



“Housing Matters” – Leading with Solutions

In keeping with our ongoing responsibility to ensure that Arizona state government remains open and transparent, the Arizona Department of Housing (ADOH) produces our quarterly e-newsletter, “Housing Matters.”

After years of declining home values, combined with a record number of foreclosures, Arizonans know firsthand just how important housing issues are to our economy, our job market, and our communities. As one of the hardest hit states, we have felt the full force of the nationwide housing crisis and as a result the people of Arizona truly understand “Housing Matters.”

“Housing Matters” has become a key component of our ongoing efforts to keep the general public informed of current housing conditions and events around the state as well as a vehicle to share the Department’s goals and success stories. By keeping the publication entirely electronic, it has allowed us to reach a larger audience without a fiscal impact.

Through this publication, we have been successful in promoting our programs and services to a wide audience consisting of nearly 2,000 recipients in about 40 different states. Housing advocates, developers, nonprofits, media outlets, government, and even our elected officials receive an electronic copy of “Housing Matters” each quarter. Since its inception, it has been a highly effective and well received communications and marketing tool which we believe other states should consider replicating, especially given difficult budget constraints.

One of the greatest qualities of our newsletter is the amount of resources that goes into its creation. Photographs and information is gathered from all areas around the state to promote the work of the Department and our partners to help highlight the success of the many housing projects funded through ADOH in addition to our other programs and services.

Whether we are highlighting the growing demand for low-income transit oriented developments, projects to assist our growing special needs and homeless populations, promoting upcoming events, sharing human interest stories, our federal and state legislative updates, or our ongoing efforts to provide foreclosure prevention assistance, our message is clear, concise, constant, and compelling, “Housing Matters.”

Housing Matters

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LEADING WITH SOLUTIONS



▲ Apache ASL Trails is a 75 unit complex that is home to 85 seniors.

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Arizona
Department
of Housing



APACHE ASL TRAILS

Project targets much needed special needs community

Deafness can be a very isolating and lonely disability, especially for individuals who do not live in an area with an active deaf community. Kenneth Curtis unfortunately knows this reality all too well.

Living in an apartment complex in a depressed section of the West Valley, Kenneth found himself alone and isolated. When family members stopped visiting, Kenneth turned to alcohol to deal with his depression. Feeling trapped, Kenneth went looking for a sense of direction and purpose. While attending the DeafNation Expo in Las Vegas in July of 2010, Kenneth learned about a new community shortly opening up in the Tempe area called Apache ASL Trails.

Cardinal Capital Management, Inc., from Wisconsin, partnered with the Arizona Deaf Senior Citizens Coalition to build Apache ASL Trails. Apache ASL Trails is an active, state-of-the-art, independent living community for deaf seniors 55 years of age and older. Located at 2428 East Apache Boulevard, along the light rail in Tempe, Apache ASL Trails provides an affordable housing option for seniors with incomes ranging between 40, 50 and 60 percent of the area median for Maricopa County.

Offering amenities such as strobe light smoke alarms, fire alarm signalers, DSL for videophones, annunciator light panels, a text and video phone in the lobby, and loop system amplification for hearing aid users, this 75 unit complex is currently home to 85 deaf and hard of hearing seniors.

Residents come together and participate in various activities from card games, swimming, movie watching parties, and educational lectures, while maintaining their independence living in their own one or two bedroom apartments with fully equipped kitchens.



After her husband passed away, Rosemarie Prince was living in an apartment complex for deaf and hard of hearing seniors in Oregon. While Rosemarie found the general facilities to be nice, she felt as if her independence had been stripped away from her as she was often treated like a child by the staff.

Having lived in Arizona once before, she found out about Apache ASL Trails. After doing some careful research, Rosemarie made the decision to return to Arizona. She moved into her new apartment the day the complex opened on July 15, 2011 and she says she never wants to leave.

When asked if there could be some improvements made to the community, Rosemarie said she wouldn't change a thing, not even the color of the carpet. She enjoys playing cards with friends, telling jokes, and raves about the entire staff and all the helpful amenities, especially the video phone system. She stated that everyone at Apache ASL Trails is always laughing and having a great time.

The same can be said for Kenneth Curtis. Kenneth moved into his new apartment at Apache ASL Trails in August. Claiming that he has never been happier, when asked what his favorite part about his new home is, he said that's easy to answer, all his friends.

Other partners for the Apache ASL Trails included the Arizona Community Foundation, the City of Tempe, the Federal Home Loan Bank of San Francisco, JP Morgan Chase, the Arizona State Compensation Fund, the Arizona Commission for the Deaf and Hard of Hearing, the Valley Center of the Deaf, WSM Architects, A-P Residential Southwest, and the Arizona Department of Housing. Funding for the project included money from the federal Low-Income Housing Tax Credit program and Tax Credit Assistance Program Funds.

There is a growing need for low-income housing projects targeting special needs communities in Arizona. Later on in this edition of Housing Matters, Native American Connections' newest project, Encanto Pointe, is featured. Set to open this fall, Encanto Pointe will be the State's first ever "Housing First" community, targeting chronically homeless individuals.





Director's Message

From the Desk of Michael Trailor

Housing is an essential element in our lives and communities. With it we gain stability, without it instability. Housing that is accessible, decent and safe. These issues are even more pronounced if you are affected by a disability. If you, you're family, or close relationships are not affected by a disability it is difficult to understand the issues people with disabilities face when it comes to housing.

Housing for special needs populations requires multiple sources of funding for development, supportive services, and most likely rental assistance. Financial resources are shrinking and in some cases public policy can be counterproductive. Fortunately, Arizona has some heroes who are willing to step up and tackle these issues.

Apache ASL Trails is a great example of an affordable housing project specifically designed for the deaf. Cardinal Capital Management, the project's developer, did their homework. They teamed up with the Deaf Coalition and hired a well known deaf architect to assist in designing a barrier free living environment. To truly understand how successful the project is you have to talk to its residents. They will tell you that for most of their lives they have lived in isolation, not being able to communicate with their neighbors. At Apache ASL Trails they can talk to all of their neighbors because most are hearing impaired and speak American Sign Language. They have a living environment specifically designed to meet their needs, for function and safety, and can walk to our region's most effective public transportation, the light rail system. Ask Erich Schwenker at Cardinal Capital Management about the challenges they faced and you better have some time. These are difficult projects that require great attention to detail and additional costs for needed features. Public policies meant to protect people's rights, when interrupted incorrectly, can actually infringe on the rights they were meant to protect.

Mark Holleran at Arizona Housing Inc., Darlene Newsom at UMOM, or Dede Yazzie Devine at Native American Connections can tell you firsthand how difficult it is to develop permanent supportive housing for individuals and families experiencing homelessness. They have taken advantage of the great recession's foreclosures and lower costs to significantly increase their housing inventory. Their projects include supportive services for GED classes, financial management, computer labs, and children's activities before and after school. They are committed to ending homelessness because they have seen firsthand how people's lives are transformed once they are safe and secure in housing that is supported with services that assist people to become self-sufficient.

Autism has increased dramatically over the past 20 years. Today, one in eighty-five births are affected with autism spectrum disorders (ASD's) and in Arizona it affects one in sixty-five. As children affected with ASD's become young adults - too old for continued support through the special education services of a public school system and too fragile to live without support in the larger world - and their parents who have taken care of them are ageing, where will they live once their parents are unable to care for them? In Arizona we are fortunate to have SARRC, Southwest Autism Research and Resource Center. Led by Denise Resnik, SARRC is dedicated to finding an appropriate housing solution for adults with ASD's beyond living with their parents. Of the three types of special needs housing I've mentioned, this is the most challenging. There is not a successful model to copy. SARRC engaged in research with ULI

See **DIRECTOR'S MESSAGE** on page 7

SAVE OUR HOME AZ UPDATE

Arizona Bucking National Trend in Prices, Foreclosure Rate

Home prices throughout the country have been falling and foreclosures are up in recent months; however, Arizona has been managing to buck this nationwide trend over the past few months. Home values in our state are finally on the rise and we are starting to see fewer foreclosures taking place. Much of this improvement is due to our state's recovering economy and an improvement in the job market. Nevertheless, the recovery has been slower than we all have hoped and thousands of Arizonans are still either significantly underwater or continuing to struggle to stay in their homes.

While we are still very much in the midst of a housing crisis, we do believe that things are starting to improve and more action is now currently taking place to help alleviate the current environment. From changes to our program, Save Our Home AZ, to the historic mortgage financial settlement reached between the states and the banks coupled with the recent expansion of the federal Home Affordable Refinance Program (HARP), millions of more people are now eligible for some type of housing assistance.

RECENT CHANGES TO SAVE OUR HOME AZ FORECLOSURE PREVENTION PROGRAM

Save Our Home AZ is still relatively in its infancy and ADOH is constantly looking for new and creative ways to help struggling Arizona homeowners avoid foreclosure. What started as a program focused solely on principal mortgage reduction has since added several other components including unemployment/underemployment assistance, second mortgage settlement, reinstatement assistance and short sale assistance.

As part of the program's evolution, we recently have made some modifications to the qualifying provisions. The area median income (AMI) for qualified applicants has now been raised from 120 percent to 150 percent of AMI. This means that if you are a family of four living in Maricopa County, earning \$98,250.00 or less, you could potentially qualify for the program. Additionally, the program guidelines have been changed to remove the prohibition on "cash out" refinances to those that fall within 150 percent of the original purchase price of the home. These two changes will increase access to the program for more people throughout the state.

For additional information, or to take the self assessment to determine your eligibility, please visit www.azhousing.gov or call the ARIZONA FORECLOSURE HELP-LINE at 1-877-448-1211.

HISTORIC AG SETTLEMENT

On February 9, 2012, an historic settlement was reached between the Attorneys General of Arizona, the 49 other states, the federal government and the country's five largest residential mortgage loan servicers—Ally/GMAC, Bank of America, Citibank, JPMorgan Chase and Wells Fargo. The settlement will provide as much as \$25 billion in relief to distressed borrowers and direct payments to states and the

federal government. Arizona's share is over \$1.6 billion.

The agreement settles state and federal investigations finding that the country's five largest loan servicers engaged in unacceptable and sometimes fraudulent mortgage servicing and foreclosure practices. These practices violated state and federal law. The settlement provides benefits to borrowers whose loans are owned by the settling banks as well as to many of the borrowers whose loans they service. This settlement does not apply to loans backed by Fannie Mae or Freddie Mac.

For more information on this historic settlement or to determine if you may be eligible for further assistance, please visit the following link on the Arizona Attorney General's webpage at www.azag.gov/consumer/foreclosure/settlement.html.



DON'T MISS THIS 2 DAY EVENT!

- STOP FORECLOSURE
- GET HELP WITH MORTGAGE PAYMENTS
- TRANSITION ASSISTANCE

Save Our Home AZ is administered by the Arizona Department of Housing on behalf of the Arizona Home Foreclosure Prevention Funding Corporation



Homeowners who are finding it difficult to maintain and sustain their existing mortgages are invited to attend a two day event on April 26 and 27 at the Take Charge America Offices. Meet with a certified housing counselor one-on-one. One-hour appointments are being scheduled on the ADOH website both days from 9:00 am to 8:00 pm. Over 20 counselors will be ready to discuss the features of the Save our Home AZ program.

info http://www.azhousing.gov/calendar_details.aspx?ID=249

Mortgage Trouble?
Don't Delay...Call Today
ARIZONA FORECLOSURE HELP-LINE
1-877-448-1211
TOLL FREE

Arizona Housing Finance Authority Activities

MORTGAGE REVENUE BOND PLUS PROGRAM

In January 2012, the Arizona Housing Finance Authority successfully completed the sale of approximately \$4.9 million of mortgage backed securities enabling the AzHFA to recycle those funds into an additional \$4.9 million of loans to new, first-time homebuyers through the AzHFA MRB Plus program. The program offers an attractive 30 year fixed rate mortgage for first time homebuyers, along with downpayment and/or closing cost assistance of 5 percent of the purchase price of the home. This program is available in all counties of the State except Maricopa and Pima Counties. Over 327 loans have been approved and/or reserved since the program started in early 2010, representing mortgage loans of over \$35.8 million.

Additional information about the MRB Plus program and a list of participating lenders can be found on the website www.azhousing.gov and click on Arizona Housing Finance Authority.

AZHFA BOARD OF DIRECTORS VACANCY

There are currently two openings available on the Arizona Housing Finance Authority Board of Directors. Due to legislated mandates, the two openings are for non-Republican representatives. Members are appointed by the Governor. If you wish to apply or would like to receive more information, please visit the Governor's Office of Boards and Commissions at <http://azgovernor.gov/bc/>.

info For questions about the AzHFA or its programs, contact:

Carl Kinney Arizona Housing Finance Authority Programs Administrator
(602) 771-1091 + carl.kinney@azhousing.gov

Arizona Housing Commission Activities

The Arizona Housing Commission continues to look at new and creative strategies to address the housing issues that currently affect Arizona. For more information on the Housing Commission and their scope of work, activities, and meeting schedule, please click on the Arizona Housing Commission tab on our website at www.azhousing.gov.

info **Daniel Romm**, Legislative Liaison/PIO
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AzHFA Board of Directors

Robert Gardiner
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Secretary
AZ Lending Specialists, LLC

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SCHEDULED MEETINGS

April 12, 2012 - Cancelled

May 10, 2012

June 14, 2012

**check website for times*



ARIZONA HOUSING COMMISSION

SCHEDULED MEETINGS

April 27, 2012 - Tucson

May, 2012 - No Meeting

June 22, 2012 - Flagstaff

**check website for times*

FEDERAL LEGISLATION

► FEDERAL BUDGET UPDATE

On February 13, 2012, President Obama sent Congress his FY2013 budget plan which included appropriations for all federal programs including HUD and USDA housing programs; however, due to the current political environment on Capitol Hill, it appears that lawmakers are a long way off from negotiating any specific appropriations let alone a comprehensive budget package.

