



Winter 2007 E-Newsletter E-Newsletter

Save the Date!
HOMES FOR ARIZONANS Day
January 17, 2007 11:00 am State Capitol Lawn



**Message
from the
Director**
Sheila D. Harris, Ph.D.

Please plan now to join the Arizona Department of Housing, the Arizona Housing Commission and their partners at the 5th annual HOMES FOR ARIZONANS Day at the Capitol on January 17. Exhibits will open at 11:00 a.m. Governor Janet Napolitano will give the opening remarks at 11:30 a.m.

R.L. Brown of R.L. Brown Reports will serve as the keynote speaker for the event luncheon that will be served on the Capitol lawn.



The Honorable Timothy S. Bee, President of the Senate, will also present Housing Trust Fund awards during the noon hour.

If you have attended HOMES FOR ARIZONANS Day in the past you know what a wonderful opportunity this is to network with other housing providers, gather information from financial institutions, federal, state and city government agencies, non-profits and other organizations involved in the housing arena. Besides attending, we urge you to consider participating as an exhibitor or sponsor. For more information, see our website at: www.housingaz.com.

*Mark your calendar
to join us for
this exciting
day at the
State Capitol!*



growing state...changing market...flourishing communities

Inside this issue:

AzHFA Activities	2
What's New?	3-8
Upcoming Conferences, Trainings and Other Happenings	9-10
Notices of Funding Availability	10
Other Info.....	10-11
Recent Funding Announcements	12

Arizona Housing Commission Meeting Schedule

January 17
February 23
March 30

For more information
contact ADOH at
(602) 771-1007 or
TDD (602) 771-1001

AzHFA Activities . . .



Homes for Arizonans Initiative

Joint program between ADOH and AzHFA provides first time homebuyers assistance in rural Arizona

The Homes for Arizonans Initiative provides down payment and closing cost assistance to first time homebuyers in the thirteen rural counties of the state. Up to \$20,000 is available and may be used in conjunction with an MRB or MCC to make housing even more affordable for low to moderate income homebuyers. Interested in more information on this program? Contact Sandy Weis at (602) 771-1027 or sandraw@housingaz.com.

AzHFA Homeownership Programs

Mortgage Revenue Bond (MRB) Program

The Mortgage Revenue Bond (MRB) program offers first time homebuyer mortgage financing at approximately one percent below market rates. MRB participants may also qualify for down payment and closing cost assistance through the Homes for Arizonans Initiative (see above) as well. To participate, a borrower must apply for a loan with one of the program's participating lenders (see right).

New lenders may join the program at any time. Contact Carl Kinney at (602) 771-1091 or carlk@housingaz.com.

Participating MRB Lenders

*Adobe Financial Corporation
AHM Mortgage
AmeriFirst Financial
American Mortgage Group
Bank of America NA
Charter Funding
Countrywide Home Loans
DHI Mortgage Company, Ltd.
GMAC Mortgage
Guild Mortgage Co.
Home 123 (formerly RBC Mortgage)
JP Morgan Chase Bank, N.A.
Liberty Financial Group
Madera Financial, Inc.
Market Street Mortgage
National Bank of Arizona
National City Mortgage
NexGen Lending, Inc.
Suburban Mortgage
U.S. Bank, N.A.
Washington Mutual Bank
Wells Fargo Home Mortgage*

Mortgage Credit Certificate (MCC) Program

A Mortgage Credit Certificate (MCC) is a tax credit that allows holders to reduce their federal tax liability by getting a tax credit for up to 20 percent of the mortgage interest paid annually. Benefits of the MCC are available for the life of a mortgage as long as the borrower occupies the property as their principal residence. MCC participants may also qualify for down payment and closing cost assistance through the Homes for Arizonans Initiative (see above). To apply for an MCC, borrowers should notify their mortgage lender that they are applying and then contact Berta Enriquez at the AzHFA, (602) 771-1003, toll-free at 1-877-771-1006 or by email at bertae@housingaz.com.

2007 Board of Directors

Victor Flores
Salt River Project
Chairperson

Donald E. Brandt
Pinnacle West Corporation
Vice-Chairperson

Ross McCallister
MC Companies
Treasurer

Brian Mickelsen
City of Cottonwood
Secretary

Rita Carrillo

Cliff Potts
Prudential Real Estate

Stephanie Prudence
Charter Funding

~

The Arizona Housing Finance Authority (AzHFA) Board of Directors is a seven-member board that governs the work of the AzHFA. Board meetings are open to the public and are scheduled to take place at the Arizona Department of Housing. Meetings scheduled for the first quarter of the year:

January 9
February 13
March 13

For more information on AzHFA Board Meetings contact Ann Pratt at (602) 771-1000 or annp@housingaz.com

What's New?

ADOH Director Sheila Harris featured in Arizona Capitol Times

ADOH Director Sheila D. Harris was highlighted in the *Arizona Capitol Times* as one of a select few "Women in Public Policy" for their feature story. The article discussed Dr. Harris' work with the agency since its inception, and the recent work with the Incentives for Affordable Housing Task Force to help break down barriers and investigate potential financing mechanisms to increase the development of affordable housing.

Arizona's 2007 LIHTC competitive application round closes March 15

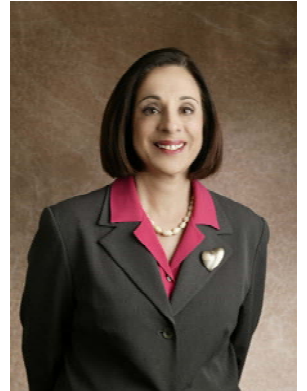
The Low Income Tax Housing Credit Program (LIHTC) in Arizona, administered by the Arizona Department of Housing (ADOH), will begin accepting applications for 2007 Low-Income Housing Tax Credits beginning in January. Applications are due no later than 4:00 p.m. on March 15, 2007. Federal tax credits available through this program provide a funding source for the development or sustainability of rental units targeted for low to moderate income households.

