Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the PHOENIX CITY COUNCIL NEIGHBORHOODS, HOUSING AND DEVELOPMENT SUBCOMMITTEE and to the general public, that the PHOENIX CITY COUNCIL NEIGHBORHOODS, HOUSING AND DEVELOPMENT SUBCOMMITTEE will hold a meeting open to the public on Tuesday, May 21, 2013 at 10:00 a.m. located at Phoenix City Hall, 1st Floor Atrium, Assembly Rooms A, B, & C, 200 West Washington Street, Phoenix, Arizona.

One or more Subcommittee members may participate via teleconference.

The agenda for the meeting is as follows (items may be discussed in a different sequence than posted):

<table>
<thead>
<tr>
<th></th>
<th>Call to Order</th>
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<tbody>
<tr>
<td>1.</td>
<td>Call to the Public: Consideration, discussion and comments from the public; those wishing to address the Subcommittee need not request permission in advance. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.</td>
<td>Daniel Valenzuela, Chair</td>
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<td>2.</td>
<td>Review and Approval of the April 16, 2013 Neighborhoods, Housing and Development Subcommittee Meeting Minutes</td>
<td>Page 5</td>
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<td>Items 4 - 8 are for consent action. No presentations are planned; however staff will be available to answer questions.</td>
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<td>4.</td>
<td>AWARD CONTRACT FOR HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) TENANT BASED RENTAL ASSISTANCE PROGRAM</td>
<td>Karl Matzinger, Housing Department</td>
</tr>
<tr>
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<td>This report requests the Subcommittee recommend City Council approval to enter into a two year contract with Pinal County with two one-year options to extend in the amount of $200,000. This $200,000 award will allow for the operation of the Housing Opportunities for Persons with Aids (HOPWA) Tenant Based Rental Assistance (TBRA) program for low-income Persons Living with AIDS/HIV or related diseases and their families in Pinal County for four (4) years. This item is for consent action.</td>
<td>Page 13</td>
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<td>5.</td>
<td>APPROVAL TO APPLY FOR AND ACCEPT UP TO 150 ADDITIONAL HUD-VASH VOUCHERS</td>
<td>Karl Matzinger, Housing Department</td>
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<td></td>
<td>This report requests Subcommittee recommend City Council approval to apply for, accept, and enter into a contract for up to 150 additional HUD-VASH vouchers from the U.S. Department of Housing and Urban Development (HUD). This item is for consent action.</td>
<td>Page 15</td>
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<tr>
<td>Item</td>
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<td>6.</td>
<td><strong>AUTHORITY TO ALLOCATE FUNDS AND ENTER INTO CONTRACTS FOR HOUSING COUNSELING AND DOWNPAYMENT ASSISTANCE</strong>&lt;br&gt;This report requests Subcommittee recommend City Council approval of the allocation of up to $450,000 in federal HOME and HOPE VI funds for two-year contracts with three one-year extension options with Community Housing Resources of Arizona, Desert Mission Neighborhood Renewal and Chicanos Por La Causa, Inc. for pre-purchase housing counseling and the down payment/closing cost assistance program for low and moderate income families.&lt;br&gt;This item is for consent action.</td>
<td>Karl Matzinger, Housing Department</td>
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<td>7.</td>
<td><strong>CDBG AND NONFEDERAL HOUSING COUNSELING RFP RECOMMENDATIONS</strong>&lt;br&gt;This report requests the Subcommittee recommend City Council approval to award Community Development Block Grant (CDBG) and nonfederal funds and enter into contracts with nonprofit agencies for housing counseling services.&lt;br&gt;This item is for consent action.</td>
<td>Chris Hallett, Neighborhood Services</td>
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<tr>
<td>8.</td>
<td><strong>ARIZONA FORWARD 2013-14 ANNUAL MEMBERSHIP DUES</strong>&lt;br&gt;This report provides information to the Subcommittee about the City’s Arizona Forward 2013-14 annual membership dues and requests that the Subcommittee recommend City Council approval of continued participation as a Visionary member of Arizona Forward at a total cost of $20,900.&lt;br&gt;This item is for consent action.</td>
<td>Karen Peters, Government Relations</td>
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<td>9.</td>
<td><strong>PROBLEM MULTIFAMILY RENTAL PROPERTIES CODE COMPLIANCE ENFORCEMENT PROCESS</strong>&lt;br&gt;This report provides an update to the Subcommittee on information requested from the April 16, 2013 meeting regarding the process to address health and safety concerns at problem multifamily rental properties through education, enforcement and community prosecution.&lt;br&gt;This item is for information, discussion and possible action.</td>
<td>Gary Verburg, Law&lt;br&gt;Chris Hallett, Neighborhood Services</td>
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<tr>
<td>10.</td>
<td><strong>AUTHORIZATION OF FUNDING FOR PARK LEE REHABILITATION</strong>&lt;br&gt;This report requests the Subcommittee recommend City Council approval of additional Neighborhood Stabilization Program (NSP) and Housing Department Affordable Housing Program funds in the total amount of $2,400,000 to complete the rehabilitation of the remaining 117-units at Park Lee Apartments.&lt;br&gt;This item is for information, discussion and possible action.</td>
<td>Karl Matzinger, Housing Department</td>
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</tbody>
</table>

Items 9-11 are for information, discussion and possible action.
### 11. PLANPHX OVERVIEW AND UPDATE

This report provides information to the Subcommittee in regards to the General Plan Update also known as PlanPHX. Staff requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval of five Guiding Principles as the basis for the General Plan Update. **This item is for information, discussion and possible action.**

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**Item 12 is for information and discussion.**

### 12. CHILDHELP FACILITY RELOCATION DESIGN CONTRACT

This report provides an update to the Subcommittee regarding the design contract to relocate Childhelp USA and its partners, including the City of Phoenix Police Department Crimes Against Children Unit, to the city-owned Family Advocacy Center building located at 2120 N. Central Avenue. **This item is for information and discussion.**

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**Daniel Valenzuela, Chair**

### 13. Future Agenda Items:

This item is scheduled to give Subcommittee members an opportunity to mention possible topics for future Subcommittee agendas or to request City staff to follow-up on Subcommittee issues.

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**Daniel Valenzuela, Chair**

### 14. Call to the Public:

Consideration, discussion and comments from the public; those wishing to address the Subcommittee need not request permission in advance. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.

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**Daniel Valenzuela, Chair**

### 15. Adjournment

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**Daniel Valenzuela, Chair**

For further information, please call Brandie Barrett, Management Assistant, City Manager’s Office, at 602-262-7684 or Wathsna Sayasane at 602-262-4449.