House Budget Committee Chairman Paul Ryan (R-Wisconsin) in early March released his own budget plan which claims to significantly cut spending by \$5 trillion compared to the President's proposal. His plan, which was passed in the House included changes to discretionary spending, the tax structure and entitlement programs.

Despite these two proposals, Congress has not passed an annual budget since 2009 and it is highly unlikely that the Democrat controlled Senate would approve the measure. Additionally, Senate Majority Leader Harry Reid (D-Nevada) has indicated that he has no intention of passing a budget this year in the Senate. Reid has stated that he will use the \$1.047 trillion spending cap outlined in the Budget Control Act passed last August instead of moving forward with a proposal.

In August of last year, the Budget Control Act was passed to reduce the national deficit by \$2.3 trillion over the next 10 years, with an estimated \$840 billion in cuts to discretionary spending. For fiscal year 2012, discretionary programs will see a cut of \$44 billion. With the Joint Select Committee on Deficit Reduction failing to reach an agreement to cut the deficit, automatic across-the-board reductions will be made in discretionary spending starting next year; however programs like Social Security, food stamps, Medicare, and even money allocated for the Low-Income Housing Tax Credit program will be exempted from these cuts.

Republicans on Capitol Hill are continuing to look for a solution that will lessen the impact of the budget triggers on defense spending; however President Obama has continued to state that he will veto any attempt to adjust or remove any of the automatic cuts, including defense items. While there is still time to negotiate a compromise, it appears unlikely that an agreement will be reached to prevent the automatic cuts from taking place on January 1, 2013.

► FEDS LOOKING TO WIND DOWN GSES FANNIE & FREDDIE

Both the Obama Administration and Congress are looking into several proposals to either significantly reduce the government's role in the mortgage giants, Fannie Mae and Freddie Mac, or to eliminate the entities altogether. The White House has offered several options which include privatization, a limited federal guarantee only for crises, and a government reinsurance model. Congressional members have held several hearings on various proposals from both Democrats and Republicans.

Representative Gary Miller (R-California) and Representative Carolyn McCarthy (D- New York) have put forth a proposal to merge Fannie Mae and Freddie Mac, creating a single entity so that the government held organization can collectively

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ARIZONA LEGISLATION

► SESSION OVERVIEW

The 50th Arizona State Legislature, Second Regular Session reconvened on January 7, 2012, with Governor Jan Brewer delivering her annual State of the State address. The Governor used her speech to focus on the State's centennial celebration and to highlight her priorities for the upcoming year and beyond. Economic competitiveness, education reforms, state government personnel reform, and renewed federalism were once again the top themes of the Governor's agenda.

April 17th will mark the 100th day of the legislative session. While there has been no compromise on the state budget at this point, both leadership teams in the House and Senate have expressed a strong desire to conclude the session no later than this date.

► BUDGET UPDATE

Unlike the last few years, Arizona lawmakers are not faced with the daunting task of having to deal with closing a significant budget gap. However, dealing with projected surpluses can often be just as challenging due to individual spending priorities.

Earlier this year, Governor Brewer released her FY2013 budget proposal. The Governor's \$8.96 billion proposal consists of mostly one-time expenditures such as debt reduction, technology upgrades and backfilling various programs, including education funding. The Governor's budget factors in a projected surplus of \$587 million for FY2013 and \$329 million for FY2014

Some of the Governor's spending priorities include \$100 million for school construction, \$105 million to replace out-of-date computer systems, and \$50 million to fund a reading remediation program.

As for the Arizona Department of Housing, the Governor's budget does call for some modest sweeps to the Housing Trust Fund, Arizona Housing Finance Authority (ISA Fund), and from the Housing Program Fund.

Shortly after the Governor released her budget, the Legislature released their \$8.66 billion plan for fiscal year 2013. In their budget, the Legislature rejected many of the Governor's spending priorities and even left out

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Encanto Pointe

One of the first "Housing First" communities

Located at 7th Street and Indian School Road in Phoenix, Encanto Pointe is the latest housing project from Native American Connections (NAC).



This 54 unit apartment complex will be the state's first "Housing First" community, according to Joe Keeper, Director of Housing at NAC. Scheduled to open later this fall, the groundbreaking for the project was held on January 26 and was attended by ADOH Director Michael Traylor.

Targeting the chronically homeless, the "Housing First" concept places individuals into a stable environment which includes access to social and medical services. Rather than gradually working their way through various shelters or temporary housing facilities, "Housing First" participants go immediately into permanent housing, regardless of their current circumstances. This approach is based on the belief that an individual is more likely to succeed by removing the instability that comes with being homeless.

A significant amount of research went into this project according to NAC President and CEO, Diana Yazzie-Devine. Similar communities in Seattle and Salt Lake City were visited prior to the groundbreaking of Encanto Pointe and this project is part of a larger regional effort to complete 1,000 units of permanent supportive housing for the chronically homeless. Additionally, approval from the surrounding Devonshire neighborhood was important to the implementation of the project.

Developed in partnership with the NRP Group, Encanto Pointe is a \$10.5 million project funded through a combination of City of Phoenix bond funds, private financing, Veterans Affairs Supportive Housing vouchers, and federal low-income housing tax credits awarded by ADOH. Additionally, representatives from both NAC and ADOH give Phoenix City Councilman Tom Simplot and the Valley of the Sun United Way a significant amount of the credit for getting this project off the ground.

info Encanto Pointe is located at 7th Street & Indian School Road, Phoenix + www.nativeconnections.org/about/locations/encanto-pointe

Encore on Farmer

Grand opening of transit oriented development for 55+



On February 7, 2012, Encore on Farmer held their official Grand Opening which was attended by ADOH Director Michael Traylor. This 56 unit affordable apartment complex, located near Fifth Street and Farmer Avenue in Tempe, AZ caters to seniors, 55 years and older who make less than 40, 50 or 60 percent of the Maricopa County median income. Built in downtown Tempe, this affordable transit oriented development is within walking distance of local regional transportation, retail and other services

Encore on Farmer is a joint venture by the PacifiCap Properties Group and the Urban Development Partners. Financing for the project was provided by the City of Tempe and ADOH through the

use of federal tax credits awarded to Hunt Capital Partners in conjunction with the Low-Income Housing Tax Credit program.



info Encore on Farmer is located at 601 South Farmer, Tempe + www.encoreonfarmer.com

FEDERAL UPDATE *continued from page 7*

purchase mortgages and sell them to investors as government backed securities. Additionally, Representative John Campbell (R-California) and Representative Gary Peters (D-Michigan) have sponsored legislation that would replace Fannie Mae and Freddie Mac with at least five private companies that would issue mortgage-backed securities with explicit federal guarantees. While Texas Republican, Jeb Hensarling's plan would phase out the companies altogether over a five year period.

Discussions between Congressional leaders and the White House are not expected to take place until possibility later this spring.

▶ RESTORED HOUSE AND SENATE MEASURES LOOK TO STRENGTHEN HOUSING CREDIT

The current nine percent floor for volume cap Housing Credits is set to expire on December 30, 2013. If Congress does not act, it could potentially hurt the market for affordable rental housing.

In an effort to help strengthen the Housing Credit, lawmakers have introduced legislation in both the House and Senate to make permanent the temporary nine percent floor for volume cap Housing Credits and create a new four percent floor for volume cap Housing Credits used for acquisition.

H.R. 3661, sponsored by Representative Pat Tiberi (R-Ohio) and Richard Neal (D-Massachusetts) is the House version of the bill. S.1989, sponsored by Senator Maria Cantwell (D-Washington) and retiring Senator Olympia Snowe (R-Maine) is the current Senate version of the bill.

In addition to ensuring the value of the Credit, this legislation will eliminate the financial risk of the current floating rate system, simplify state administration, and create stability and predictability for owners and investors of Housing Credit developments.

Given the current political environment, Congress is not likely to pass this legislation as a free-standing bill. It is more likely that this legislation will be part of a larger package to deal with various tax reforms; however, no action on this legislation is expected to take place until after the election in November.

ARIZONA UPDATE *continued from page 5*

several of their own, including funding for the University of Arizona Medical School campus in downtown Phoenix.

While progress has been slow, the Governor and her staff have been meeting regularly to iron out a final package. With this being an election year, in conjunction with the newly adopted legislative districts, members are quite anxious to conclude the session and start campaigning.

▶ ADOH CONTINUATION

On March 13th, Governor Brewer signed Senate Bill 1339, Department of Housing Continuation, sponsored by Senator Al Melvin (R-Tucson). SB1339 continues the Arizona Department of Housing for an additional five years, to July 1, 2017.

ADOH is grateful to Governor Brewer, Senator Melvin, and all the members of the Legislature who continue to support the Department and our ongoing efforts to assist the people of Arizona. As a Department, we continue to be mindful of our responsibility to invest tax payer funds wisely and we appreciate the assistance we continue to receive from both the state and the federal government. We look forward to a productive next five years and beyond.

info Daniel Romm, Legislative Liaison/PIO
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DIRECTOR'S MESSAGE *continued from page 2*

and in 2009 published Opening Doors, a discussion of residential options for adults living with autism and related disorders. SARRC is currently researching living and life skills programs that may have application to their proposed housing project. Their vision is to create a multifamily housing development that serves approximately 60 residents. It has to be designed with architecture and features that ensure safety and security, minimize sensory overload, allow opportunities for controlling social interaction and privacy, and foster health and wellness.

This "first ever" multifamily housing development serving adults with ASD's is a critical next step in learning and addressing the housing needs of this exploding special needs population.

Housing our special needs populations requires vision, collaborative partnerships, funding, innovative architecture, knowledge of supportive services needed and the ability to deliver those services effectively and consistently. We need housing policies that recognize certain types of disabilities such as our hearing impaired population enjoy life more fully living with others who are hearing impaired. Also it is not a good use of tax payer funds to design and build a government subsidized housing project for an underserved special needs population and not allow that population to have priority when a unit becomes available.

If I have learned anything in the past three years with the Department it is how blessed I am and my responsibility to share my blessings with others who are less fortunate.

New Faces



Kathy King

Kathy King transferred to Arizona from Wisconsin in 1983 and has worked in the mortgage industry in some capacity since. She has over 20 years opening and processing mortgage loans. She comes to ADOH as a Transaction Assistant in the Foreclosure Assistance division.



Mickey Breen

Michael "Mickey" Breen comes to ADOH with over 20 years experience in the banking industry. He holds a B.S. in Marketing from the University of Utah and joins ADOH as a Housing Counselor/Lender Coordinator for the Foreclosure Assistance division.



Dee Rains

Dee Rains has been involved in the mortgage industry in some capacity since 1978. She is a HUD certified Housing Counselor and worked for a while as a HOPE Hotline/Debt Management counselor. Dee joins the Foreclosure Assistance division as an Underwriter/Transaction Manager.



Cheryl Stavris

Cheryl moved to Phoenix with her family in 2007 after many years' experience with the CT Housing Finance Authority. In Phoenix she worked as a Making Homes Affordable Specialist with a mortgage servicing company. She holds a BS Degree in Accounting. Cheryl joined the Accounting division working with the Save Our Homes AZ program.

APRIL IS FAIR HOUSING MONTH IN ARIZONA

Governor Brewer signs Proclamation

Governor Janice K. Brewer proclaimed April 2012 as Arizona Fair Housing Month, recognizing the importance of fair housing and the efforts of those who seek to reduce barriers to full and fair housing opportunities. Throughout the month of April, organizations around the state will focus in promoting fair housing initiatives for all Arizonans through a number of events commemorating Arizona Fair Housing Month.

On April 11, 1968, President Lyndon Johnson signed the Civil Rights Act of 1968, a follow-up to the Civil Rights Act of 1964. The Civil Rights Act of 1968 expanded on previous acts and prohibited discrimination concerning the sale, rental and financing of housing based on race, religion, national origin, sex and as amended handicap and family status. Title VIII of the Act is also known as the Fair Housing Act of 1968.

Within the inaugural year of the Fair Housing Act of 1968, the U.S. Department of Housing and Urban Development (HUD) had completed the Title VIII Field Operations Handbook and instituted a formalized complaint process. That year, HUD hosted a celebration, shared with advocates and politicians across the nation. In subsequent years, the tradition of celebrating Fair Housing Month grew with Governors across the nation issuing proclamations that designated April as Fair Housing Month.

Arizona Fair Housing Partnership + www.azfairhousing.info

FACES OF HOUSING DISCRIMINATION

April 11, 2012 | 9:00 AM to 2:00 PM (includes luncheon)

Disability Empowerment Center

5025 E. Washington, Phoenix

\$20 Early On-line Registration \$25 At Door

info *Arizona Fair Housing Partnership* + www.azfairhousing.info

2012 FAIR HOUSING SURVEY

To ensure that the Arizona Department of Housing is addressing those impediments identified in the Analysis of Impediments to Fair Housing Choice ADOH has prepared the Fair Housing Survey which must be completed by all state CDBG recipients.

Other agencies, developers, and non-profit groups, especially those in rural Arizona, are invited to give feedback on fair housing practices in their communities. The deadline to complete the survey is April 30, 2012.

