

## INTERGOVERNMENTAL AGREEMENT

Date: \_\_\_\_\_

Parties: Housing Authority of Maricopa County, a tax-levying public improvement district of the State of Arizona ("Housing Authority") and

City of Peoria, a political subdivision of the State of Arizona ("City")

### RECITALS:

Whereas, Arizona Revised Statutes § 11-952 authorizes public agencies to enter into intergovernmental agreements with other public agencies, and

Whereas, pursuant to Arizona Revised Statutes § 36-1403, every public housing authority, city, town and county may within its area of operation, prepare, carry out, improve, alter, extend or repair any housing project or projects and operate and maintain the project or projects, and

Whereas, the Housing Authority is permitted to assist with publicly assisted housing programs within the City with the approval of the City Council, and

Whereas, the City intends by this Agreement to contract for the management of approximately 70 public housing and scattered site units, and also includes the Section 8 Housing Program, which incorporates an additional 82 vouchers, including portability, which will be managed and performed by the Housing Authority.

THEREFORE, in consideration of the following agreements expressed herein, it is agreed between the parties as follows:

### **I. TERMS AND CONDITIONS**

#### **1.0 Term of Agreement**

The term of this Agreement shall be for three (3) years with one (1) two (2) year extension. This Agreement will become effective September 1, 2008, or as soon thereafter as the City is able to terminate its current management agreement for its public housing program. Fees will be adjusted annually according to the same approved HUD operating budget.

#### **1.1 Assignment**

The Housing Authority shall not enter into any subcontracts, retain consultants, or assign, transfer, convey, sublet, or otherwise dispose of the ensuing contract, or any or all of its rights, title, or interest therein, or its power to execute such contract, to any person, company, or corporation without the prior written consent of the City, which shall not be unreasonably withheld. If said consent or objection from the City is not received within 10 days of a written request, the actions of the Housing Authority shall be considered approved.

#### **1.2 Rules, Regulations, and Licensing Requirements**      **L    CON    17708**

The Housing Authority and its staff agree to possess all required occupational license(s). In addition, the City and Housing Authority agree to comply with all laws, ordinances, and regulations applicable to the services contemplated herein, especially those applicable to conflict of interest. The Housing Authority acknowledges that it is familiar with all federal, state, and local laws, ordinances, codes, rules, and regulations that may in any way affect its management services.

**1.3 Equal Opportunity Employment**

The Housing Authority agrees that there will be no discrimination as to race, sex, religion, color, age, creed, or national origin in regard to obligations, work, and services performed under the terms of any contract ensuing from this engagement. The Housing Authority agrees to comply with Executive Order No. 11246, entitled "Equal Employment Opportunity" and as amended by Executive Order No. 11375, as supplemented by the Department of Labor Regulations (41 CFR, Part 60).

**1.4 Personnel**

All personnel shall be considered to be, at all times, the sole employees of the Housing Authority under its sole direction, and not employees or agents of the City.

**1.5 Cancellation**

The term of this Agreement is "at will" by the City and the Housing Authority and shall only be terminated with a six (6) months advance notice delivered in writing, unless terminated for "cause" as provided for herein . . .

**1.6 Applicable Law:** In the performance of this Agreement, the Housing Authority shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this Agreement.

Housing Authority warrants, for the term of this Agreement, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.

This Agreement shall be governed by the laws of the State of Arizona, and any suit pertaining to this Agreement shall be brought in the courts of the State of Arizona. City and Housing Authority shall have all remedies afforded by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this Agreement or in statutes pertaining specifically to the City.

This Agreement is subject to the provisions of ARS §38-511. The City may cancel this Agreement without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City or any of its departments or agencies, is at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of this Agreement .

- 1.7 Contract Amendments:** This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the City and the Housing Authority.
- 1.8 Provisions Required by Law:** Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement will forthwith be physically amended to make such insertion or correction.
- 1.9 Severability:** The provisions of this Agreement are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the Agreement which may remain in effect without the invalid provision or application.
- 1.10 Relationship of Parties:** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Housing Authority is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Housing Authority should make arrangements to directly pay such expenses, if any.
- 1.11 Interpretation—Parol Evidence:** This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both parties. Any attempt at oral modification of this Agreement shall be void and of no effect.
- 1.12 Rights and Remedies:** No provision in this Agreement shall be construed, expressly or by implication, as a waiver by the parties of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of a party to insist upon the strict performance of any term or condition of the Agreement or to exercise or delay the exercise of any right or remedy provided in the Agreement, or by law, or the acceptance of and payment for materials or services, shall not release a party from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of a party to insist upon the strict performance of the Agreement.
- 1.13 Indemnification:** To the fullest extent permitted by law, the Housing Authority shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to reasonable attorney fees, court costs, and the cost of appellate proceedings), relating to, arising out of, or alleged to have resulted from the acts, errors, mistakes, omissions, work or services of the Housing Authority, its employees, agents, or any subcontractors in the performance of this Agreement. Housing Authority's duty to defend,

hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property including loss of use resulting therefrom, caused by any acts, errors, mistakes, omissions, work or services in the performance of this Agreement including any employee of the Housing Authority or any subcontractor or any other person for whose acts, errors, mistakes, omissions, work or services the Housing Authority may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