**Persons paid to lobby on behalf of persons or organizations other than themselves shall register with the City Clerk prior to lobbying or within five business days thereafter, and must register annually to continue lobbying. If you have any questions about registration or whether or not you must register, please contact the City Clerk’s Office at 602-262-6811.**

For reasonable accommodations, call Brandie Barrett at Voice/602-262-7684 or TTY/602-534-5500, or Wathsna Sayasane at 602-262-4449 as early as possible to coordinate needed arrangements.

**Subcommittee Members**

| Councilman Michael Johnson | Councilman Jim Waring |
| Councilman Tom Simplot | Councilman Daniel Valenzuela, Chair |

May 16, 2013
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1. **Call To Order**
   Councilman Valenzuela called the meeting to order at 10:06 a.m. with Councilmen Johnson and Simplot present, and Councilman Waring present via telephone. Councilman Waring arrived in person at the meeting at 10:09 a.m.

2. **Call to the Public**
   None

3. **Review and Approval of the March 27, 2013 Neighborhoods, Housing and Development Subcommittee Meeting Minutes**
   Councilman Simplot motioned to approve the March 27, 2013 minutes. Councilman Johnson seconded the motion, which passed 4-0.

4. **2013-14 Consolidated Plan Annual Action Plan**
   See item 6.

5. **Community Development Block Grant Reprogramming**
   See item 6.
6. **2013-2013 Community Development Block Grant Public Services and Public Facilities Request for Proposals**

Councilman Simplot declared a conflict of interest relating funding for Southwest Housing Development in item number 6.

Councilman Simplot moved approval of items 4, 5 and 6 except any funding related to Southwest Human Development in item 6. Councilman Johnson seconded the motion, which passed 4-0.

Councilman Johnson motioned to approve funding related to Southwest Human Development in item 6. Councilman Valenzuela seconded the motion, which passed 3-0. Councilman Simplot abstained from voting due to the conflict of interest.

7. **2012 Phoenix Building Construction Code Adoption**

Deputy City Manager Rick Naimark introduced the item and Derek Horn, Acting Director and Cindy Stotler, Assistant Director, both with the Planning and Development Department.

Councilman Waring arrived in person at 10:09 a.m.

Ms. Stotler presented background information regarding the purpose and importance of building codes. She pointed out that building codes are taken into consideration by insurance companies to calculate rates. She discussed the development of building codes by the International Code Council (ICC) in collaboration with multiple public and private agencies. She noted the ICC issues a new code every three years but the City of Phoenix had skipped adopting an updated code in 2009 due to lack of resources. Ms. Stotler went through the five-step code adoption process.

Ms. Stotler presented the timeline of events that had occurred since April 2012 when the ICC provided updates to all their codes. She noted if the item was approved by the Mayor and City Council, the new 2012 Building Code would be effective July 1, 2013. She described the public involvement portion of the process, which included review and approval by the Development Advisory Board, public meetings and public amendment submittals. She pointed out that 11 public amendment submittals were approved and incorporated into the proposed 2012 Building Code.

Ms. Stotler discussed the different types of amendments to national codes. She discussed amendments to 1) make codes applicable to local conditions, 2) support the solar industry, 3) promote sustainability, 4) make the codes applicable to preservation/remodel of historic structures, and 5) maintain competition in development industry. She pointed out new parts of the recommendation, which included adoption of the Uniform Plumbing Code and International Plumbing Code together, and the adoption of the administrative provisions of the International Building Codes. She added staff will post amendments online for easier access to the public. She outlined the multiple types of codes incorporated into the 2012 Building Code, for example the 2011 National Electric Code and 2012 Uniform
Ms. Stotler requested the Subcommittee recommend the Mayor and City Council adopt the 2012 Building Code as amended and approved by the Design Advisory Board.

Councilman Simplot recognized comment cards submitted by the public.

Scott Anderson discussed a letter dated April 4, 2013 he had submitted expressing disagreement with an allowance of a building setback exemption to continue until July 2015. He opposed the ability for subdivisions with approvals from 2007 to continue building three-foot side yard setbacks, when the 2012 Building Code requires more stringent five-foot side yard setbacks.

Councilman Simplot asked how many lots qualify for the exemption and what would happen to lots that qualify but were not built by July 2015. Ms. Stotler responded approximately 11,000 platted lots without permits existed in 2010 and an estimated 4,000 to 5,000 of those homes have been built. She stated staff agreed to the extension with home builders back in 2010. She cited significant financial expenses home builders faced when having to redesign and submit previously approved plats as part of staff’s decision to extend the exemption. She added staff expected the entire 11,000 exempted homes to be completed within three years. Ms. Stotler also replied any grandfathered lot not built by July 2015 would have to comply with the 2012 Building Code. She added there were options, such as fire sprinklers or construction of fire-rated walls if a property owner wanted to maintain a three-foot setback, which would comply with the 2012 Building Code.

Councilman Johnson inquired as to whether builders were able to deviate from site plans approved prior to July 2007, and whether the City had any liability by allowing the extension. Ms. Stotler clarified if a builder wanted to build a different type of home or redesign from what was approved prior to July 2007, then they would have to comply with the 2012 Building Code. Mr. Horn stated any liability charges against the City would have to be reviewed on a case-by-case basis due to the multiple variables that could be related to the cause of a fire. Mr. Naimark added the City Attorney could separately brief each councilmember if requested.

Mr. Anderson added builders would not be forced to re-plat properties in order to comply with the 2012 Building Code, because they still have the ability to choose the option to install fire sprinklers or fire-rate sidewalls.

Jackson Moll, Home Builders Association of Central Arizona Deputy Director, expressed support for the item and keeping the extension. He discussed concerns with the Energy Code portion of the item. He requested the Subcommittee amend the energy index score from 70 to 73. Mr. Moll added a State statute had been introduced to make municipalities use a score of 73.

Councilman Johnson asked whether there was a significant difference between the two scores. Ms. Stotler explained there was a significant impact related to energy savings for households. She cited research from the U.S. Department of Energy and emphasized support from local power companies for staff’s recommendation. She added the Development Advisory Board listened to both sides of the argument for the 70 and 73 scores and the Board approved the 70 score in order to set the standard for the valley on sustainability.
Councilman Simplot inquired if staff would be looking for more energy saving updates as technology progresses over time since there would be periodic revisions of the codes in future years. Ms. Stotler confirmed staff would continue to update codes to recommend better energy savings, and added the Energy Code sets the minimum and staff’s recommendation was two points more stringent than the International Energy Conservation Code.