[FAIR HOUSING SURVEY LINK](#)

info *Joy Johnson* + 602/771-1026 joy.johnson@azhousing.gov

Calendar 2012

APRIL	
19	Public Hearing on 2012-2013 Annual Action Plan
26-27	Save Our Home AZ Event
27	Arizona Housing Commission
MAY	
3	Public Hearing on Amendment 2011-2012 Action Plan
8-9	LIHTC Compliance Workshop
10	Arizona Housing Finance Authority
JUNE	
14	Arizona Housing Finance Authority
22	Arizona Housing Commission

2nd Public Hearing on 2012-2013 Annual Action Plan

April 19, 2012 | 10:00 am
1110 W. Washington, Suite 280 | Phoenix

ADOH will hold its second Public Hearing to hear comments on the Annual Action Plan for FY2012-2013 on April 19, 2012 at 10:00 am at the ADOH offices. Comments submitted at the first public hearing will be inserted into the draft report and will be discussed at this hearing.

For additional information and to download a copy of the draft Annual Action Plan, see Information Bulletin IB12-12 on the Publications page of the ADOH website.

Public Hearing on Amendment to 2011-2012 Annual Action Plan

May 3, 2012 | 10:00 am
1110 W. Washington, Suite 280 | Phoenix

The U.S. Department of Housing and Urban Development (HUD) has allocated, through the 2011 Emergency Solutions Grant (ESG), an additional \$506,600 in funds for Homeless Prevention and Rapid Re-housing to the Department of Economic Security (DES). As a result Arizona Department of Housing (ADOH) in cooperation with DES is amending its 2011-2012 Annual Action Plan and is making the contents of this amendment available to the public for review.

info Andrew Rael, Asst. Deputy Director, Programs
+ publiccomments@azhousing.gov

LIHTC COMPLIANCE WORKSHOPS

May 8 & 9 | Phoenix Airport Marriott, Phoenix
October 23 - 25 | Desert Diamond Resort, Tucson

The 2012 Qualified Allocation Plan requires that property managers of Low Income Housing Tax Credit projects attend ADOH-approved compliance training annually. See the QAP for approved vendors of this training.

For 2012, ADOH is offering two, custom-designed workshops developed to provide this training, one in Phoenix (May 8-9) and one in Tucson (October 23-25). To register for this training, visit the ADOH website event calendar. The fee for the two day workshop is \$200.00.

The Housing Credit Certified Professional (HCCP) examination will be administered on October 25 in a 1/2 day session following the Tucson training. No HCCP exam will be administered at the Phoenix workshop.

Visit the Event Calendar on the ADOH website for additional information regarding deadlines, registration and hotel accommodations.



The annual Housing Hero Awards honor those who demonstrate excellence in developing and creating innovative housing solutions. The awards celebrate individuals and organizations who positively impact their communities, and showcase the best practices of developers, advocates and others.

Nominations are now being taken for the 2012 Housing Hero Awards, which will be presented at a luncheon to be held at the 2012 Arizona Housing Forum, Thursday, October 4 at the J.W. Marriott Starr Pass Hotel in Tucson. For 2012, categories are:

- Innovative Supportive Housing Program or Service
- Outstanding Affordable Housing Initiative
- Exemplary Rural Multifamily Project
- Exemplary Urban Multifamily Project
- Arthur Crozier Partner in Housing
- Elected Official

Category descriptions can be found on the [ADOH website](#). Nomination forms must be submitted no later than August 3, 2012. Award winners will be notified no later than August 17.

info Cynthia Diggelmann (602) 771-1016 + cynthia.diggelmann@azhousing.gov



The agenda for the 2012 Arizona Housing Forum is almost complete and we are in the process of confirming speakers and putting the finishing touches on the workshops. The ninth annual Arizona Housing Forum at the J.W. Marriott Starr Pass in Tucson promises to be the best program yet. We are working on arrangements for a dynamite keynote speaker. Registration for the program will be available in May. Room reservations are now open.

2012 Arizona Housing Forum

Hotel Information

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Tucson, AZ 85745
(520) 792-3500

Starr Pass features 575 guestrooms and 35 suites all smoke-free. Go to the hotel's web site www.jwmarriottstarrpass.com to see amenities available.

The conference rate is \$139. Deadline to register at this rate is September 12, 2012. Government rate rooms are available by calling the toll-free reservation line. You will be required to produce government identification upon check-in.

info Reservations + 1-877-622-3140 or online using this [link](#).

Marketplace

Don't forget to register for the Marketplace, a popular venue located in the hub of all conference activity, close to all plenary and meal sessions. See all the benefits of exhibiting

info Cynthia Diggelmann (602) 771-1016 + cynthia.diggelmann@azhousing.gov

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Housing Matters

WINTER 2012
VOLUME 11 | NUMBER 1

LEADING WITH SOLUTIONS



FISCAL YEAR 2011 ANNUAL REPORT
JULY 1, 2010 - JUNE 30, 2011



Native American Connection's newly developed Devine Legacy property sits on Central Avenue along the light rail in Phoenix and provides 65 low-income units and six market rate units. Financing for the \$15.8 million project was provided through the Arizona Department of Housing's Low-Income Housing Tax Credit and HOME Programs, the City of Phoenix, Federal Home Loan Bank's Affordable Housing Program, a loan from a private lender and grants from Home Depot and the Enterprise Foundation.

▲ The Fiscal Year 2011 Annual Report for the Arizona Department of Housing is now available on-line at www.azhousing.gov.

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Arizona
Department
of Housing





Director's Message

From the Desk of Michael Traylor

The department recently posted its annual report for fiscal year 2011. The Arizona Department of Housing through its federally funded programs provided over \$200,000,000 in housing and community revitalization assistance to Arizona residents and communities in fiscal year 2011.

The Arizona Finance Authority provided over \$18.7 million of assistance to Arizona residents through its rural mortgage loan program. The Arizona Home Foreclosure Funding Corporation provided over \$1.7 million in statewide assistance through its homeowner foreclosure assistance program, Save Our Home AZ. Together these resources assisted over 258,000 Arizona households in 15 counties.

Thanks to the Low Income Housing Tax Credit program the first low income housing rental projects within walking distance to the light rail stations in Phoenix and Tempe were built locating residents closer to jobs and effective public transportation.

The New Issue Bond Program sponsored by the Department of Treasury allowed the Arizona Finance Authority to continue to provide residents in rural Arizona with affordable mortgage loans and down payment assistance. The department's mortgage programs helped to absorb the oversupply of housing inventory in rural Arizona.

The Community Development Block Grant program provided needed funds to Holbrook for rehabilitation of a 500,000 gallon water tank which serves over 4272 residents. The rehabilitation will extend the life of the water tank for another 12 to 15 years and provide residents with a clean, safe source of water.

The department provided nearly 150 Arizona homeowners with housing rehabilitation assistance. \$5.3 million was invested in rehabilitating deteriorated housing into safe decent housing. Priority for funding was provided to Arizona senior citizens.

The foreclosure hotline, sponsored by the department, assisted over 12,000 Arizona households and over 7,000 of those households received extensive counseling services.

In FY 2011 the department received \$267,000,000 from the U.S. Treasury Hardest Hit Fund to prevent foreclosure. The department formed a three state partnership with Nevada and California to provide principal reduction. Unfortunately Fannie, Freddie and big banks have been resistant to assist homeowners with meaningful modifications. As a result the department was only able to assist 80 households. We continue to research and find innovative ways to assist troubled homeowners that do not require lender approval.

These are just a few of the projects and programs funded by the Arizona Department of Housing in FY 2011 with its federal resources. We are ever mindful of the responsibility to invest tax payer funds wisely and appreciate the assistance we receive from the federal government. We look forward to a productive 2012. Hopefully this will be a pivotal year for Arizona's economy.

ADOH RELEASES FISCAL YEAR 2011 ANNUAL REPORT

Commitments of over \$223 Million in Assistance to Support Activities

While housing conditions within the state have remained fairly consistent over this past year and thousands of Arizonans continue to struggle on a daily basis, the Arizona Department of Housing is well positioned entering 2012 to help tackle the current environment.

The Department continues to provide programs and critical resources to the most vulnerable populations of the state while serving as the driver for economic development and leveraging private capital. Whether it is through our work to provide safe and affordable housing, assistance to help aid our homeless and special needs populations, or our ongoing efforts to prevent Arizonans from losing their homes, we remain fully committed to finding responsible and reasonable solutions to counter the housing crisis facing our state and nation.

On January 3rd, we released our Fiscal Year 2011 Annual Report highlighting this past year's outstanding efforts and activities from the Arizona Department of Housing (ADOH), the Arizona Housing Finance Authority (AzHFA), and the Arizona Home Foreclosure Prevention Funding Corporation (AHFPFC).

In FY2011, ADOH, AzHFA, and AHFPFC made combined commitments of over \$223 million in assistance available to support housing, community development activities, and foreclosure prevention initiatives throughout the state. Additionally through the United States Department of Treasury, we launched a \$267 million program called Save Our Home AZ, to assist struggling Arizona homeowners stave off foreclosure.

This year's annual report cover page features Native American Connection's newly developed property, Devine Legacy. This \$15.8 million project represents a new breed of housing tax credit projects that are transit oriented. Devine Legacy is featured later on in this edition of Housing Matters along with some additional transit oriented housing tax credit projects. These types of projects help demonstrate the Department's desire to meet the demands of the marketplace for affordable housing with easy accessibility to public transportation.

It is our pleasure to share with you our Fiscal Year 2011 Annual Report. To access the report, please visit www.azhousing.gov.

ADOH ANNOUNCES THE APPOINTMENT OF NEW ASSISTANT DEPUTY DIRECTOR OF PROGRAMS

Director Michael Traylor recently announced the appointment of Andrew J. Rael to the Assistant Deputy Director of Programs position at ADOH. Mr. Rael will join the agency prior to February 1. The Assistant Deputy Director of Programs is one of two top management positions in the agency that report to the Director. This position oversees the majority of the federal programs administered by the agency, including the Rental Development Programs, Community Development and Revitalization Programs, Special Needs Housing Programs, and the Program Data division.

Mr. Rael has over 20 years of experience in administering housing and community development programs, and previously oversaw these programs for ADOH from 2002 to 2006. Mr. Rael has also administered a number of housing programs in both urban and rural communities within Arizona, as well as for the State of New Mexico, which has provided him with a wealth of experience in the day to day administration of these types of programs at the local level. He has spent the majority of his career working within Arizona and holds a well founded knowledge of the state's housing market and its challenges. Mr. Rael holds a B.S. in Urban and Regional Planning.

SAVE OUR HOME AZ UPDATE

From the initial inception of the Save Our Home AZ program, the Department identified that in order to make a true impact on the housing crisis principal mortgage reduction would have to be the major focal point of the program. Due to significant declines in property values, coupled with high unemployment/underemployment, the only real feasible, long term option is to adjust mortgage payments closer to the current fair market value.

While principal reduction may be the catalyst that gets the housing market back on track, lending institutions along with the government-sponsored enterprises, Fannie Mae and Freddie Mac, have been slow to come on board. This has forced the Department to look for alternative solutions to help the many Arizona homeowners who are continuing to struggle to stay in their homes.

Save Our Home AZ, while still relatively in its infancy, has significantly evolved since its initial rollout. What started as a program focused on principal mortgage reduction has since added several other components including unemployment/underemployment assistance, second mortgage settlement, reinstatement assistance and short sale assistance.

Below is an outline of the current program and the types of assistance we are now providing struggling homeowners. For additional information, or to take the self assessment to determine eligibility, please visit www.azhousing.gov or call the Arizona Foreclosure Help-Line at 1-877-448-1211 and request to speak with a Save Our Home AZ housing counselor.

► Program Qualifications

- o Income no greater than 120% of AMI (i.e. for a family of 4 in Maricopa County the income limit is \$78,600).
- o There must have been some household reduction in income since financing a home either through underemployment, illness, death, or divorce.
- o Must be homeowner's primary residence.
- o Eligible properties may not have been used for cash out refinancing. (Note: This provision is currently under review and may be removed; therefore we encourage you to still submit your application even if you had a cash out refinance.)

► Unemployment/Underemployment/Reinstatement Mortgage Assistance

- o Assistance up to \$50,000 (including all other program assistance) with a maximum of 24 months of assistance minus the number of rescue payments.
- o Reinstatement assistance may bring first mortgage current by curing all past due payments including: accrued interest, late fees, NSF fees and any legal fees (maximum number of payments rescued is 12).
- o Maximum amount of monthly assistance is \$2,000 or the mortgage payment minus 31% of borrower's monthly gross income excluding unemployment assistance.

► Short Sale Assistance

- o Assistance up to \$25,000 (including all other program assistance).
- o Maximum of \$4,500 in transition assistance paid to the consumer.
- o Maximum of 3% of the sales price for buyer's closing costs paid on behalf of the seller.

► Principal Reduction (Second Mortgage Settlement)

- o Assistance up to \$50,000 (including all other program assistance).
- o Affordability/Profitability Test Pass (maximum P&I is equal to or greater than 100% net return on real estate owned minimum P&I).
- o Mortgage balance greater than 120% of subject property's Fair Market Value.
- o Second Mortgage Settlement Assistance capped at \$5,000 maximum or 15% of outstanding loan balance.

LOW INCOME HOUSING TAX CREDIT PROGRAM

Qualified Allocation Plan Signed by Governor Brewer

► The FY 2012 Qualified Allocation Plan (QAP) for the Low-Income Housing Tax Credit program was signed and approved by Governor Brewer's office on Thursday, January 5. A final version of the report has been posted to the ADOH website on the **Publications** page.

Mortgage Trouble?

Don't Delay...Call Today

ARIZONA FORECLOSURE HELP-LINE

1-877-448-1211

TOLL FREE

Since inception in 2008, Arizona's mortgage foreclosure help-line has received over 55,000 calls.