**1.14 Force Majeure:** Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Agreement if and to the extent that such party's performance of this Agreement is prevented by reason of Force Majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, Force Majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; floods; lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring Force Majeure which such party is unable to prevent by exercising reasonable diligence. The Force Majeure shall be deemed to commence when the party declaring Force Majeure notifies the other party of the existence of the Force Majeure and shall be deemed to continue as long as the results or effects of the Force Majeure prevent the party from resuming performance in accordance with this Agreement.

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by Force Majeure. If either party is delayed at any time in the progress of the work by Force Majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours of commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this Agreement.

**1.15 Right to Assurance:** Whenever one party to this Agreement in good faith has reason to question the other party's intent to perform it may demand that the other party give a written assurance of its intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Agreement.

**1.16 Right to Audit Records:** The City may, at reasonable times and places, with 48 hours advance notice, audit the books and records of the Housing Authority as related to this Agreement.

- 1.17 **Liens:** All materials, service or construction shall be free of all liens, and if the City requests, a formal release of all liens shall be delivered to the City.
- 1.18 **Payments:** The City shall pay the Housing Authority, based upon HUD release of funds to the City of Peoria, within 48 hours of the City's receipt of funds from HUD.
- 1.19 **Insurance Requirements:** The Housing Authority, at Housing Authority's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Agreement is satisfactorily completed and formally accepted; failure to do so may, at the sole discretion of the City, constitute a material breach of this Agreement.

The Housing Authority's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City.

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Housing Authority's acts, errors, mistakes, omissions, work or service.

The insurance policies may provide coverage which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies. The Housing Authority shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Housing Authority to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit.

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The City shall not be obligated, however, to review same or to advise Housing Authority of any deficiencies in such policies and endorsements, and such receipt shall not relieve Housing Authority from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Housing Authority's obligations under this Agreement.

The insurance policies, except Workers' Compensation and Professional Liability, required by this Agreement, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

**1.20 Required Insurance Coverage:**

- a. Commercial General Liability

Housing Authority shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. The coverage shall not exclude X, C, U.

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form B, CG 20101185, and shall include coverage for Housing Authority's operations and completed operations.

b. Automobile Liability

Housing Authority shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the Agreement. Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards. If hazardous substances, materials or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.

c. Workers' Compensation

The Housing Authority shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Housing Authority's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

In case any work is subcontracted, Housing Authority will require the subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Housing Authority.

d. Professional Liability

The Housing Authority, as appropriate, will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Housing Authority, or any person employed by the Housing Authority, with a limit of not less than \$1,000,000 each claim.

- 1.21 Certificates of Insurance:** Prior to commencing work or services under this Agreement, Housing Authority shall furnish the City with Certificates of Insurance, or formal endorsements as required by the Agreement, issued by Housing Authority's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect.

In the event any insurance policy(ies) required by this Agreement is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Housing Authority's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Agreement, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date.

All Certificates of Insurance shall be identified with bid serial number and title. A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title.

- 1.22 Cancellation and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the City.
- 1.23 Confidentiality of Records:** The Housing Authority shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Agreement. Persons requesting such information should be referred to the City. Housing Authority also agrees that any information pertaining to individual persons shall not be divulged other than as needed for the performance of duties under the Agreement.

## II. GENERAL REQUIREMENTS OF HOUSING AUTHORITY

The Housing Authority will be responsible for the full range of services customary of a property management company. In the performance of these duties, the Housing Authority must comply with all applicable federal, state, and local laws. The following is a description of some of the major duties of the Housing Authority:

### 2.0 Rent Collection

The Housing Authority shall be responsible for the collection of rents and maintenance of rental collection records, including records of delinquencies; the safekeeping of rental receipts prior to their transmittal to a depository of the Housing Authority.