Councilman Waring asked if an analysis was conducted to determine the cost impact to home builders, which he stressed would impact the cost of the home to consumers. Ms. Stotler replied a study conducted by the U.S. Department of Energy calculated the life cycle cost savings for a house built with the 2009 codes was approximately $3,245 in net positive cash flow in one year, which is based on a full accounting over a 30 year period.

Councilman Waring expressed concern with differences in cost saving calculations and increasing costs of construction for home builders.

Mr. Moll explained findings from a study conducted by Leading Home Builders of America in conjunction with the National Association of Home Builders. He added the home building industry ultimately has concerns with increases in construction costs versus increases in appraised home values, which when combined with lending restrictions becomes challenging for builders.

Sharon Bonesteel, representative with SRP, expressed support for the adoption of the International Energy Conservation Code and International Green Construction Code. She highlighted the overall cost savings for consumers, and pointed out the higher costs consumers have to incur for the construction of a new power plant when energy efficiencies are not addressed through other means. She discussed SRP’s business rationale for providing energy efficiency incentives, in addition to the overall consumer benefit.

\textbf{Opposed, did not wish to speak}

R.E. Gullion

Councilman Johnson asked for clarification on the timing of the 2006 and 2007 code adoption processes. Ms. Stotler replied the code adoption process is typically a year late, so the 2006 Codes were adopted in 2007, which was why staff allowed already existing platted lots in 2007 to continue with the three-foot setback.

Councilman Simplot asked if there were any amendments that could possibly negatively impact the elevator and mechanical engineering field. Ms. Stotler stated staff did not anticipate any significant impacts and confirmed several meetings were conducted with Fire Department staff, elevator industry representatives and the Building Owners and Managers Association.

Councilman Simplot motioned to approve staff’s recommendation with a modification to use a 73 HERS energy rating. Councilman Johnson seconded the motion, which passed 4:0.
8. **Streamlining the Planning & Development Experience**

Councilman Simplot left the meeting at 10:56 a.m.

Mr. Naimark introduced the item and stated Mr. Horn, Ms. Stotler, and Alan Stephenson, Acting Deputy Director from the Planning and Development Department would provide a presentation. He stated the item stemmed from staff's efforts to improve the planning and development process for customers.

Mr. Horn provided background information related to the item. He discussed the implementation of the five-day site plan review and electronic plan review processes. He noted the proposed program includes three areas of focus: 1) Infill Development, 2) Modernize Permitting System, and 3) Streamlining the Zoning Ordinance.

Ms. Stotler discussed the proposed recommendations to encourage infill development. She summarized the benefits and challenges related to infill development. She emphasized the importance of capitalizing on the existing investments encouraging infill development, such as light rail infrastructure and the Reinvent Phoenix initiative. She explained the proposal to develop an advisory committee, identify a pilot area, and develop ideas to remove development barriers and incorporate greater flexibility.

Councilman Simplot returned to the meeting at 11:00 a.m.

Ms. Stotler presented the proposal to modernize the Department’s permitting system. She discussed the need to utilize new technology, such as mobile applications and devices. She explained the proposal to replace the Department's outdated permitting system, incorporation of all divisions of the department into the system, and providing “smart” technology for staff and customers.

Mr. Stephenson summarized the proposal to streamline the Zoning Ordinance. He described changes to the Zoning Ordinance, which included consolidating chapters, addressing inconsistencies, reorganizing the list of uses, and reformatting text to be more “user friendly.” He discussed examples of land uses that would be amended. He added the proposal would require a Zoning Ordinance Text Amendment case, which would be vetted through the public hearing process, and would require final approval from the Mayor and City Council.

Councilman Simplot asked for confirmation on the software update cost. Mr. Naimark confirmed there would be an approximate $3.5 million cost for the new software, which would be approved through a separate vote. He added funding for the modernization of the permitting system was included in the current proposed City Manager’s Trial Budget, and would be funded by development fees. Councilman Simplot expressed support for the proposed recommendations but pointed out the costs necessary to implement staff’s recommendation.

In response to Councilman Johnson, Mr. Naimark confirmed staff requests the Subcommittee recommend City Council approval of the Streamlining the Planning & Development Experience program of process improvements.
Councilman Simplot motioned for approval. Councilman Johnson seconded the motion, which passed 4:0.

9. **Multi-Family Properties – Code Compliance and Landlord/Tenant Concerns**

Mr. Naimark introduced the item, Neighborhood Services Department Director Chris Hallett, and Neighborhood Services Department Deputy Director Tim Boling.

Mr. Hallett explained that concerns regarding multi-family landlord/tenant issues have increased over the past few summers due to increased aging of housing stock, and that the City addresses the issue through education and enforcement. He discussed the landlord/tenant counseling services provided as part of the education component and provided statistics related to the number of customers served and types of cases. He pointed out the City of Phoenix has the only city-run HUD Certified Landlord/Tenant Counseling Program in Arizona, and they resolve approximately 90 percent of the cases. He noted the unresolved cases frequently involve health and safety issues and are handled by the enforcement team inspectors. He added these cases are the most problematic and typically end up going through the court process.

Mr. Hallett introduced a video of a local news story of a real-life landlord/tenant issue at Woodbridge Apartments. He added the case started last summer, and court hearings would be conducted in May. He discussed recommendations for new approaches to expedite the process, which included utilizing partnerships with industry stakeholders, identifying possible funding sources, and researching possible State legislation to assist in addressing the issue.

Councilman Johnson acknowledged the significance of the issue and expressed support for stronger enforcement action. He expressed concern with the length of time required for a case to be taken to court and the conditions tenants have to continue to live in until a court order is made.

Councilman Simplot discussed research conducted by a 2005 Task Force related to the issue. He explained the Task Force reviewed the Zoning Ordinance and State laws and expressed concern that the City was not utilizing existing resources. He urged staff to inform the City Council of what resources are needed to assist them in addressing the issue. He expressed concern with the lack of legal enforcement and requested more information from the City Attorney.

Councilman Valenzuela shared an example of a landlord/tenant issue in District 5. He emphasized the need to communicate that slumlords were not welcome in Phoenix.

Mr. Naimark stated the Law Department would provide some follow-up regarding the enforcement issue.

10. **2013 National Community Development Week Celebration Update**

Mr. Hallett introduced the item. He explained the City annually recognizes and gives recognition and awards to agencies and individuals who have used Community Development Block Grant (CDBG) funds in an exemplary manner. He stated the
CDBG funding allocation to the Neighborhood Services Department have ranged from $15 to $20 million.