Arizona Housing Finance Authority Activities

Extending the Mortgage Revenue Bond Plus Program

▶ The Arizona Housing Finance Authority is currently working on a couple of initiatives with the intention of extending its current Mortgage Revenue Bond Plus program well into 2012. The program offers an attractive 30 year fixed rate mortgage for first time homebuyers, along with downpayment and/or closing cost assistance of 5 percent of the purchase price of the home. This program is available in all counties of the State except Maricopa and Pima Counties. AzHFA staff is working with its financial advisor and Bond Counsel to sell a pool of mortgage backed securities and to close its permanent bond financing. The result will be additional capacity to make additional loans under the program at an attractive fixed rate.

Over 267 loans have been approved and/or reserved since the program started in early 2010, representing mortgage loans of over \$29.5 million.

Additional information about the MRB Plus program and a list of participating lenders can be found on the website www.azhousing.gov.

AzHFA Board of Directors Vacancy

▶ There are currently two openings available on the Arizona Housing Finance Authority Board of Directors. The two openings are for non-Republican representatives. Members are appointed by the Governor. If you wish to apply or would like to receive more information, please visit the Governor's Office of Boards and Commissions at <http://azgovernor.gov/bc>

info For questions about the AzHFA or its programs, contact:

Carl Kinney Arizona Housing Finance Authority Programs Administrator
(602) 771-1091 + carl.kinney@azhousing.gov

Arizona Housing Commission Activities

▶ The Arizona Housing Commission continues to look at new and creative strategies to address the housing issues that currently affect Arizona. For more information on the Housing Commission and their scope of work, activities, and meeting schedule, please click on the Arizona Housing Commission tab on our website at www.azhousing.gov.

info **Daniel Romm**, Legislative Liaison/PIO
(602) 771-1008 + daniel.romm@azhousing.gov

AzHFA Board of Directors

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Associates

SCHEDULED MEETINGS

February 9, 2012

March 8, 2012

**check website for times*



ARIZONA HOUSING COMMISSION

SCHEDULED MEETINGS

January 27, 2012

February 24, 2012

March - No Meeting

**check website for times*

ARIZONA LEGISLATION

Arizona State Legislature Set To Reconvene

➤ On January 9th, the 50th Arizona State Legislature is set to reconvene with the start of the Second Regular Session. With Republicans comfortably controlling both legislative chambers, coupled with this being an election year, the stage is set for what could be a relatively short session.

The makeup of both legislative chambers remains fairly consistent from last year, with Republicans controlling 40 out of the 60 seats in the House, and 21 out of the 30 seats in the Senate; however both bodies do have new leadership teams going into the session.

Last April, House Speaker Kirk Adams announced his resignation to run for Congress. Replacing Adams as speaker is Representative Andy Tobin (R-Paulden). Previously the majority leader, Tobin ran unopposed for the top leadership spot in the House and was appointed with unanimous consent by the entire body. Tobin is expected to carry on many of the similar policies as former Speaker Adams and the overall politics of the House should remain fairly unchanged from the past couple of legislative sessions.

In addition to the new Speaker, Representative Steve Court (R-Mesa) was named the new majority leader by his caucus. Court was first elected to the Arizona House of Representatives in 2008 and served as the Chairman of the House Higher Education Committee. Rounding out the leadership team is Debbie Lesko (R-Glendale), who will remain in her current leadership position as majority whip.

Taking over for Russell Pearce, as the new Senate President this session, is Prescott Republican, Steve Pierce. Pierce, who had been the Senate majority whip, won the support of his GOP caucus members in a close election with Majority Leader, Andy Biggs (R-Gilbert). Biggs will remain in his post as majority leader and Senator Frank Antenori (R-Tucson) will become the new majority whip.

State Budget Update

➤ For most of the year, revenue collections have continued to surprise budget analysts by coming in at a higher than expected rate. Driven by an increase in sales tax collections, spurred by the May 2010 voter approved 1-cent sales tax increase initiative, along with a boost in individual income tax collections, budget analysts are now predicting a budget surplus for the next couple of years.

The 2014 expiration of the one-cent sales tax increase and future funding requirements for the Obama Healthcare legislation is expected to significantly impact future state revenues. Budget analysts are estimating a potential budget deficit that could reach somewhere around \$1 billion for FY2014.

Many conservative lawmakers have suggested depositing the surplus money in the state's rainy day fund (Budget Stabilization Fund) to pay off future debt or use the money to buy back state properties, including the Capitol building. Several Democrat members have stated that the money should be used to replace funds to K-12 education that had been cut in the last couple of years.

See **STATE UPDATE** on page 7

FEDERAL LEGISLATION

HUD FY2012 Funding Levels

➤ On November 18th, following several months of negotiations between the House and Senate, President Obama signed House Resolution 2112, the Consolidated and Further Continuing Appropriations Act of 2012. After coming to terms in a joint conference committee, the House approved the measure 298 to 121 and the Senate passed the bill by a vote of 70 to 30.

HR 2112 contains the fiscal year 2012 appropriations for HUD and USDA housing programs. HUD in FY2012 will receive \$37.4 billion which is around \$3.7 billion or 9 percent less than their FY2011 funding level. Both the HOME and CDBG programs received significant cuts to their budgets this year. HOME in FY2012 received a 38 percent cut and CDBG will encounter a 12 percent reduction.

Other notable adjustments include:

- o 7 percent reduction in Housing Choice Voucher administrative fees;
- o 3 percent increase in funding for House Choice Voucher program;
- o 1 percent increase for Project-Based Section 8 program;
- o Level funding for homeless assistance grants.

Budget Control Act of 2011

➤ Back in August, President Obama signed the Budget Control Act of 2011 into law. In addition to allowing the President to increase the debt ceiling by \$2.8 trillion, this legislation will attempt to reduce the national deficit by \$2.3 trillion over the next 10 years, with an estimated \$840 billion in cuts to discretionary spending. For fiscal year 2012, discretionary programs will see a cut of \$44 billion.

There are two ways in which the federal deficit can be cut through this legislation. The first is through automatic budget caps on discretionary spending. Through a procedure known as "sequestration," if Congress approves any budget higher than the set cap amounts, across-the-board reductions are made in discretionary spending to make up the difference; however programs

See **FEDERAL UPDATE** on page 7

Transit Oriented Affordable Housing Projects

Over the years many Arizona families have made the decision to spend a substantial portion of their income on transportation, making the decision to trade shorter commutes to work in exchange for less expensive housing options. However, with gas prices continuing to rise, the demand for safe and affordable housing within close proximity to public transportation is at a premium.

Thanks to the Low-Income Housing Tax Credit program and a commitment from the Arizona Department of Housing to meet the demand for more transit oriented communities, Arizona residents will now be able to discover that they can truly find affordable housing in addition to cutting their commuting costs.

Over the last two months, two brand new low-income housing rental communities opened their doors, Native American Connection's Devine Legacy on Central and Apache ASL Trails. Within walking distance of the light rail stations in Phoenix and Tempe, these communities are the first of their kind in Arizona. Moving forward, we believe this will be a growing trend among low-income housing rental projects throughout the entire state, not just the Phoenix metropolitan area.

Additionally, back in August, the Lofts at McKinley, located at 5th Avenue and McKinley in Phoenix celebrated their groundbreaking on a redevelopment project that will cater to adults 55 years and older. This low-income rental community is expected to be completed sometime this summer and it was the first ever LEED Platinum multi-family project in Arizona. Like Devine Legacy and Apache ASL Trails, the Lofts at McKinley will also provide residents with easy accessibility to the light rail.



NATIVE AMERICAN CONNECTIONS' DEVINE LEGACY ON CENTRAL

Devine Legacy on Central is the first affordable housing community in Phoenix built along the Metro Light Rail. Offering 65 low-income units and 6 market rate units for families, this \$15.8 million project was financed through the Arizona Department of Housing's Low-Income Housing Tax Credit and HOME Programs, the City of Phoenix, Federal Home Loan Bank's Affordable

Housing Program, a loan from a private lender, and grants from the Home Depot and the Enterprise Foundation. Additionally, Devine Legacy is also a LEED Platinum multi-family facility. Devine Legacy's grand opening was held on October 20, 2011 and the community is already a proven success. There is currently a waiting list to move in to the complex.

APACHE ASL TRAILS

Apache ASL Trails is a brand new community sponsored by the Arizona Deaf Senior Citizens Coalition and Cardinal Capital Management, Inc. Located at 2428 East Apache Boulevard, along the light rail in Tempe, Apache ASL Trails is a 75 unit tax credit project for individuals with area median incomes at 40%, 50% and 60%. At least 80% of the units within Apache ASL Trail are set aside for households where at least one resident is 55 years old. Apache ASL Trail grand opening was held on November 16, 2011. The complex has special amenities for the hard of hearing such as strobe light smoke alarms, fire alarm signalers, DSL for videophones, annunciator light panels, tenant services, text and video phone in the lobby, loop system amplification for hearing aid users, and security. Funding for Apache ASL Trails included money from the Low-Income Housing Tax Credit program and Tax Credit Assistance Program Funds.



OTHER GROUNDBREAKING ANNOUNCEMENTS

Hope Development's Rainbow Lake Apartments - Lakeside, AZ

On November 2, 2011, Hope Development in Lakeside, Arizona, hosted the grand reopening of their Rainbow Lake Apartments. The Arizona Department of Housing in addition to speakers from USDA Rural Development Arizona and the City of Pinetop-Lakeside were all in attendance. Funding for this 36 unit rehabilitated affordable housing community was provided through Section 1602 Exchange and HOME funds.

The Symphony Apartments

The Symphony Apartments, previously known as Krohn West Public Housing, located near 16th Avenue and Buckeye Road in Phoenix, hosted their Grand Opening on November 10, 2011. This redevelopment project initiated by a 2007 HUD HOPE VI Revitalization Plan grant offers affordable housing options in the heart of downtown

See **TRANSIT ORIENTED PROJECTS** on page 7

STATE UPDATE *continued from page 5*

Moving forward, this issue is sure to be a major point of contention among members throughout the session and the budget process. Both the Governor and GOP leadership will be releasing their budgets shortly after the start of legislative session.

ADOH Sunset Review

The continuation of the Arizona Department of Housing is once again up before the legislature this session. Last year, ADOH ran House Bill 2079, Housing Department; continuation, sponsored by Representative Jim Weiers (R-Phoenix). After clearing the House, the bill failed to get a hearing in the Senate; however the Department was given a one year extension in the final budget.

On November 9th, the Department went before the Senate Commerce and Energy Committee of Reference and House Commerce Committee of Reference for a second Sunset Review hearing. Following a brief presentation from Director Traylor, the Committee once again unanimously approved a 10 year continuation for the Department.

Senator Al Melvin (R-Tucson), chairman of the Senate Commerce and Energy Committee, has agreed to sponsor our proposed continuation bill this session. The Arizona Department of Housing is looking forward to working with Senator Melvin and the other members of the 50th Legislature to ensure the passage of the bill and the continuation of the Department beyond June 30, 2012.

info Daniel Romm, Legislative Liaison/PIO
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FEDERAL UPDATE *continued from page 5*

like Social Security, food stamps, Medicare, and even money allocated for the Low-Income Housing Tax Credit program are exempted from sequestration.

The second vehicle that can be used to reduce the deficit is through the newly created Joint Select Committee on Deficit Reduction. This bipartisan committee was charged with finding an additional \$1.5 trillion in cuts. The Committee can recommend spending cuts, including cuts to Social Security and Medicare programs, raise revenue, or propose a combination of both. However, on November 21st, after several months of negotiations, the Committee failed to reach an agreement by their set deadline. By not coming to terms on a deal, \$1.2 trillion in cuts will be triggered through sequestration. The targeted cuts are divided equally among social programs and defense spending.

Republican legislators have been attempting to come up with a plan that would lessen the impact of automatic budget triggers on defense spending; however President Obama has stated that he will veto any attempt to adjust or remove any of the automatic cuts, including defense items.

The automatic spending cuts would have a direct impact on HUD's budget and programs such as CDBG and HOME. Since the cuts do not take place until 2013, the President is urging both Republicans and Democrats to come back to the negotiating table and continue to work towards reaching a bipartisan agreement.

TRANSIT ORIENTED PROJECTS *from page 6*

Phoenix. Prior to the redevelopment project, this community consisted of 76 units of outdated and dilapidated public housing. Today the community offers garden and townhouse style apartment homes with a pool and fitness center. Funding for the Symphony Apartments included money from the Low-Income Housing Tax Credit program and Tax Credit Assistance Program Funds.

Cloudbreak Phoenix - Victory Place III

On November 7, 2011 Cloudbreak Phoenix had their ribbon cutting ceremony for the launch of the third phase of Victory Place, near Ninth Street and Jones Avenue, in south Phoenix. Victory Place III contains 75 units of supportive housing for homeless veterans. Funding for the program included money from the Low-Income Housing Tax Credit program and Tax Credit Assistance Program Funds.

New Faces



Sylvia Burns

Sylvia A. Burns joins ADOH as an Administrative Assistant for the Rental Division. Sylvia moved to Phoenix in 1994 from New Jersey. Sylvia brings to the Department over 20 years of experience as a legal secretary and administrative assistant, with a strong computer skill set and organizational skills.



Stella Chuchuney

Originally from Kenya, East Africa, Stella moved to the United States in late 2009. She obtained a bachelors of Science degree in Finance and Economics at Grand Canyon University this May. She is a member of the Foreclosure Assistance staff.



Michael Farrar

Michael E. Farrar joins ADOH staff as a Senior Risk Assessment Officer. Michael holds a B.S. from Northern Arizona University and has earned double International MBAs from Thunderbird School of Global Management, and the Helsinki School of Economics in Finland. Mike has over 30 years of experience in housing and commercial real estate.