### 2.1 Compliance with HUD Regulations

Because the properties listed in this Agreement are public housing developments receiving assistance from the federal government, HUD rules and regulations apply to the management of these properties. The City will delegate the responsibility of complying with these requirements to the Housing Authority, but will monitor compliance as part of its responsibilities under the annual contributions contract with HUD.

**2.2 Tenant Selection**

The Housing Authority will screen potential applicants and assign these families to the properties for final selection according to its Admissions and Continued Occupancy Policy. The City agrees to process criminal background checks for prospective tenants of City owned properties at no cost and at a fee of \$ \_\_\_\_\_ for other facilities operated and managed by Housing Authority.

**2.3 Rent Determination and Recertification**

The Housing Authority will be responsible for re-certifying each family annually in compliance with HUD regulations. Resident rents must also be computed according to HUD regulations.

**2.4 Inspections**

The Housing Authority agrees to comply with HUD requirements that each unit be inspected at least annually in accordance with housing quality standards.

**2.5 Drug-Free Workplace**

The Housing Authority certifies that it agrees to provide a drug-free workplace for employees. In addition, the Housing Authority assures that all employees hired by the Housing Authority and assigned to work on this Agreement shall pass a drug test and receive a police background check.

**2.6 Lease and House Rules**

The Housing Authority will be responsible for executing leases. A copy of the Housing Authority's lease will be available upon request.

**2.7 Purchasing and Contracting**

The Housing Authority will comply with HUD purchasing regulations and applicable laws of the City of Peoria, Arizona. All contracting and purchasing must remain within the approved operating budget. All materials purchased will be of equal or better standards. All workmanship will be per industry standards and material manufacturers' recommendations. All single purchases over \$ 5,000.00 must be approved by the Owner. In the performance of those duties, the Housing Authority must comply with all applicable federal, state, and local rules regarding procurement and contract administration. The Housing Authority will be required to abide by all applicable City of Peoria procurement procedures. While Federal Rules now authorize small purchase procures for up to \$100,000, the City of Peoria requires formal public bidding for purchases over \$50,000.00; formal public bidding will be required for all contracts that exceed \$50,000.00. The procurement procedure which is more stringent will apply (City of Peoria or Federal Rules).

**2.8. Financial Management**

The Housing Authority must provide monthly income and expense reports for the subject

properties. An annual operating budget must be prepared. The properties awarded to the Housing Authority will also be required to be audited annually under the provisions of the Single Audit Act. Accounting procedures must conform with applicable HUD requirements. The Housing Authority will be required to use the HUD account classification in financial reports provided to the Housing Authority. All public housing funds handled must be fully collateralized or insured in a method acceptable to the Authority, in accordance with HUD rules.

#### **2.9 Security**

The Housing Authority will be required to manage in such a way as to maximize the safety and security of the residents and to minimize crime.

#### **2.10 Personnel**

The Housing Authority will have the sole responsibility for all hiring and firing of their employees. The Housing Authority will have the option of employing current employees assigned to a development or recruiting new employees. It will be the responsibility of the Housing Authority to provide for payment of all wages, benefits, and payroll taxes for all employees of the development, subject to any HUD regulations. Presently, HUD-determined technical wage rates must be paid to maintenance mechanics and laborers. These regulations may establish certain wage rate levels for maintenance and administrative staff.

#### **2.11 Resident Involvement**

The Housing Authority is committed to resident participation in all major decisions affecting their properties. The Housing Authority will work with the local resident organizations to plan and coordinate meetings on a regular basis to resolve daily management and resident issues, as well as ways to strengthen the resident organizations. The Housing Authority must comply with the HUD's uniform by-laws for the organization and operation of recognized resident councils. In addition, the Housing Authority presently has staff that will assist resident groups to organize and aid in making social service referrals. The Housing Authority will work cooperatively in these areas. Further, it is expected that, if existing social service agencies provide services on-site, these services will continue under private management. Any change in such arrangements must be mutually agreed to by the City and the Housing Authority. The Housing Authority will not be responsible for costs associated with on-site social services.

#### **2.12 Grievance Hearings**

All residents of public housing are entitled to a grievance hearing for matters that adversely affect them. A copy of the grievance procedures shall be available upon request. The Housing Authority must comply with these procedures.

#### **2.13 Section 3 Requirements**

Section 3 of the Housing Community Development Act of 1968, as amended, requires that the Owner, contractors, and subcontractors shall make their best effort to give training and employment opportunities to residents of the housing developments. The Housing Authority will be required to comply with the Section 3 requirements.

#### **2.14 Evictions**

The Housing Authority will be responsible for initiating any required evictions proceedings. All residents have a right to grievance hearings, which are anticipated to be handled by the Housing Authority.