Mr. Hallett stated the nine award winners were recognized during National Community Development Week. He described each of the following awards and their winners: Lupe Sisneros Memorial Award, Eva Olivas with Phoenix Revitalization Corporation; Community Partnership Award, Ocotillo Library and Workforce Literacy Center; Community Service Hero Award, Grand Canyon University; Neighborhood Revitalization Award, B & B Appliances; Homeless Partner of the Year Award, Legacy Crossing; Housing Development of the Year Award, Encanto Pointe Housing First Development; Economic Development Award of Excellence Award, Deng Enterprises; and Disability Advocacy Award, Mark Jacoby, Gompers Habilitation Center.

Mr. Hallett emphasized the challenge with continued reductions in CDBG funding. He pointed out that Phoenix, the sixth largest city by population, ranked 12th for funding. He thanked councilmembers for their continued support for the program.

Councilman Valenzuela shared his experience at the awards ceremony. He acknowledged the accomplishments of the winners. He recognized the work of Councilman Johnson in Washington D.C. and lobbying on behalf of Phoenix.

Councilman Johnson stressed the importance of continuing to promote increased funding for neighborhood services and programs for residents. He acknowledged the work of staff and their efficiency in maximizing the use of the funding received when compared to other larger cities.

11. Neighborhood Stabilization Program Update

Mr. Naimark introduced the item. He stated there were numerous challenges associated with deployment of NSP funds. He acknowledged the work of Jerome Miller, the Neighborhood Services Department Director at the time, and former Mayor Gordon for encouraging staff to apply for more money. He introduced Karl Matzinger, Interim Housing Department Director and Chris Hallet, Neighborhood Services Director.

Mr. Hallett discussed the history of the program. He noted the program started in 2008 with the first allocation of funding called Neighborhood Stabilization Program (NSP) 1 with $39.4 million. He explained with subsequent funding, NSP2 and NSP3, the City received another $60 million each time. He added the implementation was a multi-departmental effort between the Neighborhood Services and Housing Departments. He introduced Kate Krietor, Neighborhood Services Department Deputy Director, and Angela Duncan, Housing Department Deputy Director. Mr. Hallett concluded by emphasizing staff exceeded the funding requirements as mandated by the Federal government and the residential unit count as well.

Ms. Krietor presented maps displaying the impact of the NSP on Phoenix’s inventory of distressed residential homes. She explained the data between December 2010 and March 2013. She showed which areas of the city the NSP funds were being used.
Mr. Hallett emphasized staff exceeded the goal related to unit counts. He pointed out efforts to concentrate on specific areas. He described a handout provided to explain which areas were pending and still targeted.

Ms. Krietor discussed the data for multi-family and single family units in the NSP1, NSP2 and NSP3 allocations. She also explained the use of the funds by services provided, which included housing rehabilitation and homeownership assistance.

Mr. Matzinger presented the multi-family program portion of the NSP. He discussed the number of communities and units, in addition to the rehabilitation and assistance to lower income households the program affected. He provided a status update on each multi-family site.

Ms. Krietor described the “Houses to Homes” data and shared success stories. She explained other services related to the multi-family portion of the NSP, such as acquisition and green demolition. She discussed the number of jobs created and the number of customers assisted through outreach efforts. She emphasized the success of assisting residents to become homebuyers.

Mr. Hallett concluded noted staff would provide a follow-up with an impact statement presentation.

Councilman Johnson thanked staff and commended their success with the program. He discussed the importance of the program and the value provided to the community.

Craig Tribken acknowledged the impact of NSP. He encouraged the City to look to the future and discuss how to continue to address the issues related to slum and blight.

Councilman Simplot expressed support for the program and acknowledged the work of staff.

12. Future Agenda Items

None

13. Call to the Public

None

19. Adjournment

The meeting adjourned at 12:05 p.m.

Respectfully submitted,

Wathsna Sayasane
Management Intern
TO: Neal Young  
Senior Executive Assistant to the  
City Manager  

FROM: Karl Matzinger  
Interim Housing Director  

SUBJECT: AWARD CONTRACT FOR HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) TENANT BASED RENTAL ASSISTANCE PROGRAM  

This report requests the Neighborhoods, Housing and Development (NHD) Subcommittee recommend City Council approval to enter into a two year contract with Pinal County with two one-year options to extend in the amount of $200,000. This $200,000 award will allow for the operation of the Housing Opportunities for Persons with Aids (HOPWA) Tenant Based Rental Assistance (TBRA) program for low-income Persons Living with AIDS/HIV or related diseases and their families in Pinal County for four (4) years.

THE ISSUE  

HUD distributes 90 percent of its HOPWA program funds using a statutory formula based upon submission and HUD approval of a Consolidated Plan pursuant to the Code of Federal Regulations (24 CFR Part 91). The HOPWA Formula Program uses a statutorily mandated method to allocate HOPWA funds to eligible cities on behalf of their metropolitan areas and to eligible States to address the specific needs of persons living with HIV/AIDS and their families. Metropolitan areas with a population of more than 500,000 and at least 1,500 cumulative AIDS cases are eligible for HOPWA formula grants. In these areas, the largest city serves as the Formula Grant Administrator on behalf of the metropolitan area. HUD has designated all of the towns in Maricopa and Pinal Counties as the Phoenix Eligible Metropolitan Area (the EMA). The City is the designated Formula Grant Administrator for the EMA, and began receiving HOPWA funds in that capacity in 1994. As Formula Grant Administrator, the City is responsible for procuring services and disbursing HOPWA funds consistent with the City’s Consolidated plan and as approved by HUD.

On January 10, 2012, the Phoenix City Council approved and adopted an updated HIV/AIDS Housing Plan for the EMA, which emphasized four key program directives:

- Develop and de-concentrate housing units for Persons Living with HIV/AIDS (PLWHAs);
- Provide supportive services that link PLWHAs with critical health and housing services to improve housing stability;
- Enhance connections to existing systems and programs that address homelessness to ensure the needs of PLWHAs are addressed in the ever changing context of federal regulations; and
- Continue the City’s participation as the HOPWA Fund Grant Administrator to support community efforts to address the housing needs of homeless PLWHAs.
On March 1, 2013 the Housing Department issued a RFP for this service to which Pinal County has responded and has been determined to be a viable respondent able to administer the rental assistance program.

HOUSING IMPACT

Special Needs Housing is defined as housing facilities and programs that provide supportive services to individuals or families that need assistance in addition to their housing. Special needs populations include homeless persons, disabled persons, frail elderly, persons living with HIV/AIDS and victims of domestic violence. The administrator of the TBRA program will qualify eligible persons living with AIDS/HIV for rental assistance which will pay the gap between what the tenant can afford and market rate rent. Pinal County will subsidize eight (8) units over a period of four (4) years.

FINANCIAL IMPACT

There will be no City General Funds used for this program. All HOPWA funding comes from the U.S. Department of Housing and Urban Development.