Carol Lassiter

Carol Lassiter moved to Phoenix from Indiana in 2000 to work with M&I Bank as a District Sales Manager for the Wholesale Department. Carol joins the ADOH staff as an Underwriter/Transaction Manager for the Save Our Home AZ program, has over 25 years experience in the housing and finance industry.



Pamela Linnens

Pamela Linnins joins the ADOH staff as our Attorney General's representative. Pam has an undergraduate degree from the U of A, a MBA from Drake and a J.D. from St. Mary's, plus over nine years of litigation experience, most recently at the Coconino County Attorney's Office.



Daniel Romm

Daniel Romm has over ten years of experience as a government and public affairs professional. Prior to joining ADOH as Legislative Liaison/PIO, Dan was with an Arizona-based lobbying firm. He holds a Bachelors of Arts in political science from the U of A.



Lisa Sanchez

Lisa Sanchez joins ADOH as a Data Specialist for the Data Division. Originally from Dallas, Texas, Lisa moved to Phoenix in 2004 and earned her BA in Communications from ASU with a minor in Psychology. She brings to the department strong analytical skills, a vast knowledge of computers with experience in technical writing and family studies.



Paula Scott recognized as 2011 Employee of the Year

Paula Scott was named Employee of the Year by the Arizona Department of Housing Executive Staff for her exceptional commitment to the agency and her outstanding dedication to the citizens of Arizona. Paula has been a tremendous asset to the Department, serving as the Public Housing Authority Administrator.

In a year that has been very difficult for the division that she oversees, Paula has remained focused and mission driven to the ongoing success of the Public Housing Authority and the Department.

Over the years, Paula and her highly talented team have developed an impeccable reputation. The federal government has referred to them as the "gold standard" for handling their contract administrative duties.

On December 14, Paula was recognized at the Department's December All Agency Staff Meeting and Holiday Celebration. For this honor, Paula received recognition from Director Michael Traylor and Arizona Governor Jan Brewer.

On behalf of the entire Arizona Department of Housing, we would like to congratulate Paula Scott on receiving this honor and thank her for her continued dedication to the Department and the state of Arizona.



David Wilsey

David Wilsey joins ADOH as a Transaction Manager for the Save Our Home AZ program. He has over 25 years experience in the mortgage industry and brings to the department extensive experience, knowledge and analytical skills. David holds a Bachelor of Science degree in Business Administration from U of A and has lived in Arizona for over 30 years.

Calendar 2012

JANUARY	
2	New Years Day Holiday - Office Closed
16	Martin Luther King Holiday - Office Closed
17	LIHTC Application Workshop
27	Arizona Housing Commission
31	Nonprofit Developer Workshop
FEBRUARY	
7-8	UPCS Training
9	Arizona Housing Finance Authority
20	Presidents' Day Holiday - Office Closed
24	Arizona Housing Commission
MARCH	
8	Arizona Housing Finance Authority

2012 LIHTC APPLICATION WORKSHOP

Training will provide an overview of the Low Income Housing Tax Credit (LIHTC) application process for 2012. Satisfies the annual training requirement in the Qualified Allocation Plan (QAP) for developers, co-developers and consultants who plan to submit an application in the 2012 application round.

DATE: January 17, 2012 8:00 am - 1:00 pm
LOCATION: Phoenix Airport Marriott Hotel
 1101 N. 44th Street, Phoenix, AZ 602-273-7373
REGISTRATION FEE: \$75.00
DEADLINE TO REGISTER: January 10, 2012

info Register on-line www.azhousing.gov

UPCS TRAINING IN PHOENIX

ADOH will sponsor a two-day U.P.C.S. training conducted by The Inspection Group, February 7-8, 2012 at the Phoenix Airport Marriott Hotel. Owners, managing agents, public housing authority staff, HUD insured and assisted facility staff, anyone who is involved with housing inspections, maintenance and/or management of housing inventory would benefit from this training. **Seating limited to first 50 paid.**

DATE: February 7-8, 2012 8:00 am - 5:00 am both days
LOCATION: Phoenix Airport Marriott Hotel
 1101 N. 44th Street, Phoenix, AZ 602-273-7373
REGISTRATION FEE: \$250.00
DEADLINE TO REGISTER: January 27, 2012

info Register on-line www.azhousing.gov

NONPROFIT DEVELOPER WORKSHOP

ADOH will host a half-day training to help non-profit developers gain a better understanding of how to formulate relationships with for-profit developers with respect to the Low Income Housing Tax Credit (LIHTC) program.

DATE: January 31, 2012
 8:00 am - 12:00 pm
LOCATION: Carnegie Center
 1101 W. Washington
 Phoenix, AZ
REGISTRATION FEE: FREE

info Register on-line www.azhousing.gov

OTHER 2012 TRAINING DATES

2012 LIHTC Compliance Workshops

Phoenix - May 8-9, 2012
 Phoenix Airport Marriott Hotel
 Tucson - October 23-24-25, 2012 (with HCCP Exam)
 Desert Diamond Hotel

Arizona Housing Forum

Tucson - October 2-4, 2012
 J.W. Marriott Starr Pass

Housing Matters

FALL 2011
VOLUME 10 | NUMBER 4

LEADING WITH SOLUTIONS

2011 Brian Mickelsen Housing Hero Awards



Director Michael Trailor and Lin Mickelsen presented the 2011 Arizona Housing Hero Awards at the Arizona Housing Forum on September 22 at Talking Stick Resort. Awards were given to: ❶ MLK Revitalization Project/Depot Plaza; ❷ Pascua Yaqui Homes 1; ❸ FSL Yuma Senior Terraces; ❹ 51 Homes Tucson; ❺ Devine Legacy on Central; ❻ Olga Osterhage accepted the Arthur Crozier Partner in Housing Arizona award. See story on page 1.

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Arizona
Department
of Housing



2011 Brian Mickelsen Housing Hero Awards

Seven awards recognize outstanding dedication

Each year, during the Arizona Housing Forum, the department celebrates and recognizes individuals and organizations that have shown outstanding dedication to a wide range of housing issues around the state with the Brian Mickelsen Housing Hero Awards. These seven awards bring together some of the most innovative and creative projects and programs around the state to be recognized for their outstanding work in serving some of the most critical populations in our communities.

In 2007, the Housing Hero Awards were named in honor of the late Brian Mickelsen, former city manager of Cottonwood who had shared his time and talent with the Arizona Housing Finance Authority since its inception in 2002. We continue to remember Brian for his work in the community by recognizing others for their outstanding commitment and dedication to solving housing issues in our great state.

► 51 Homes Tucson was honored with the Innovative Supportive Housing Program Award which recognizes creative programs and services that provide outstanding housing related support and resources to individuals. 51 Homes: Providing Hope, Improving Health, Changing Lives is a collaborative effort of community leaders from the non-profit, governmental and business communities striving to end homelessness among the most medically vulnerable individuals in the greater Tucson area. By using the "Housing First" model, 51 Homes Tucson was able to take these individuals experiencing homelessness and place them in a stable environment where all supportive services could be delivered right to their new doorstep. Through the collaboration of housing resources and supportive services, 51 Homes was able to assist the "hardest-to-serve" community with becoming housed and receiving the support that was once so desperately needed.

► The Exemplary Urban Multi-Family Project Award recognizes an outstanding multifamily rental project in urban Arizona that serves low to moderate income individuals, families or seniors. The City of Tucson Depot Plaza/ Martin Luther King HOPE VI Revitalization Project received the award for their outstanding, comprehensive, mixed-use development with the overall goal of improving a decaying downtown neighborhood and enhancing the lives of the residents living in the Martin Luther King building. The MLK building includes 68 fully accessible one-bedroom units ranging from 628 to 780 square feet, each with a private outdoor balcony. The MLK building is a unique development that not only enhances the lives of the diverse population of its residents, but also serves as a catalyst for future housing and community revitalization.

► This year's Tribal Initiatives Award recognized the Pascua Yaqui Tribe for their achievements in helping to meet the housing needs of tribal members in Arizona. After several years of observing Arizona tribes receive awards of Low Income Housing Tax Credits for affordable low-rent housing, the Pascua Yaqui Tribe finally decided in



Phoenix City Councilman Tom Simplot accepted the Elected Official award from Director Traylor and Lin Mickelsen

2009 to proceed with their own application. Through the efforts of their housing staff, the tribe was able to succeed in securing tax credits in July of 2010 to begin the new construction and rehabilitations of a 40 unit development. Due to the early success of their first project, Pascua Yaqui has plans for a second project which would result in the tribe constructing or rehabilitating a total of 96 units at an approximate cost of \$17 million between the two projects. Of this amount, \$12 million will be contributed through investor equity.

► Olga Osterhage was awarded with the Arthur Crozier Partner in Housing Award which celebrates the single action or a lifetime of successes of an individual committed to improving the lives of families and the health of communities through the recognition that decent, affordable housing is basic to our social fabric. Throughout her 28 year career with the City of Tucson, Ms. Osterhage has demonstrated extraordinary leadership on behalf of many in the community by her work in the City's public housing program. She has improved the lives of thousands of individuals in the community who have been participants in the public housing programs. Ms. Osterhage has established a benchmark for her successors in terms of reaching a delicate balance that ensures that the desires of the community are given the highest priority while advocating for those who are in need.

► The Yuma Senior Terraces project in Yuma, Arizona was recognized with the Exemplary Rural Multifamily Project Award for their innovative design and dedication to providing a healthy living environment for seniors in our

Continued on page 6



Director's Message

From the Desk of Michael Traylor

Each year, the Arizona Department of Housing strives to host a housing forum that not only exceeds the successes of past forums, but also surpasses the high expectations held by our guests in attendance each year. This year the Arizona Housing Forum featured speakers from coast to coast on a wide range of topics pertinent to our industry. Low Income Housing Tax Credit Development, Sustainable Development, Organizational Power and Politics, Development Opportunities in a Changing World, and Ending Homelessness were just a few of the sessions offered this year. We hosted over 300 guests from over 20 different states who came to see what Arizona has to offer. Through these meetings, new ideas are developed that may be implemented in local areas not only around the state, but around our country.

Dr. Lee McPheters presented at the Arizona Economic Outlook breakfast and provided us with the disappointing statistics that we have grown accustomed to seeing in the last few years. While the housing crisis remains critical in Arizona, it will take a national recovery to stimulate the economy and lead us to economic recovery. We have seen in past recessions that the Arizona economy is generally hit harder compared to a majority of other states, but bounces back with resiliency as a leading state when the economy recovers. This theory holds true to our current situation. As Arizona struggles with an unemployment rate of over 9 percent and roughly over 50,000 foreclosures for the past 3 straight years, leading economists rank Arizona number 3 in job growth by 2015. While these predictions are optimistic for an Arizona recovery it still means we are years away from the housing market to return to some sort of normalcy and much further away from a recovery of home values.

These numbers continue to remind us that too many individuals are struggling in our communities and more and more continue to be in need of critical services. Fortunately, we have people like Mike Yankoski, who delivered the keynote speech at this year's forum and provided an insight into a sometimes forgotten homeless population in our cities and towns. In order to better understand the daily struggles of the homeless community and the interaction between those individuals and society, Mike and a friend named Sam posed as individuals experiencing homelessness in six different American cities, including Phoenix. For five months, Mike and Sam intentionally ate from trash cans and Rescue Missions, slept under bridges, and panhandled in order to survive. His story showed us the vital need for the wide range of programs and services that exist in our communities to help assist individuals experiencing homelessness.

Thank you to those of you who were able to attend and contribute to the success of the forum. I look forward to seeing you all again at next year's forum and continuing to learn from one another as we move through this housing crisis together.

SAVE OUR HOME AZ UPDATE

Program evolving to meet needs of Arizonans

Immediately after receiving the \$267 million of Hardest Hit Funds from the United States Department of Treasury the Arizona Department of Housing went to work in devising a principal reduction program that would not only assist underemployed Arizona homeowners with an affordable monthly mortgage payment, but also help to make the value of the loan more in range with the current depreciated value of the home; reducing the temptation of a strategic default. Up to \$50,000 would be used to pay off a portion of what the struggling homeowner owed, as long as their lender agreed to forgive an equal amount. Many experts who spoke with the Department agreed that in Arizona, with the vast depreciation of home prices, that principal reduction would solve most, if not all of the homeowners' current issues. However, it quickly became apparent that the major lenders were reluctant to participate in principal reduction and mortgage giants, Fannie and Freddie, were adamantly against participating in the program. Realizing the homeowner urgency in this current crisis and the immense roadblock stalling principal reduction the department has developed new programs and modified requirements to assist struggling Arizona homeowners.

The department launched its unemployment assistance program at the end of March of this year and without having to rely on lender cooperation has been able to assist 173 unemployed homeowners stay in their homes and provide a bridge while they seek gainful employment. The program provides up to \$2,000 in monthly mortgage assistance for up to 24 months. The department has recently modified this program to include individuals who are underemployed meaning homeowners who have experienced a reduced income during the economic downfall would now be eligible for mortgage payment assistance after contributing 31 percent of their current monthly income to their mortgage payment.

As estimates show another year of roughly 50,000 foreclosures in Arizona, the department began to look at preventing foreclosures through incentivizing lenders to pursue short sales. The department will offer homeowners \$4,500 in transition assistance and provide up to 3 percent in closing costs. This program would allow homeowners to avoid foreclosure, take less of a credit record hit, and help to stabilize the community by preventing foreclosures.

A major change that recently took affect is assisting homeowners who are current on their mortgage, but have exhausted all of their resources to stay in their home. Past stipulations required individuals to be at least 60 days delinquent on their mortgage in order to be eligible for this program. The idea being that these homeowners were in the most dire need of assistance. The department decided to expand the program's efforts to allow struggling borrowers into the program who could show financial documents to prove that they are in imminent risk of foreclosure.