#### 2.15 Maintenance

The Housing Authority shall be responsible for all routine and preventive maintenance of the properties.

#### 2.16 Capital Planning/Projects

##### 1. Capital Planning

The operating budget to be approved for each site does not generally include funds for planned and extraordinary capital repair and replacement items. The Housing Authority, however, will have available capital funds to the same extent and priorities as other properties owned by the City. The City receives certain funds from HUD for capital repair and modernization efforts, and is required each year to submit a capital spending plan, with an updated five-year rolling base. As such, each year the Housing Authority will be expected to present an annual capital plan and request.

##### 2. Capital Projects

Each year the Housing Authority will determine the list of capital projects to be approved by the City. The Housing Authority will be paid an administrative fee of ten (10) percent of the capital fund grant, if approved in the annual budget by HUD.

2.17 The Housing Authority will be provided with the same amount of operating funds to manage as the City receives. **The City of Peoria Budget Information and Chart of Accounts are attached.** The City believes that the revenue available to manage these properties is sufficient for effective, professional management, including the management fee. The Housing Authority will be able to use the City's existing computer hardware and software system for property management reporting (work orders, vacancies, rent collections, etc.).

2.18 The Housing Authority will be provided office space at Parkview Estates, four (4) computers and associated software, and one (1) vehicle. The Housing Authority may use such property consistent with the following principles:

1. The City will retain ownership of all property.
2. The Housing Authority will have the exclusive right to use the property.
3. The Housing Authority may not dispose of the property, unless authorized in writing by the City.
4. The Housing Authority's use of the property must be consistent with all applicable HUD regulations.
5. The Housing Authority will pay for all maintenance and repair costs of the property.
6. The Housing Authority will pay for all insurance costs of the property, to include the cost of insurance of the one vehicle.
7. The City will have access to the Housing Authority Office at all times.

### III. PROPERTIES

The properties for management by Housing Authority include:

1. HUD Section 8 Housing Program - 82 City vouchers and all portable vouchers
2. Parkview Estates, a 45 unit Apartment Complex Located at:

Parkview Estates  
 10950 N. 87<sup>th</sup> Avenue  
 Peoria, AZ 85345

3. 25 Scattered Site Housing Units (as indicated on Attached A to this Agreement)

HOUSING AUTHORITY OF MARICOPA COUNTY

APPROVED AS TO FORM:

\_\_\_\_\_  
 Chairman

\_\_\_\_\_  
 Deputy County Attorney

Attest: \_\_\_\_\_  
 Clerk of Housing Authority of Maricopa County

Attested by:

\_\_\_\_\_  
 Mary Jo Kief, City Clerk

\_\_\_\_\_  
 City of Peoria, Arizona

Effective Date: \_\_\_\_\_

CC: \_\_\_\_\_

Approved as to Form:

Contract Number: \_\_\_\_\_

\_\_\_\_\_  
 Stephen M. Kemp, City Attorney

Contract Awarded Date \_\_\_\_\_

City Deal

Official File: \_\_\_\_\_

## ATTACHMENT A

UNIT#

ADDRESS

1001

10308 N. 73<sup>rd</sup> Avenue  
 Peoria, AZ 85345-6702

1002

11227 N. 73<sup>rd</sup> Avenue  
 Peoria, AZ 85345-5817

1003

10424 N. 73<sup>rd</sup> Drive  
 Peoria, AZ 85345-6705

1004 10446 N. 73<sup>rd</sup> Drive  
Peoria, AZ 85345-6705

1005 10607 N. 73<sup>rd</sup> Drive  
Peoria, AZ 85345-6001

1006 10812 N. 79<sup>th</sup> Drive  
Peoria, AZ 85345-5961

1007 7240 W. Becker Lane  
Peoria, AZ 85345-9308

1008 8007 W. Becker Lane  
Peoria, AZ 85345-5960

1009 8713 W. Becker Lane  
Peoria, AZ 85345-5607

1010 8825 W. Becker Lane  
Peoria, AZ 85345-5609

1011 8538 W. Bloomfield Road  
Peoria, AZ 85381-5144

1012 7214 W. Brown Street  
Peoria, AZ 85345-6858

1013 7202 W. Ironwood Drive  
Peoria, AZ 85345-6823

1014 9026 W. Ironwood Drive  
Peoria, AZ 85345-8348

1015 7137 W. Mescal Street  
Peoria, AZ 85345-6096

1016 7202 W. Mescal Street  
Peoria, AZ 85345-6076

1017 7109 W. Mountain View Road  
Peoria, AZ 85345-6830

1018 9311 W. Sanna Street  
Peoria, AZ 85345-6337

1019 7115 W. Shangri-La Road  
Peoria, AZ 85345-5840

1020 7362 W. Shangri-La Road  
Peoria, AZ 85345-5810

1021 8150 W. Shangri-La Road  
Peoria, AZ 85345-1041

1022 8216 W. Shangri-La Road  
Peoria, AZ 85345-5894

1023 8236 W. Shangri-La Road

9-22-2008

DRAFT

Peoria, AZ 85345-5894

1024

6752 W. Vogel Avenue  
Peoria, AZ 85345-8825

1025

8633 W. Weathersfield Road  
Peoria, AZ 85381-5158

DRAFT - 9-22-2008



Community Services of Arizona

650 N. Arizona Avenue  
Chandler, Arizona 85225

July 1, 2008

Mr. Carl Swenson, City Manager  
City of Peoria, AZ  
Peoria Municipal Complex  
8401 W. Monroe Street  
Peoria, AZ 85345

**RE: MANAGEMENT OF THE PEORIA HOUSING AUTHORITY - PROPOSAL NO. P07-0057**

Dear Mr. Swenson:

As you know, Community Services of Arizona, Inc. (CSA) has been operating the Peoria Public Housing Authority since February of 2002. On March 1, 2007, we submitted a proposal to renew that agreement for another five (5) year period.

Over the course of the past six and a half years, our partnership with the City of Peoria has been a fruitful one, and it has been a pleasure working with you, your staff, and the residents of the City of Peoria. As you also know, the City of Peoria Housing Authority, like several other housing authorities, are experiencing changes related to HUD regulations that make management of the housing authority more challenging and more costly each year. Federally-funded operating subsidies and administrative fees have not kept pace with the increasing operational demands placed on the housing authority. Flat operating subsidy and depleting reserves have made managing the operations at the housing authority economically impracticable for an organization like CSA without additional financial support. We are estimating a shortfall in operating support for Fiscal Year 2008/09 of \$70,000 to \$80,000.

We understand that the City of Peoria, along with many other cities across the State, are experiencing significant budget challenges and are unable to provide the additional operating support that would be necessary for CSA to continue to operate the program. It is our belief that the Peoria Section 8 and Public Housing Programs could benefit from a partnership with a larger housing authority, such as the Housing Authority of Maricopa County, where economies of scale can be produced.

Please accept this letter as a request from CSA to the City of Peoria to mutually rescind our agreement on or before December 31, 2008. It is our intent to continue operations for the next six months. However, if it would benefit the City of Peoria to expedite this transition, we are more than willing to cooperate with the City on any timeline that is in the best interest of the Section 8 and Public Housing programs.

Telephone 480.963.6276  
Facsimile 480.963.0113  
TDD# 1.800.367.8939  
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Arizona Contractors License No's  
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Please know that the decision to terminate our contract with the City of Peoria for the management of the housing authority was not an easy decision. It was simply a business decision that we feel is in the best interest of all parties involved. Our long standing partnership with the City of Peoria in housing and community development has been nothing but a win-win for both CSA and the City. We look forward to expanding that partnership in the years to come.

Thank you for the continued opportunity to provide affordable housing resources to low-income residents of Peoria. Please feel free to contact me at (480) 899-8717 x211 should you have any questions or require any additional information.

Sincerely,

Brian Swanton  
President & CEO

Copy: William Patena, Director, Community Development  
Carol Kochlin, VP, Director of Programs (CSA)

HOUSING ADVISORY BOARD RESOLUTION  
09-02

THE CITY OF PEORIA HOUSING ADVISORY BOARD DOES HEREBY CERTIFY THAT A REGULAR MEETING OF THE COUNCIL NOT-FOR-PROFIT REVIEW AND HOUSING SUB-COMMITTEE WAS HELD IN ACCORDANCE WITH ARIZONA OPEN MEETING LAW AT WHICH A QUORUM OF THE HOUSING ADVISORY BOARD WERE PRESENT AND THE FOLLOWING ACTION ITEM WAS DULY AND LEGALLY APPROVED.

NOW, THEREFORE, BE IT RESOLVED by the Housing Advisory Board that City Staff is hereby authorized to submit the draft Intergovernmental Agreement between the City of Peoria and the Housing Authority of Maricopa County to the Peoria City Council on September 16, 2008, for consideration and possible approval.

PASSED by the Council Not-For-Profit Review and Housing Sub-Committee of the City of Peoria, Maricopa County, Arizona this 8th day of September, 2008.

  
\_\_\_\_\_  
Bob Barrett, Chairman

Date Signed 9/9/08