RECOMMENDATION

This report requests the Neighborhoods, Housing and Development (NHD) Subcommittee recommend City Council approval to enter into a two year contract with Pinal County with two one-year options to extend in the amount of $200,000. This $200,000 award will allow for the operation of the Housing Opportunities for Persons with Aids (HOPWA) Tenant Based Rental Assistance (TBRA) program for low-income Persons Living with AIDS/HIV or related diseases and their families in Pinal County for four (4) years.
This report requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval to apply for, accept, and enter into a contract for up to 150 additional HUD-VASH vouchers from the U.S. Department of Housing and Urban Development (HUD).

THE ISSUE

HUD has informed the City of Phoenix Housing Department that new vouchers will be awarded for the Veterans Affairs Supportive Housing (HUD-VASH) program. The City of Phoenix will be invited to submit an application for additional vouchers, which historically ranges from 100 to 150 vouchers. These vouchers provide rental assistance to homeless veterans who are receiving services through the Veterans Affairs Medical Center.

The Housing Department has received previous HUD-VASH voucher allocations annually beginning in 2008. The current number of HUD-VASH vouchers managed by the Housing Department is 595. In October 2012, the Housing Department participated in the HUD-VASH Boot Camp that brought together communities and federal leaders to develop goals in serving chronically homeless veterans, removing barriers to housing placement, and working toward the federal goal to end veteran homelessness by July 2015. These additional vouchers are needed to help meet this goal within Phoenix.

HOUSING IMPACT

The Housing Department provides and promotes diversified housing opportunities and enriches the quality of life for low-to moderate-income families, seniors, and persons with disabilities by developing, managing, and subsidizing affordable housing. If approval is received it will further the Housing Department’s goal of increasing housing opportunities within the city of Phoenix.

RECOMMENDATION

This report requests that the Neighborhoods, Housing and Development Subcommittee recommend City Council approval to apply for, accept, and enter into a contract for up to 150 additional vouchers from the U.S. Department of Housing and Urban Development (HUD).
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TO: Neal Young
Senior Executive Assistant to the
City Manager

FROM: Karl Matzinger
Interim Housing Director

SUBJECT: AUTHORITY TO ALLOCATE FUNDS AND ENTER INTO CONTRACTS
FOR HOUSING COUNSELING AND DOWNPAYMENT ASSISTANCE

This report requests the Neighborhoods, Housing and Development (NHD) Subcommittee recommend City Council approval of the allocation of up to $450,000 in federal HOME and HOPE VI funds for two-year contracts with three one-year extension options with Community Housing Resources of Arizona, Desert Mission Neighborhood Renewal and Chicanos Por La Causa, Inc. for pre-purchase housing counseling and the down payment/closing cost assistance program for low and moderate income families.

THE ISSUE

The utilization of HOME and HOPE VI program funds by the above named organizations will be used for city-wide down payment and closing cost assistance for low and moderate income families.

On April 22, 2013 the City released a Request for Proposals (RFP) for nonprofit housing agencies to provide housing counseling services and down payment assistance to eligible low and moderate income families in Phoenix. The following agencies were selected on the basis of their response to the City’s RFP. A reservation of HOME and HOPE VI funds is recommended as follows:

<table>
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<tr>
<th>Organization</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Community Housing Resources of Arizona</td>
<td>$150,000</td>
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<tr>
<td>Desert Mission Neighborhood Renewal</td>
<td>$150,000</td>
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<tr>
<td>Chicanos Por La Causa, Inc.</td>
<td>$150,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$450,000</strong></td>
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HOPE VI funds, as down payment assistance, will be utilized first or in combination with HOME Program funds.

HOUSING IMPACT

The agencies will provide pre-purchase homeownership counseling and the processing of down payment assistance loans for eligible homebuyers who will receive the assistance in accordance with the City’s Affordable Housing Loan Program and Underwriting Guidelines.

Affordable homeownership is generally defined as homeownership opportunities available to individuals or families between 60 percent and 80 percent of the area median income (currently $37,860 and $50,500 for a family of four). The approval of funding for the pre-purchase housing counseling and down payment/closing cost assistance...
assistance program will assist the Housing Department in furthering its mission of providing affordable homeownership opportunities to low and moderate income families in Phoenix.

OTHER INFORMATION

Proposals submitted in response to the Housing Department RFP for the housing counseling and down payment assistance program were subject to four evaluation criteria: 1) Experience and Qualifications; 2) Method of Approach; 3) Outcomes; and 4) Budget. The fees for these services will be in accordance with the RFP responses and will not exceed federal limitations.

FINANCIAL IMPACT

No City General Funds will be used for this program. All funds will come from the U.S. Department of Housing and Urban Development via federal grants.

RECOMMENDATION

This report requests the Neighborhoods, Housing and Development (NHD) Subcommittee recommend City Council approval of the allocation of up to $450,000 in federal funds from HOME and HOPE VI for two-year contracts with three one-year extension options for all three agencies. Further request that the Subcommittee recommend City Council approval to enter into contracts with Community Housing Resources of Arizona, Desert Mission Neighborhood Renewal and Chicanos Por La Causa, Inc. for pre-purchase housing counseling and down payment/closing cost assistance program for low and moderate income families.
This report requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval to award Community Development Block Grant (CDBG) and nonfederal funds and enter into contracts with nonprofit agencies for housing counseling services.

THE ISSUE

The city receives an annual entitlement of CDBG funds from the U.S. Department of Housing and Urban Development (HUD) for activities which include funds for housing counseling services. Additional nonfederal funds are available for this activity and were included in the Request for Proposals (RFP) for Housing Counseling Services. The nonfederal funds were provided to the city through a Community Reinvestment Act (CRA) contribution and are designated specifically for foreclosure prevention activities.

The Housing Counseling RFP was issued on April 22 and proposal submissions were due April 29. Three organizations submitted proposals with a total request amount of $88,379.50 in CDBG funds and $77,476.90 in nonfederal funds.

Proposals submitted to the Housing Counseling program were evaluated using the following evaluation criteria: 1) proposed services/work plan; 2) organization capacity and experience; 3) track record/capacity with federal funds; and 4) program budget. The total funds available in the program are $144,270 of CDBG and $50,000 of nonfederal funds.