Mortgage Trouble?
Don't Delay...Call Today
ARIZONA FORECLOSURE HELP-LINE
1-877-448-1211
TOLL FREE

Since inception in 2008, Arizona's mortgage foreclosure help-line has received over 53,000 calls.

Arizona Housing Finance Authority Activities

The Arizona Housing Finance Authority recently completed a sale of Mortgage Backed Securities in the amount of approximately \$7.6 million in order to extend the capacity of its current MRB Plus program. The program offers an attractive 30-year fixed rate mortgage for first time homebuyers, along with downpayment and/or closing cost assistance of 5 percent of the purchase price of the home. This program is available in all counties of the State except Maricopa and Pima Counties.

Over 230 loans have been approved and/or reserved since the program started in early 2010, representing mortgage loans of over \$25 million.

Additional information about the MRB Plus program and a list of participating lenders can be found on the website www.azhousing.gov and click on Arizona Housing Finance Authority.

New Officers for 2012

At the annual meeting held on October 13, 2011, the board of directors elected a new slate of officers:

- Robert Gardiner - Chairperson
- Manny Gonzalez - Vice Chairperson
- Paul DeSanctis - Secretary
- Randall Pullen - Treasurer

info For questions about the AzHFA or its programs, contact:

Carl Kinney Arizona Housing Finance Authority Programs Administrator
(602) 771-1091 + carl.kinney@azhousing.gov

AzHFA Board of Directors

Robert Gardiner
Chairperson
Northern Trust, NA

Manny Gonzalez
Vice Chairperson
Pinal County

Paul DeSanctis
Secretary
AZ Lending Specialists, LLC

Randall L. Pullen
Treasurer
Oasis Partners, LLC

Richard Houseworth
Capitol Bancorp, Ltd.

Carol Parry
Corporate Social Responsibility
Associates

SCHEDULED MEETINGS

- October 13, 2011 - Annual Meeting
- November 10, 2011
- December 8, 2011

*check website for times

Arizona Housing Commission Activities



David Adame

The Arizona Housing Commission recently nominated two new members to serve on its executive board. David Adame will serve as the Commission's new Chairman and Albert Elias will serve as Vice Chairman.

David Adame is the Chief Financial Officer for Chicanos por la Causa. Albert Elias is the Director of Housing & Community Development for the City of Tucson.

The department would like to congratulate the two new board members and thank them for their leadership and willingness to fill these positions. ADOH looks forward to working with them and the entire Commission as we continue to address Arizona housing needs in the future.



Albert Elias



SCHEDULED MEETINGS

- October, 2011 - No Meeting
- November 18, 2011
- December, 2011 - No Meeting

*check website for times

info **Theresa Hoover**, Assistant to the Director
(602) 771-1007 + theresa.hoover@azhousing.gov

FEDERAL LEGISLATION

Appropriations

On Wednesday, October 5, President Obama signed a continuing resolution (CR) that will extend funding for all federally funded agencies through November 18. Funding in the CR will be 1.5 percent less than the FY 2011 funding level. Government funded agencies have been operating under a short-term CR, that was set to expire on October 4, since the new federal fiscal year began on October 1. Congress now must either finalize FY2012 appropriations legislation or pass another funding extension prior to the before the November 18 expiration of the latest CR.

The Senate Appropriations Committee passed the Transportation - HUD bill on September 21 and the House Transportation - HUD Appropriations Subcommittee passed its bill on September 8. House and Senate appropriators will be meeting soon to discuss funding and iron out the different funding levels for programs such as CDBG and HOME in the full FY 2012 omnibus bill. The House bill contains an increase in funding of 5 percent for CDBG as compared to FY 2011 funding levels and reduces HOME funding level by 25 percent. The Senate bill reduces CDBG funding by 15 percent and HOME funding by 38 percent compared to FY 2011 levels.

The American Jobs Act

President Obama recently announced a new proposal to stimulate the economy and promote job growth. The proposal, entitled "The American Jobs Act", includes a construction program targeted to aid distressed communities. "Project Rebuild" is modeled after the Neighborhood Stabilization Program, and has been referred to as NSP 4. Under this program \$15 million would be allocated for investments to put construction workers on the job rehabilitating and refurbishing hundreds of thousands of vacant and foreclosed homes and businesses. Building on proven approaches to stabilizing neighborhoods with high concentrations of foreclosures, Project Rebuild will bring in expertise and capital from the private sector, focus on commercial and residential property improvements, and expand innovative property solutions like land banks.

info Carol Ditmore, Assistant Deputy Director, Operations
(602) 771-1062 + carol.ditmore@azhousing.gov

ARIZONA LEGISLATION

The department is continuing to meet with key members in both the State Senate and the House of Representatives to inform members of the importance of the key programs and projects that the department funds and administers around the state. The department will continue to seek support from members in both chambers leading up to the hearing on the continuation of the department.

If you would like to receive updates from the department on upcoming hearings, votes, and critical legislative news please join our housing advocacy e-mail list [here](#).

Staffing Announcements



➤ The department regrettably announces that Cindy Coen, Assistant Deputy Director, Programs has submitted her resignation effective November 4. Cindy rejoined ADOH in May, 2009 after a seven year absence and career as a consultant to the development community.



➤ The department also received word that Shaun Rieve, Legislative Liaison and Public Information Officer, has accepted a position with the Arizona Department of Gaming and will be leaving ADOH on October 7. Shaun will serve as Gaming's Legislative Liaison.

"I want to thank the Arizona Department of Housing for the opportunity to work in this great department and for the outstanding work they are doing around the community. I have learned a tremendous amount during my time here and I wish them the best."



Groundbreaking Lofts at McKinley

First LEED-Platinum multi-family project in Arizona

On August 17 the Lofts at McKinley celebrated their groundbreaking; starting the construction on an exciting redevelopment project serving a mixed community with emphasis on those who are 55 and older. The project was funded through the department's low income tax credit program and Housing Trust Funds.

The Lofts at MckKinley are expected to be complete by next year and seek to become the first LEED-Platinum multi-family project in Arizona.

info The Lofts at McKinley are located at 5th Avenue and McKinley, Phoenix, AZ

(top) Architect rendering of finished project; (bottom) ADOH Director Michael Traylor is joined by Phoenix Mayor Phil Gordon, Councilman Michael Nowakowski and representatives of those responsible for the construction and financing of this project.

2011 Brian Mickelsen Housing Hero Awards *(continued)*

community. The development is composed of 60 newly constructed senior apartment units using the latest "Green" technologies. Funded through the Low Income Housing Tax Credit Program and federal HOME funds, the project boasted an impressive 100 percent occupancy in three and half month's time. Establishing an environment for seniors to thrive is a high priority for the Foundation for Senior Living and through Yuma Senior Terrace's vast amenities expectations were succeeded. Yuma Senior Terraces exhibits superior design through their green initiatives around the project. The project is equipped with a full solar panel system with panels mounted on carports and rooftops of every residential building. The Foundation for Senior Living pays all of the utility costs so residents are left with no additional financial burden.

▶ The Outstanding Affordable Housing Initiative Award was presented to Devine Legacy on Central for their innovative planning and ability to integrate critical supportive services with energy efficiency and superior design. Native American Connections' Devine Legacy on Central is an exciting and vibrant LEED-certified affordable housing community that incorporates the important components of high density zoning, multi-use spaces, mixed-income residents and transit oriented development in the central neighborhood of Phoenix. This outstanding development offers residents unique opportunities to find a live-work-play environment that is always mindful of their cultural identity, their personal and family needs and their workforce stability.

▶ The final award of the afternoon luncheon, Elected Official Award, was presented to Councilman Tom Simplot, recognizing an Arizona elected official who has demonstrated ongoing support for affordable housing projects and programs including housing for homeless, domestic violence, special needs and low income families and seniors.

Councilman Simplot was first elected to the Phoenix City Council in 2003 in a special election to replace outgoing councilmember Phil Gordon. After being re-elected in 2005, he was unanimously voted by his fellow council members to serve as Vice Mayor. Councilman Simplot has dedicated tremendous efforts to finding permanent supportive housing for the chronically homeless which he believes will go a long way towards bringing stability to our community. In addition to his post on the Phoenix City Council, Mr. Simplot is the president/CEO of the Arizona Multi-housing Association. Councilman Simplot continues to demonstrate his commitment to providing supportive housing to our communities' most vulnerable populations and the critical need for affordable housing throughout our cities.

Thanks to the efforts of these individuals, projects, and programs our state is able to create an environment that is supportive of affordable housing and conducive to addressing the needs of those most vulnerable populations in our communities. The Arizona Department of Housing would again like to congratulate all of the 2011 award recipients.

WHAT YOU MISSED AT THIS YEAR'S FORUM

2011 Arizona Housing Forum



HOUSING IN THE NEW ECONOMY

TALKING STICK RESORT | September 21-23, 2011
Indian Bend & SR101 Scottsdale, AZ



Rave reviews were received for all our speakers at this year's Arizona Housing Forum. Over 300 attendees descended on the Talking Stick Resort in Scottsdale for the 8th annual conference, the only statewide housing conference in Arizona.

To begin the conference, a reception was held on Wednesday night where participants were entertained by four time World Champion Hoop Dancer Tony Duncan and a trio of native American musicians, followed by an evening of networking and great food.

Thursday morning after a welcome from Vice President Martin Harvier of the Salt River Pima Maricopa Indian Community, Director Traylor set the theme for the conference by reinforcing the Department's commitment to transit oriented development by showing a video produced by several valley cities and organizations, including the Sustainable Communities Working Group, entitled **Connecting the Valley**. The video presents a view of how Arizona cities could improve air quality, traffic congestion and livability of urban areas by being supportive of the light rail transportation system.

First workshops of the conference were sessions led by Washington, D.C. attorney Anthony Freedman of Holland & Knight, a class in sustainable development presented by CR Herro of Meritage Homes and Charlie Gohman of the Foundation for Senior Living, **Organization Power and Politics** by Dr. Trudy Sopp of the Centre for Organizational Effectiveness, and the **Principles of Property Management** by a couple of the stars at Dunlap & Magee, Christine Shipley and Wendy Weiske.

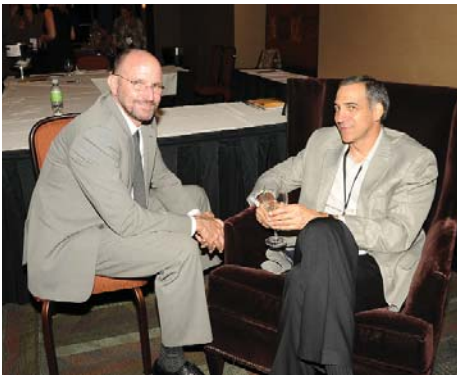
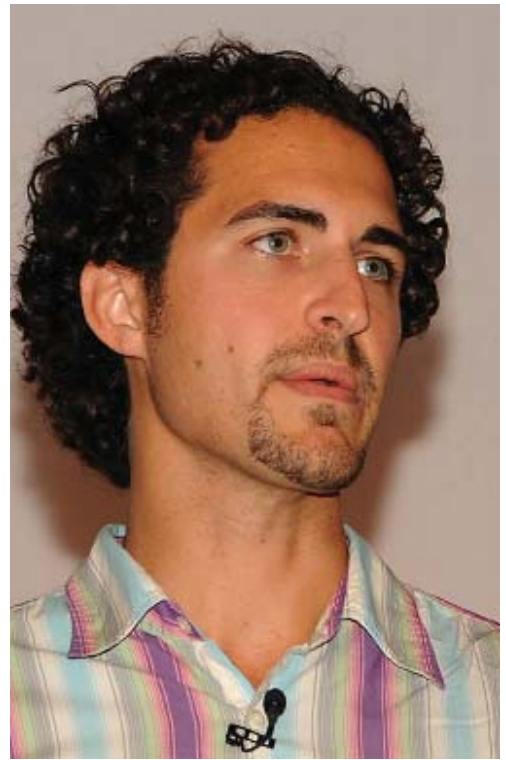
Lunch saw the presentation of the 2011 Brian Mickelsen Housing Hero Awards (see story on page 1) and the afternoon program began with fantastic sessions led by Bill Letsinger and Mike Morrison of Novagradac & Company, LLP; the ever popular Barry Berkus of the California Berkus Design Studio; a primer on Arizona Department of Housing programs led by ADOH staff; a session on advocacy strategy led by ADOH Legislative Liaison Shaun Rieve, Jeff Gray of R&R Partners and Courtney LeVinus of Capitol Consulting. The last session of the day presented four workshops: exploring the the federal capacity in **Your Uncle Sam** with representatives from HUD, U.S.D.A. - Rural Development and the U.S. Department of Veterans Affairs; Bob Moss and David Gasson of Boston Capital discussing the LIHTC program versus tax reform; Lloyd Pendleton and Gordon Walker of the Utah Division of Housing & Community Development shared success and progress of the state of Utah's successful Housing First program, a ten year plan to end chronic homelessness; and consultants Linda Cannon of Cannon & Associates and Dr. Elizabeth Taylor of Insight Resources discussed how to chart the course of your organization, project, or daily work, and use that plan as a strategic tool.

Friday morning, Dr. Lee McPheters, Director of the ASU JPMorgan Chase Economic Outlook Center presented his annual forecast of the Arizona economic year to come; and Fred Karnas, Sr. Policy Advisor at the U.S. Department of Housing & Urban Development provided the assembly with a frank and individualized view of Washington, D.C. in an open forum setting.