The following CDBG proposal had the highest score and is recommended for funding:

Community Housing Resources of Arizona (CHRA) $ 45,000

The following nonfederal funds proposal had the highest score and is recommended for partial funding:

Neighborhood Housing Services of Phoenix $ 30,000

The RFP will be conducted again in late 2013 or early 2014 as additional services are needed.
OTHER INFORMATION

On May 2, 2012, the City Council approved the Annual Action Plan, a part of the HUD Consolidated Plan, which includes funding for housing counseling activities to be awarded to nonprofit agencies through an RFP process. This year’s RFP emphasized funding the following four activities: Mortgage Default and Foreclosure Prevention Housing Counseling; Homebuyer Re-entry, Credit Improvement, and Debt Reduction Strategies; Prepurchase Housing Counseling and Homebuyer Education; and Deceptive/Predatory Lending Intervention Program and Scam Awareness.

RECOMMENDATION

This report requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval to award CDBG Housing Counseling funds and enter into contract with Community Housing Resources of Arizona (CHRA) and Neighborhood Housing Services of Phoenix.
CITY COUNCIL REPORT

TO: David Cavazos  
City Manager

FROM: Karen Peters  
Senior Executive Assistant to the  
City Manager

SUBJECT: ARIZONA FORWARD 2013-14 ANNUAL MEMBERSHIP DUES

This report provides information to the Neighborhoods, Housing and Development Subcommittee about the City’s Arizona Forward 2013-14 annual membership dues and requests that the Subcommittee recommend City Council approval of continued participation as a Visionary member of Arizona Forward at a total cost of $20,900.

THE ISSUE
Established in 1969, Arizona Forward (formerly Valley Forward) is a non-profit organization that brings business and civic leaders together to convene thoughtful public dialogue on statewide issues and to promote the livability and sustainability of Valley communities and the state. Arizona Forward promotes statewide dialogue and cooperation on environmental and development topics through issue committees, volunteer projects, education and promotion.

Arizona Forward's members include large and small businesses, municipalities, governmental agencies and non-profit organizations. The City of Phoenix has been a member of Arizona Forward since 1990 and became a Visionary member in 2007. As a Visionary member, the City’s membership in Arizona Forward includes sponsor recognition for Arizona Forward's annual programs and events, including the Environmental Excellence Awards, which recognizes projects that demonstrate a high level of environmental commitment and contribute to the region’s overall sustainability.

The City of Phoenix is an environmental and sustainability leader in the state and benefits from participating in Arizona Forward to ensure cooperation and idea-sharing on important topics like smart growth and development, efficient transportation, improved air quality, responsible water management and energy alternatives. These statewide issues have a significant effect on quality of life in the Valley and benefit the City and its residents.

RECOMMENDATION
Staff requests the Neighborhoods, Housing and Development Subcommittee recommend that the City Council approve the City’s continued participation as a Visionary member of Arizona Forward at a total cost of $20,900 in 2013-14.
This report provides an update to the Neighborhood, Housing and Development Subcommittee on information requested from the April 16, 2013 meeting regarding the process to address health and safety concerns at problem multifamily rental properties through education, enforcement and community prosecution.

THE ISSUE

Each year the Neighborhood Services Department (NSD) encounters residential rental properties with extensive and complex violations that require more than standard code enforcement to resolve. Over 90 percent of NSD’s code enforcement cases, including interior code violation cases, are resolved voluntarily. The remaining 10 percent are considered problem properties and are resolved through the civil or criminal court process, or through the contractual abatement process. NSD coordinates joint enforcement strategies with partner departments and agencies to achieve resolution at problem multifamily rental properties. Primary partner departments and agencies include Police, Fire, Prosecutor’s Office, Planning and Development, Water Services, Human Services and Maricopa County Environmental Services. Problem rental properties that require civil or criminal prosecution are assigned a specific Prosecutor from the Community Prosecution Bureau to assure a coordinated and effective adjudication process until the property is in compliance.

The City has the following tools available to help solve problems found in multifamily rental properties and will look further into their applicability for a subsequent subcommittee report:

- Rental registration
- Designation of slum properties
- Require and monitor reoccupancy standards
- Imposition of fines for code violations and possible criminal sanctions to address recidivist offenders
Tools used more often include providing interior inspections to enforce code standards, monitoring progress by the City Court through probation, providing Landlord/Tenant counseling and tenant assistance, and abating of hazardous and unsafe conditions. These tools are available and used; however, they must be adequately funded to be a viable resource in the problem-solving process.

OTHER INFORMATION

Landlord/Tenant Education
NSD Landlord/Tenant counselors provide educational services to both landlords and tenants on their rights and responsibilities under the Arizona Residential Landlord and Tenant Act. Ensuring that landlords and tenants fully understand their respective responsibilities under Arizona state law is the first step to resolve complaints on property conditions and often improves communication between the parties involved. Counselors educate and present residents with information and legal forms necessary to address dwelling health and safety hazards such as a five-day Notice Request for Repairs. This process is effective in addressing many of the property condition complaints made by tenants. Last fiscal year, 70 (9 percent) of the 775 property condition complaints reported by tenants remained unresolved after the landlord/tenant counseling process. These cases were referred to NSD’s Preservation Division to address through the code enforcement process.

Code Enforcement Process
NSD conducts interior inspections at the request of tenants to determine if the property violates City code. Landlords are required to correct all code violations noticed through the enforcement process. On average, staff performs approximately 78 interior inspections per year and the activity takes an average of two hours each for two inspectors. Conversely, the standard case inspection (mostly single-family properties in neighborhoods, often top eight violations) averages four inspections per hour.

On rare occasions, if imminent health and safety hazards are determined to exist at occupied multifamily rental properties, NSD and partner departments/agencies have established a team approach to strategically review and address the situation. In such situations the interdepartmental/interagency team partners to identify and define hazards, establish the impact on residents, discuss potential options, and determine if it will be necessary to vacate residents and what code enforcement or other actions will be necessary. The team participants vary depending upon the issues. If the multi-departmental/agency team decides vacating residents is necessary, the team provides follow-up tenant assistance on a case-by-case basis. NSD has a limited emergency tenant assistance program that provides temporary emergency shelter and related services for eligible low-to-moderate income tenants vacated by the City due to health and safety hazards.

Prosecution
The City may also pursue civil or criminal charges (or both) against a responsible party who caused or permitted the violation. The City Court maintains jurisdiction over the responsible party and can monitor progress in solving the problem. Civil code enforcement is initiated by NSD Inspectors. Civil enforcement cases are heard by a Municipal Court Hearing Officer and upon a finding of responsibility impose a fine of $100 to $2,500 per charge. However, if the responsible party is found not responsible, the City may be subject to paying attorney fees.
A Community Prosecutor becomes involved in a civil enforcement case when NSD requests guidance from the prosecutor. The prosecutor works with the inspector to ensure the case is prepared in accordance with the law and an eye toward long-term solutions. Experience has shown that problem rental properties require a prosecution that involves a sufficient number of violations to motivate an owner to spend the money necessary to bring the property into compliance.