One session on Friday, but some very popular workshops nonetheless. Terry Campbell of Campbell-Hogue & Associates and Diana Yazzie-Devine, President/CEO of Native American Connections, a local 501(c)3 organization presented a case study of a LIHTC partnership between a for-profit and a non-profit; Denise Resnik, President of DRA Strategic Communications explained the Southwest Autism Research & Resource Center's plans for housing options for autistic young adults and other special populations who are aging out of the system; Gary D. Todd of Todd & Associates, Douglas Whitneybell of Whitneybell Perry, Inc. joined with Bryan Dunn of Adolfson & Peterson Construction and Cliff Paul of PK Associates, LLC, a structural engineering firm, to discuss the viability of housing around the light rail stations; Dr. Sharon Megdal of the University of Arizona Water Resources Research Center was on hand to discuss the long-term implications of not providing nor abiding by limitations on development by developers and communities.

The keynote address was delivered by Michael Yankoski, a young man who along with a friend, made a five month trek across the U.S. living as homeless men. It was a stirring homily on belief and perceptions chronicled in his book **Under the Overpass**, which has been optioned to be made into a movie.

The 2012 Forum will be held at the J.W. Marriott Starr Pass in Tucson, AZ , October 2-4, 2012. Mark your calendars now!



Thanks to everyone who participated in the 2011 Arizona Housing Forum, from the speakers to the sponsors and exhibitors. Visit TheHappySnapper.com to view all the photos taken. Be sure to join us in 2012 at the JW Marriott Starr Pass, October 2-4.



Calendar 2011

OCTOBER	
10	Columbus Day - Office Closed
13	Arizona Housing Finance Authority - Annual Meeting
18-19	LIHTC Compliance Training - Tucson
NOVEMBER	
10	Arizona Housing Finance Authority
11	Veterans Day - Office Closed
18	Arizona Housing Commission
24	Thanksgiving Day - Office Closed
DECEMBER	
8	Arizona Housing Finance Authority
26	Christmas Holiday - Office Closed

2012 QUALIFIED ALLOCATION PLAN

Focus Groups scheduled to collect comments

The first draft of the 2012 Qualified Allocation Plan is scheduled to be posted to the ADOH website for public review on October 21. ADOH has scheduled two focus group sessions to discuss revisions to the QAP and solicit feedback:

➤ **TUCSON**

WEDNESDAY OCTOBER 26, 2011

10:00 AM - 12:00 PM

Pima County Housing Center

801 W. Congress Street

Tucson, AZ 85745

➤ **PHOENIX**

THURSDAY, OCTOBER 27, 2011

2:30 PM - 4:30 PM

ADEQ Building

(ADOH offices are in this building)

1110 W. Washington, Room 250

Phoenix, AZ 85007

Comments will also be accepted via e-mail: 2012_QAP_Comments@azhousing.gov

info **Dominique Rougier** (602) 771-1030 + dominique.rougier@azhousing.gov

New Faces



Maureen Rooney

Maureen Rooney joins the ADOH staff as a Special Needs Specialist. Maureen has spent the last 20 years of her career in nonprofit community development, affordable housing, historic preservation grant administration, and real estate. She earned her BS in Urban Geography from ASU.



Dominique Rougier

Dominique Rougier recently joined the ADOH staff as the Rental Programs Assistant. Originally from South Africa, Dominique obtained an Associate's degree and has experience working with an architectural/engineering, research consulting firm.



Have Your Photo Featured in an ADOH Publication

The Department of Housing invites you to send photos of your constituents enjoying the benefits of your projects to be featured in one of our publications. If chosen, your photo could appear on the cover of our quarterly newsletter, our annual report or another agency publication.

info Visit www.azhousing.gov for more information or to submit your photo.

UPCS TRAINING IN PHOENIX

ADOH is considering holding a two-day UPCS training in Phoenix in the Fall if there is enough interest. If you are interested in this training for yourself or your staff, please contact Lisa Troy, LIHTC Compliance Administrator, at lisa.troy@azhousing.gov or at 602-771-1071.

Housing Matters

SUMMER 2011
VOLUME 10 | NUMBER 3

LEADING WITH SOLUTIONS



▲ The Sustainable Communities Fund will serve as a catalyst to create economic competitiveness, job opportunities, and sustainable communities along the existing light rail line and future extensions. See story on page 1.

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Arizona
Department
of Housing



The Sustainable Communities Working Group

▶ As more individuals used the motto of “drive until you qualify,” Arizona residents continued to push outwards during the housing boom, looking for more affordable housing, in many cases many miles away from their jobs and other resources. While Arizonans continued to increase the number of miles and time in their daily commute, transportation costs forced individuals to make other sacrifices in order to save their homes, however, many of these sacrifices ended up being insufficient. The downturn in the economy has forced many individuals out of their homes and in some cases back towards the urban and downtown areas, however, this recession has created many opportunities for affordable housing that the Arizona Department of Housing is currently taking advantage of.

Due to the quick expansion of the city and the large number of foreclosed homes, the housing market became over saturated with a number of single family homes. The large number of homes outside of the urban area became clearly unsustainable and the department needed to focus its efforts on affordable housing where people could live close to all of their desired resources and entertainment without having to rely on a car. The Metro light rail, which was completed in December of 2009, provided the department with a great opportunity to develop an area that stretches 20 miles long, through three cities, including downtown Phoenix.

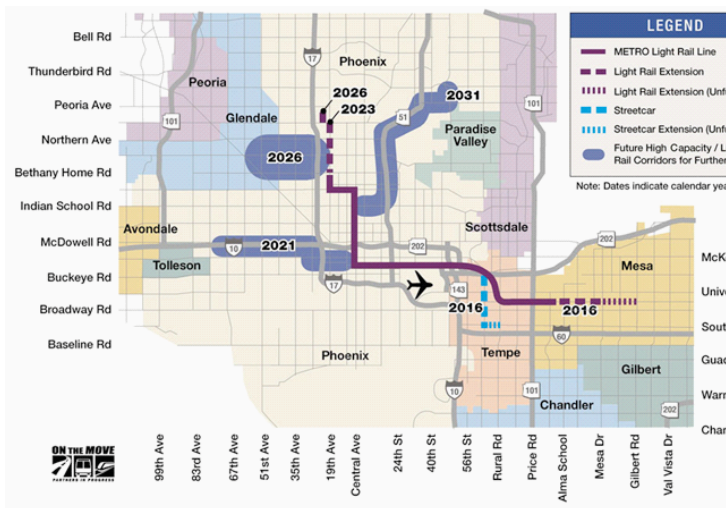
Recognizing the need for affordable housing along the light rail and the limited window that we had to take advantage of these lower land costs while the economy tries to recover, the department turned towards a coalition of public, private, and non-profit organizations to help address this critical need in the state. This unique partnership referred to as the Sustainable Communities Working Group brings together the Arizona Department of Housing with the cities of Mesa, Tempe, and Phoenix, Department of Transportation, the Metro light rail, Arizona State University, community leaders, private investors and others.

Through this creative and innovative partnership a development fund was created with an initial investment of \$20 million dollars from private groups, Local Initiatives Support Corp. and Raza Development Fund to help expand sustainable development

and urban reuse projects along the rail corridor. In hopes of shifting the trend of suburban sprawl to a vibrant, safe, and healthy urban living environment the fund will be used to help seed construction of up to 1,000 units of transit-oriented housing along the light rail in the next 5 years. Projects must pass a set of criteria established under the fund before any funding is awarded.

Evidence clearly indicates that individuals are ready to invest in the surrounding areas of the light rail. Even with a stagnant economy and a vehicle driven culture, the light rail has attracted over \$2.5 billion in investment in a once blighted area in Tempe during these early years of its existence. These efforts do not stop with affordable housing, but also will be expanded to improving the general quality of life through grocery stores, after school care, and retail stores. Projects are currently being completed and others are underway to develop along this corridor thanks to current incentives to develop projects that incorporate public transit into design plans.

With Phoenix being the 6th most populated city and as a state ranking 33rd by density, the department understands that Arizona must position itself differently for the next 10 - 20 years. The valley needs to look beyond building suburban single family homes and focus construction efforts along modes of transportation. The department knew that it must take advantage of the economic downturn and invest its time and funds in developing this promising area. This groundbreaking partnership brings together key components from the public and private sector that will continue to enhance the community and fill much needed gaps along the light rail. While this partnership is a new venture it will continue to provide new and innovative opportunities for these three cities and the entire state. Mesa, Tempe, and Phoenix will no longer be competing against one another, but rather taking advantage of the joint investment for the long term benefit of the light rail corridor. Future plans have been approved to extend the light rail and build on the projects early success. As this area continues to develop and offer new resources to some of Arizona’s most vulnerable populations, the department hopes that other parties will join in the efforts and truly get on board the light rail and future transit oriented developments.





Director's Message

From the Desk of Michael Traylor

Sustainable is defined as “using a resource so that the resource is not depleted or permanently damaged.”

Population in our state and especially in the largest metropolitan areas has significantly increased over the past 60 years. In our metropolitan areas residential neighborhoods continue to be pushed further and further from core areas of employment, shopping, and entertainment. We build new schools to serve these outlying areas while existing schools, within the core of our communities, are closing or are under utilized. Moderate income residents who seek decent, safe, affordable housing end up spending 65 percent of their gross monthly income on housing and transportation while those living in a closer proximity pay 45 percent.

Arizona’s population is expected to increase by another five million people over the next 20 years. As our population continues to increase the question of sustainability should be asked. As we know, we cannot continue doing things the same way and expect different results. Our leaders are charged with the responsibility of looking beyond today and planning for our future. Arizona has many great examples of visionary leadership that have enabled our state to grow and flourish into what we enjoy today. They understood that Arizona could not grow without water so they planned and built dams to store water from the high country to serve the state’s growing areas. It took many years of planning from Republicans and Democrats to successfully build and complete the Central Arizona Project and we continue to see the benefits as a result of this early planning.

In the process of evolution there are occasionally periods in time that shape the future. As an example, a significant period of growth occurred in Arizona after World War II largely due to the number of military training facilities in our state. Many people who had never considered living in Arizona were exposed to the state’s natural beauty and great weather. We must ask ourselves, might we be in one of those periods of time that shapes the future? Could the Great Recession present the opportunity for change? How will we respond? Does Arizona still have visionary leaders? I would like to think the answer is yes.

This is not about ending development on the fringe of our metropolitan areas, but rather offering an alternative. It’s about continuing to redevelop our urban cores. It’s about providing our workforce with affordable housing where effective transportation is readily available. It’s about reducing our dependence on automobiles and the resulting impact on resources and the environment. It’s about connecting people. It’s about locating our workforce near high employment areas. It’s about economic development. Imagine a city where a significant number of its workforce can access high employment areas via effective public transportation within a maximum of a half hour. Imagine well

See **Director's Message** page 4

Arizona Housing Commission Activities

New Appointments to Commission made by Governor Brewer



▶ Ted Bednar joins the Housing Commission serving as the representative from a nonprofit organization in Pima County. Mr. Bednar brings a critical insight into the value of energy efficient housing from his work at TJ Bednar Homes, awarded the Energy Star Label and Tucson Electric Power Guarantee Home Label.



▶ Sarah Darr joins the Housing Commission filling the seat of a representative from a rural city government. Ms. Darr currently serves as the community housing manager for the City of Flagstaff and brings important knowledge of housing issues in Northern Arizona to the Commission.



▶ Courtney LeVinus, who was appointed to fill the seat of a representative from a statewide housing association, works as a lobbyist for Capitol Consulting LLC and currently serves as a Commissioner on the Housing Authority of Maricopa County.



▶ Steven Tofel was appointed to fill the seat of a representative of the public from Pima County. Mr. Tofel brings a valuable knowledge and insight to the Commission from his work as President of Tofel Construction.



▶ Ted Williams joins the Housing Commission filling the seat of a representative from the special needs community. Mr. Williams currently is the President/ CEO of the Arizona Behavioral Health Corporation and brings an expertise of issues affecting individuals with behavioral health needs to the Commission.



▶ Neal Young was appointed to fill the seat of a representative from a non-rural city government. Mr. Young currently serves as the Assistance Housing Director at the City of Phoenix and previously served as the Director of the Arizona Department of Economic Security.

SCHEDULED MEETINGS

July, 2011 - No Meeting

August, 2011 - No Meeting

September 23, 2011

**check website for times*

info **Shaun Rieve**, Legislative Liaison and Public Information Officer

(602) 771-1008 + shaun.rieve@azhousing.gov

Arizona Housing Finance Authority Activities

The MRB Plus program sponsored by the Arizona Housing Finance Authority (AzHFA) continues to be available for first time homebuyers in counties served by the AzHFA. (All Counties of the State except Maricopa County and Pima County) The MRB Plus program offers an attractive 30 year fixed rate mortgage for first time homebuyers, along with downpayment and/or closing cost assistance of 5% of the purchase price of the home. Over 187 loans have been approved and/or reserved since the program started in early 2010, representing mortgage loans in the amount of nearly \$20.8 million.

Additional information about the MRB Plus program and a list of participating lenders can be found on the website www.azhousing.gov and click on Arizona Housing Finance Authority.

info For questions about the AzHFA or its programs, contact:

Carl Kinney Arizona Housing Finance Authority Programs Administrator
(602) 771-1091 + carl.kinney@azhousing.gov

Director's Message (cont'd)

planned compact development, especially around light rail stations, of neighborhoods, retail, commercial and education opportunities that are walk able (in Arizona we know that means shaded). Imagine if we are successful at developing this vision how attractive a well planned city like this might be to businesses.

The Sustainable Communities Working Group (SCWG) is a collaborative effort made up of state, county, city, nonprofit and for profit representatives working to make this vision a reality. One of the goals of SCWG is to create a fund to assist development within a half mile of our light rail stations. Thanks to a major commitment from LISC and La Raza the fund has been launched and currently has a balance of \$20,000,000. The SCWG is also engaged in market studies to quantify the need for housing in these areas and the best uses for the development fund. We are talking to neighborhoods around light rail stations to learn their concerns and properly address these community issues.