A criminal case may be pursued when the Community Prosecutor receives inspection reports about a responsible party who caused or permitted the violations. Optimally, the Community Prosecutor is consulted when violations are discovered by inspectors to enable the prosecutor to assist in formulating the evidence to obtain a successful prosecution. The prosecutor’s presence at these meetings is to provide guidance to City departments, suggest viable solutions to the problem, identify appropriate tools, and ensure due process to the accused.

When the team decides to seek criminal prosecution, a Community Prosecutor reviews the reports. The reports must detail the facts of the case and the observations and opinions of the inspectors based on their training and experience. These reports provide the factual basis for the charge. The prosecutor must determine if probable cause exists to swear in a complaint before a Phoenix Municipal Court Judge. The Court schedules an arraignment date and issues a summons for the accused to stand before the Court and be informed of the City’s allegations. The prosecutor must abide by the Rules of Criminal Procedure by providing the accused with the right to an attorney and access to all the evidence the City will use to establish guilt beyond a reasonable doubt. The prosecutor and the team work to settle the case without trial and bring about compliance with the Codes when possible. If settlement discussions fail to bring about a resolution, the Community Prosecutor prepares the case for trial.

Upon a finding of guilt, the Court may impose fines on an individual between $100 and $2,500 per charge and on an enterprise between $100 and $20,000 per charge, place the defendant on probation for up to three years, and impose a jail sentence (if the defendant is a person, not a corporation). As a term of probation, or to reduce the fines, the Court can order the convicted defendant to meet a schedule of repairs. The Court, at the urging of the Community Prosecutor, will require the property owner to meet compliance standards identified by the Code. The Court will schedule Sentence Review Hearings to allow NSD inspectors to conduct re-inspections to monitor the property owner’s work progress in reaching property compliance.

Case Example
The Woodbridge Apartment property includes 305 living units in 13 separate two-story buildings, one single-story building, and two swimming pools. The entire apartment community covers 305 different parcels of land. The original complaint for lack of adequate cool air came to NSD on Friday, June 29, 2012. The first inspection was completed on the same day and a 24-hour Notice of Violation was issued to the owner. Follow up inspections revealed that the violation was not corrected and additional violations were cited. From the initial inspection to July 12, 2012, 95 civil citations for interior conditions were issued to the property owner.

Due to a lack of response by property ownership and management, staff prepared evidence for an Administrative Search Warrant to be served to conduct inspections on
the exterior of the buildings. The Warrant was served on August 21, 2012 and staffs from NSD, Planning and Development Services, Police and Fire departments were on site to provide emergency services for tenants and conduct inspections. Once the information was gathered, staff processed the evidence, completed data entry, and prepared a criminal evidence package to be submitted to the Prosecutors Office. NSD staff sent information to file a 406 charge criminal complaint on October 15, 2012. On November 5, 2012, the Prosecutor’s Office filed 406 criminal charges against the owner of the property. A criminal non-jury trial is scheduled for trial commencing on July 22, 2013.

On April 29, 2013, Community Prosecutors began presentations of the City’s civil case during a five-day hearing before a Municipal Court Hearing Officer. The case is scheduled to conclude on May 24, 2013.

ALTERNATIVES

Over a ten-month period, City staff from NSD and the Prosecutor’s Office spent approximately 2,100 staff hours on the Woodbridge case. Based on the resources allocated to the Woodbridge case, direction to proactively enforce violations at multifamily rental properties would require a dedicated team of staff from NSD and the Prosecutor’s Office.

If a more aggressive approach to ensure problem multifamily properties are in compliance with City codes is sought, staff recommends additional staff resources be allocated to the Neighborhood Services Department and Prosecutor’s Office. To best answer the amount of additional resources needed, staff seeks guidance on the subcommittee’s interest to pursue the following:

- Re-establish the slum property designation and appeals panel;
- Perform annual inspections at multifamily properties based on some criteria (slum designation or recidivist/problem property owner);
- Fund emergency abatement of imminent and/or health hazards; and/or
- Enforce reoccupancy standards for units that have had violations.

RECOMMENDATION

This report requests that the Neighborhoods, Housing and Development Subcommittee provide direction and guidance on addressing health and safety conditions at problem multifamily rental properties based on alternatives presented in this report.
TO: Neal Young  
Senior Executive Assistant to the  
City Manager  

FROM: Karl Matzinger  
Interim Housing Director  

SUBJECT: AUTHORIZATION OF FUNDING FOR PARK LEE REHABILITATION  

This report requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval of additional Neighborhood Stabilization Program (NSP) and Housing Department Affordable Housing Program funds in the total amount of $2,400,000 to complete the rehabilitation of the remaining 117-units at Park Lee Apartments, located at 1600 West Highland Avenue, Phoenix, AZ 85015. The financial structure and terms of the loans will be consistent with the Housing Department’s Affordable Housing and NSP underwriting guidelines for multi-family rental projects.

THE ISSUE  

The Park Lee Apartments is a 523-unit apartment community built in 1955 and consists of 34 buildings on approximately 32 acres. On April 15, 2009, the City Council approved Ordinance S-36040 authorizing the City Manager, to take certain actions for the City to gain control of and revitalize Park Lee through a City created instrumentality. This instrumentality, known as PCCR Park Lee, LLC, is the sole owner and operator of the property.

Under the previous ownership, the Park Lee property became a severely deteriorated blight on the neighborhood, and was a magnet for crime and illegal activities. The goal of the revitalization of this complex is to bring the property back to its former charm, and to once again be an asset to the surrounding area. The plan for Park Lee includes the interior rehabilitation of all 523 units, exterior maintenance and rehabilitation of the structures as needed, new exterior lighting, installation of a new irrigation system, and restoration and additions to the extensive landscaping. On July 5, 2010, Park Lee suffered an arson fire that substantially destroyed 12 units. All 12 units have been rebuilt using the insurance proceeds and six of the first-floor units were transformed into ADA accessible units.

An initial rehabilitation budget of $7,360,000 financed with City NSP funds helped to complete the interior renovation of 406 units, exterior renovation of the overall site lighting, irrigation, landscaping and other exterior features, and the common area exteriors for all 18 blocks including a five-acre area for the rental office, clubhouse, central laundry building, playground and recreational facilities.

An additional $2,400,000 is needed to complete the interior renovation of the remaining 117 units. Funding sources include $1,500,000 of Neighborhood Stabilization Program (NSP) funds and $900,000 from the Housing Department Affordable Housing Program funds. The approval of additional funding will complete all of the rehabilitation work.
required at Park Lee and further the goal of providing and preserving affordable housing opportunities with the City of Phoenix.