Creating sustainable development is not just a big city issue; it affects our rural communities as well. Remember, sustainable is using a resource so that the resource is not depleted or permanently damaged.

As we continue to grow and gain population it seems logical that we need to be more thoughtful about how we plan for and address growth issues.

AzHFA Board of Directors

Carol Parry
Chairperson
Corporate Social Responsibility Associates

Richard Houseworth
Vice Chairperson
Capitol Bancorp, Ltd.

Robert Gardiner
Treasurer
Northern Trust, NA

Manny Gonzalez
Secretary
Pinal County

Paul DeSanctis
AZ Lending Specialists, LLC

Randall L. Pullen
Oasis Partners, LLC

SCHEDULED MEETINGS

July, 2011 - No Meeting

August, 2011 - No Meeting

September 8, 2011

*check website for times



Have Your Photo Featured in an ADOH Publication

The Department of Housing would like to invite you to send photos of your constituents enjoying the benefits of your projects to be featured in one of our publications. If chosen, your photo could appear on the cover of our quarterly newsletter, our annual report or another agency publication.

info Visit www.azhousing.gov for more information or to submit your photo.

FEDERAL LEGISLATION

► President Obama and his administration continue to be at odds with the Congress over the debt ceiling and potential future spending cuts. The administration believes congressional leaders must agree to a deficit-reduction deal by July 22 in order to raise the government's borrowing limit in time to avoid a default in early August. Some, including top officials at the Treasury Department and the Federal Reserve, say the consequences of failing to raise the \$14.29 trillion debt limit by Aug. 2 would be catastrophic, but while skeptics are less certain of the actual impact.

The federal government hit the debt ceiling in May, but has been able to keep operating through a series of emergency funding maneuvers. But Treasury officials say if the government cannot borrow more by Aug. 2, they won't have enough cash to pay all the government's bills. Republicans have insisted on coupling any extension with at least an equal amount of budget savings. The Senate has canceled their planned recess in order to further ongoing negotiations prior to the July 22 deadline.

On June 16, the House passed, by a vote of 217 to 203, its FY 2012 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies appropriations bill, H.R. 2112. The bill includes \$17.25 billion in discretionary spending, \$2.7 billion less than the FY 2011 spending level and \$5 billion less than the President's request. Representative Paul Gosar (R-AZ) offered an amendment to take \$100 million out of a non-housing account and transfer it to the Multifamily Housing Revitalization Program account, however, the amendment failed by a vote of 139 to 285.

H.R. 2112 is the third FY 2012 appropriations bill passed by the House. The Transportation-HUD Subcommittee will determine the amount of funding for HUD and its individual programs between now and the Subcommittee markup, currently scheduled for July 14.

info **Shaun Rieve** Legislative Liaison and Public Information Officer
(602) 771-1008 + shaun.riev@azhousing.gov

LIHTC AWARDS ANNOUNCED

The list of preliminary Low Income Housing Tax Credit (LIHTC) awards for 2011 has been posted on the ADOH website.

info **Ruby Dhillon**, Rental Programs Administrator
(602) 771-1031 + ruby.dhillon@azhousing.gov

ARIZONA LEGISLATION

► After the failed passing of HB 2079 (Department of Housing continuation), the department continues to build support for an upcoming continuation bill that must be ran next session. The department was able to secure a one year extension in the previous legislative session and look to be extended for many more years during this next session. We urge our housing advocates, partners, developers, and friends in the community to continue to express your support and the need to keep the Department of Housing in existence to your local elected officials. The department continues to administer over \$300 million in federal dollars to help serve those less fortunate individuals in our community, while providing jobs and vast economic opportunities in our state. For a list of your elected officials and their contact information you can visit www.azleg.gov.

On June 8 Governor Brewer called a Special Session to extend federal aid to jobless Arizonans whose benefits were set to expire. With the state's unemployment rate remaining at 9.3 percent the Governor decided that it was essential to take advantage of this limited window of opportunity to extend these benefits to struggling Arizonans searching for work. The Arizona Legislature met on June 10 to discuss a potential statutory change that was needed to take advantage of federal funds that would provide for an additional 20 weeks of unemployment aid. However, members of the Legislature were unable to garner enough support and votes for the measure and the Special Session ended with no action taken. The failed attempt to extend benefits is estimated to affect over 40,000 jobless Arizonans who will still be out of work.

info **Shaun Rieve**, Legislative Liaison and Public Information Officer
(602) 771-1008 + shaun.riev@azhousing.gov



Glendale Enterprise Lofts Grand Opening

Complex offers critical services to disabled

▶ ADOH Director Michael Traylor (far left) and others at the grand opening of the Glendale Enterprise Lofts complex.

▶ On June 23, the department celebrated the grand opening of Glendale Enterprise Lofts, a 28 unit affordable housing complex funded in part by federal tax credits awarded by the department. The newly built complex centers on affordability and accessibility with 100% of its units being fully accessible for the disabled. Director Michael Traylor spoke on the importance of this project and the need for more innovative affordable housing projects to develop blighted neighborhoods. With a current waiting list of over 60 families, the department would like to congratulate Glendale Enterprise Lofts on their early success and for its ability to provide critical services and resources to disabled individuals in our community.

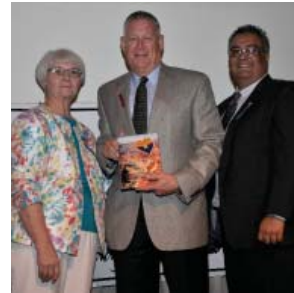


info **Glendale Enterprise Lofts** is located at 6839 N. 63rd Avenue, Glendale, AZ + 866-819-7952



LuAnn O'Connell Retires

After seventeen years of service to the State of Arizona, LuAnn O'Connell retired on May 13. LuAnn served in many capacities but most recently in the Arizona Public Housing Authority department.



Governor's Volunteer Service Awards

▶ On Tuesday, April 29, 2011 the 10th annual Governor's Volunteer Service Awards were awarded, thanking Arizonans throughout the state who have given their time and talents to help solve serious social problems. The award recognizes eleven recipients each year who have displayed exemplary commitment to service and volunteering. The award is considered to be the highest volunteer award in the state of Arizona and is awarded by panels of statewide judges who select the recipients based on the following criteria: need, action, innovation and impact.

The Arizona Department of Housing would like to recognize Mike McQuaid who was a 2011 award recipient in the lifetime achievement category. Mr. McQuaid currently serves on the Arizona Housing Commission and has been an advocate for homeless in Phoenix for twenty five years. Serving as chair of the Board for the Andre House for over ten years, Mr. McQuaid oversaw the many services that were dedicated to helping individuals experiencing homelessness. Most recently, Mr. McQuaid founded "Helping Hands for the Homeless," an organization that raised tens of thousands of dollars for various service providers and helped in the construction of the Human Services Campus.

The department would like to congratulate Mr. McQuaid on receiving this prestigious award and thank him for his dedication to serving those less fortunate individuals in our community.

info **Governor's Division for Community and Youth Development**
(602) 542-3489 + volunteerawards@az.gov



Housing counselors from various agencies around the Valley participated with ADOH staff in the phone bank on June 28.

SAVE OUR HOME AZ PHONE BANK

➤ On June 28, the department teamed up with NBC Channel 12 and the Arizona Republic to take homeowners' calls and provide valuable information on the department's Save Our Home AZ Program. Housing counselors fielded calls from unemployed Arizona homeowners and assessed callers' eligibility in the federally funded mortgage assistance program. Approximately 250 individuals received assistance during the two hour time slot that aired on NBC Channel 12.

With thousands of individuals losing their unemployment benefits the department recognized the importance of making unemployed homeowners aware that additional assistance was still available. The Save Our Home AZ program serves as a critical bridge for Arizonans, allowing them to stay in their homes while they search for employment. This is especially important with the jobless rate remaining above 9 percent. The Department of Housing has dedicated \$36 million to the new unemployment assistance program, with funding derived from \$267 million allocated by the U.S. Department of Treasury under the Hardest Hit Funds. Under the unemployment assistance program, homeowners may receive a maximum of \$50,000 or up to 24 months of mortgage-payment assistance. The assistance will allow the qualified borrower adequate time to search for work, obtain job training or qualify for a modified mortgage payment without the fear of losing their home.

For additional information on the Save Our Home AZ program, or to determine if you are eligible for the program, please visit www.azhousing.gov. The Arizona Department of Housing urges individuals who take the self-assessment and find they are not eligible to contact the department's toll-free foreclosure hotline at 1-877-448-1211 to receive assistance.

info **Shaun Rieve**, Legislative Liaison and Public Information Officer
(602) 771-1008 + shaun.riev@azhousing.gov

ARIZONA CHALLENGES HUD'S PBCA DECISION

Over 30 Appeals Filed Questioning HUD's Bid Process

The Arizona Public Housing Authority (APHA) operates within the Arizona Department of Housing to manage the Project Based Contract Administration (PBCA) program in Arizona for HUD. Throughout its ten-year history, the APHA has garnered annual accolades from HUD for their clean audits, and meticulous and timely work. Paula Scott and her staff work tirelessly to maintain this level of excellence.

On July 1, ADOH learned that it had not been chosen to retain the PBCA contract for 2012. Pressured to find alternative and less costly ways to contract PBCA services, HUD had required each state to rebid its contract. Ultimately, this led to the award of new PBCA contracts to 27 states.

ADOH is deeply concerned with HUD's decision and has submitted a formal appeal to the U.S. GAO outlining the department's concerns over the lack of transparency in the bid process. HUD's deviation from their own scoring criteria is in question and ADOH has requested additional information from HUD regarding the scoring of these bids. The department is not alone in its efforts as the U.S. GAO has received over 30 appeals dealing with the PBCA contract from entities equally concerned with the process.

Mortgage Trouble?
Don't Delay...Call Today
ARIZONA FORECLOSURE HELP-LINE
1-877-448-1211
TOLL FREE

Since inception on May 28, 2008, Arizona's mortgage foreclosure help-line has received over 50,000 calls.

Calendar 2011

JULY

AUGUST

SEPTEMBER

5	Labor Day - Office Closed
8	Arizona Housing Finance Authority
21-23	2011 Arizona Housing Forum
23	Arizona Housing Commission
25	Hotel Reservation Cut-off - Tucson LIHTC Compliance Workshop

LIHTC COMPLIANCE WORKSHOP

October 18-19 | Desert Diamond Resort | Tucson

The 2011 Qualified Allocation Plan requires that property managers of Low Income Housing Tax Credit projects attend ADOH-sponsored compliance training annually. The upcoming October session in Tucson is the second workshop offered for 2011.

ON-LINE REGISTRATION <http://www.azhousing.gov/ShowPage.aspx?ID=384&CID=7>
Registration Deadline **October 4**

REGISTRATION FEE \$198 for the two day course

LOCATION Desert Diamond Resort

ROOM RATE \$79 per night
Reservation Deadline **September 25**

RESERVATIONS (520) 294-7777

GROUP NAME ADOH Compliance Workshop

TRANSPORTATION A courtesy airport shuttle is available. Call the hotel upon arrival to schedule a pick-up.

info **Cynthia Diggelmann** (602) 771-1016 + cynthia.diggelmann@azhousing.gov

UPCS TRAINING IN PHOENIX

ADOH is considering holding a two-day UPCS training in Phoenix in the Fall if there is enough interest. If you are interested in this training for yourself or your staff, please contact Lisa Troy, LIHTC Compliance Administrator, at lisa.troy@azhousing.gov or at 602-771-1071.

New Faces



Juan Bello

Juan Bello joins the ADOH LIHTC Compliance staff as a Compliance Officer. Juan has five years of experience in property management and most recently was Assistant

Property Manager for Sunrise Vista Apartments. An Arizona native, Juan became a father on Mother's Day to James Ernesto Bello.



Theresa Hoover

Theresa Hoover joins the department as the new Assistant to the Director. Ms. Hoover recently moved to the valley with her husband, Dale and son, Grant from Durango, Colorado

where they lived for 15 years. She previously worked at an architectural design office where her duties included administrative assistance and CAD drafting.



Chris Zygmunt

Chris Zygmunt is one of the newest employees to join the ADOH team managing the department's Information Technology systems. Chris comes to us from a local community bank at which

he developed and managed their IT systems. Chris is an Arizona native who recently earned his degree in Psychology from Arizona State University, yet continues to work on his passion for technology. Chris and his wife, Robin are the parents of Lily, born in February.

2011 Arizona Housing Forum



CALL FOR SPONSORS AND EXHIBITORS

Join the Arizona Department of Housing to support the progress of affordable housing in Arizona by participating as a sponsor or exhibitor for this year's Forum.

The Arizona Department of Housing invites you to join over 300 of your colleagues at the 2011 Arizona Housing Forum.



DR. LEE MCPHETERS is Research Professor of Economics in the W. P. Carey School of Business at Arizona State University...

info Cynthia Diggelmann (602) 771-1016 + cynthia.diggelmann@azhousing.gov

HOTEL INFORMATION

FRED KARNAS is Senior Adviser to HUD Secretary Shaun Donovan, and is called upon to deliver the message of what is going on in Washington, D.C.



TALKING STICK RESORT 9800 E. Indian Bend Road SR101 and Indian Bend Road Scottsdale, AZ



MICHAEL YANKOSKI, author of Under the Overpass, will deliver the Keynote Address at the Friday luncheon.

Deluxe Room Rate \$139.00 (+ 11.95% occupancy tax) Check-in 3:00 pm | Check-out 12:00 pm

info Reservations + (866) 877-9897 Deadline: August 22, 2011



Arizona Department of Housing