The interest and demand for residents to live at Park Lee Apartments continues to grow. As of April 28, 2013, 364 units were occupied with 31 additional leases signed and only 11 units available to lease. Additionally, Park Lee served as the first multifamily pilot community to successfully launch the commingled recycling program.

HOUSING IMPACT

Affordable Housing is generally defined as housing provided to individuals or families between 40 percent and 60 percent of adjusted Area Median Income (AMI) ($25,250 - $37,860 for a family of four). The revitalization of the Park Lee Apartments furthers the Housing Department goal of increasing affordable housing opportunities within the city of Phoenix by providing a mixed income community close to employment centers and transportation routes, including the Light Rail.

REQUESTED ACTION

Staff requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval of additional Neighborhood Stabilization Program (NSP) and Housing Department Affordable Housing Program funds in the total amount of $2,400,000 to complete the rehabilitation of the remaining 117-units at Park Lee Apartments, located at 1600 West Highland Avenue, Phoenix, AZ 85015. The financial structure and terms of the loans will be consistent with the Housing Department’s Affordable Housing and NSP underwriting guidelines for multi-family rental projects.
This report provides information to the Neighborhoods, Housing and Development Subcommittee in regards to the General Plan Update also known as PlanPHX. Staff requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval of five Guiding Principles as the basis for the General Plan Update.

THE ISSUE

The Phoenix General Plan was last adopted by the Phoenix City Council and approved by voters in 2002. Arizona Revised Statutes require the General Plan to be updated and approved by the Phoenix City Council by July of 2015.

In August of 2012 the Planning and Development Department, with the leadership of the Mayor and City Council, initiated an effort to update the General Plan and termed the project PlanPHX. The project’s launch included the appointment of a PlanPHX Leadership Committee, chaired by Mr. Mo Stein, and the debut of an interactive website – www.myplanphx.com.

This report provides an update on the status of the PlanPHX project and shares the list of potential focus areas for the General Plan update based on the community’s feedback. Staff welcomes the Subcommittee’s comments on the Guiding Principles areas and requests guidance on these focus areas, the basis for continued work on the General Plan Update.

OTHER INFORMATION

Starting in late August 2012, the Mayor and City Council hosted 13 PlanPHX community forums where residents were posed with two questions – What do you love about Phoenix? and What is your big idea for our future? The questions were aimed at identifying what residents want to focus on preserving and enhancing in the city and what elements residents want to promote for the city in the future.

In addition to these forums, staff has participated in over 90 PlanPHX presentations or activities ranging from senior health fairs to tables at popular locations like Food Truck Fridays.
In addition to the public meeting input, the project’s website, www.myplanphx.com, has provided another avenue for residents to participate. Currently there are over 1,200 registered users on the site.

Through participation in the In-person activities and myplanphx.com, residents have provided over 11,000 ideas regarding the future of Phoenix.

Staff has identified five potential Guiding Principles for the updated General Plan based on the ideas. The focus areas are as follows:

- Connect People and Places
- Build the Sustainable Desert City
- Create an Even More Vibrant Downtown
- Celebrate Diverse Communities
- Promote Innovation and Entrepreneurship

Staff will provide detail about each of the focus areas during the presentation.

**RECOMMENDATION**

Staff requests the Neighborhoods, Housing and Development Subcommittee recommend City Council approval of the five Guiding Principles as the basis for the General Plan Update.
TO: Ed Zuercher  
Assistant City Manager  
Neal Young  
Senior Executive Assistant to the  
City Manager  

FROM: Ginger Spencer  
Special Assistant to the City  
Manager  
Deanna Jonovich  
Human Services Director  

SUBJECT: CHILDHELP FACILITY RELOCATION DESIGN CONTRACT  

This report provides an update to the Neighborhoods, Housing and Development Subcommittee regarding the design contract to relocate Childhelp USA and its partners, including the City of Phoenix Police Department Crimes Against Children Unit, to the city-owned Family Advocacy Center building located at 2120 N. Central Avenue.  

THE ISSUE  

In October 2012, the City Council approved authorization for the City to enter into a temporary occupancy agreement with 2346 LLC, an Arizona limited liability company, and with Childhelp, Inc., a California corporation, for the continued occupancy of child victim services at 2346 North Central Avenue, Phoenix, Arizona. The City took on the financial responsibility in order to ensure continued operation of a child advocacy facility. Childhelp indicated it was under severe financial stress. The City of Phoenix Police Department, Phoenix Children’s Hospital, Child Protective Services, Office of Child Welfare Investigations, Maricopa County Attorney’s Office, and Childhelp Inc. work cooperatively in one location to provide a broad range of victim advocacy services for abused children. The City currently pays $242,040 annually to lease the nearly 22,000 square-foot, 2346 Building. Due to recent tenant changes at the City’s Family Advocacy Center located just three blocks south of the 2346 Building, city-owned space is now available at 2120 N. Central Avenue to house Childhelp and its partners to better serve child and adult victims of child abuse, sexual abuse and domestic violence in one central location. This also is more cost-effective in the long-term since the City avoids leased space costs, currently at $242,000, and capital costs needed to make the leased space viable.  

OTHER INFORMATION  

The Family Advocacy Center (FAC) opened in August 1999 to serve victims of domestic and sexual violence. Since that time, services have expanded to include victims of all violent crime, including child abuse and elder abuse victims. In 2011, the Arizona State University Sandra Day O’Connor College of Law’s Diane Halle Center for Family Justice
(HCFJ) moved to the FAC facility to provide increased resources for FAC victims through referrals for legal assistance through the Family Violence Clinic as well as financial education and assistance for victims. ASU plans to relocate its operations by June 30, 2013 allowing space for Childhelp and its partners.

The relocation of Childhelp to the 2120 N. Central Building will allow for a one-stop-shop facility for adult and child victims of violent crime. Funds are available for the design and construction through the Human Services Department capital contingency funds related to the 2120 Building, and capital improvement bond funds from the 2006 Family Advocacy Center Bond Project, which originally included plans to co-locate Childhelp and the FAC. Staff has engaged The Wagner Partnership for design services through a City on-call services contract.

Staff will forward a Request for Council Action for approval for the remodel construction. The Wagner Partnership and Jokake Construction are currently under contract with the City of Phoenix and were responsible for the FAC remodel on the 2nd floor of the 2120 Building. This project is scheduled to get underway in the summer of 2013 and scheduled to be completed by March 31, 2014. Staff is currently negotiating an interim lease with the existing landlord at 2345 N. Central.

**RECOMMENDATION**

This report is for information only.