The 2007 Qualified Allocation Plan (QAP) that serves as the guide for the 2007 program is now available on the ADOH website at: www.housingaz.com. Application forms are also posted.

Over \$11 million in federal tax credits are expected to be available in the 2007 round. Training on the 2007 process will be provided in January (see page 9). For more information on the LIHTC Program contact Randy Archuleta, Rental Programs Administrator, at (602) 771-1031.

Karen Scates joins ADOH as Deputy

Karen Scates, who most recently served as the Deputy Director of the Arizona Office of Tourism, has joined the Arizona Department of Housing as the agency's Deputy Director.



Scates will oversee the key areas of the agency's internal workings: Operations, Programs, Information Technology, and Research. She will also bring to bear her broad range of experience in marketing, public relations, and public policy by helping to craft and direct the Agency's messaging strategy.

"Given how quickly Arizona has grown, housing affordability is one of the biggest issues facing us today," Scates said. "The good news, though, is that we're coming together and coming up with innovative and creative ways of tackling the challenges that go hand-in-hand with such explosive growth."

In Jan. 2003, Gov. Janet Napolitano appointed Scates Deputy Director of the Arizona Office of Tourism. There she was responsible for developing and executing the State's domestic and international travel industry marketing campaigns and for increasing tourism through, among other projects, new initiatives focused on Arizona's rich cultural heritage.

Just prior to assuming her role at the Arizona Office of Tourism, Scates served as President and CEO of Kids Voting USA, a national nonprofit institution dedicated to building a tradition of voting and citizen participation among young people through a unique program that combines civics education for students with "real life" voting experience on election days. She has also worked as the Director of Community and Public Affairs at American Express Company in Phoenix and as Executive Vice President of the Scottsdale Arts Center.

socialserve.com

serving the housing continuum and beyond

Search the Arizona market for an affordable rental:

http://www.socialserve.com/tenant/index.html?state_id=4020

A link to this site is also available through the ADOH website at www.housingaz.com.

Governor Napolitano discusses housing with Arizona's Mayors

The 2nd Annual Governor Janet Napolitano & Arizona Mayors' Summit was held Tuesday, December 12, at the Heard Museum in downtown Phoenix. This year's theme: moving Arizona forward.

At the Summit, Governor Napolitano expressed concern that too many homes were being developed with plans for services lagging behind as a secondary concern. The Governor stressed that a more integrated approach would be necessary if the state is to "grow smarter."

In a preview of upcoming initiatives, the Governor indicated that she would like to:

- Expand the availability of affordable housing to ensure that people who work in communities can afford to live there, too.
- Allow rural communities to deny building permits in situations where there is no guarantee of adequate water supplies.
- Protect Arizona's natural resources and historical sites so that Arizona stays Arizona.

Following the question-and-answer period, three breakout sessions were held for the purpose of providing an in-depth look into topics of particular interest to Arizona's mayors: legislative priorities for State and local municipalities, transportation, and affordable housing and its impact on regional economic development.

ADOH Director, Dr. Sheila D. Harris, along with Gil Jimenez, Director of the Arizona Department of Commerce, moderated a discussion on the growing inability of individuals and families to obtain affordable housing and the negative impact that inability is likely to have on local economic development efforts.

Leading with solutions, Dr. Harris also reviewed many of the 19 recommendations put forth by the Arizona Incentives for Affordable Housing Task Force in its June 2006 final report. Linking housing development to economic development, Dr. Harris informed the mayors that, since its inception in October 2002, ADOH has had an economic impact of more than \$1.3 billion through its statewide programs, initiatives, and partnerships. Housing development is very closely tied to economic development in that businesses need employees and employees across the income spectrum need affordable places to live.

Task Force Report available on ADOH website

We strongly encourage all of our partners to review a copy of the Incentives for Affordable Housing Task Force Report which is available for downloading at our website:

www.housingaz.com



Sahara Luna Opens in Phoenix

On November 21st, a ribbon cutting and grand opening celebration was held to dedicate the opening of the 52 unit Sahara Luna Apartments, a public-private partnership. This development resulted in the rehabilitation of a dilapidated 22-unit apartment complex, the substantial remodel of four vacant properties that were being used for drug dealing and youth crime, the assemblage and infill of vacant-underutilized property and the development of 26 new three bedroom rental flats and Townhomes for working families.

Anna Chavez, Governor Napolitano's Director of Intergovernmental Affairs and ADOH Director, Dr. Sheila D. Harris, spoke at the event. Phoenix Councilman Michael Johnson cut the ribbon and dedicated the property.

The developers, Community Development Partners, worked closely with members of the McDowell Acres Neighborhood Association and adjacent Gateway Elementary School to plan the project and implement crime prevention through environmental design strategies.

The project was a joint venture between Community Development Partners LLC and Hope Development LLC, with funding from the Arizona Department of Housing, City of Phoenix, and US Bank. Raymond James is serving as a tax credit investor on the project. The United Methodist Ministry New Day Center and the Department of Economic Security Family Connections Teams are providing case management and counseling services to families.





ADOH Staff Notes

Maybe important things really do happen in "threes." ADOH celebrated three back to back retirements this fall: **Karen Zanzucchi**, Assistant to the Director retired on November 3, followed by Technical Assistance Coordinator **Paul Harris** who retired December 8. Customer Liaison **Sharran Porter** departed the agency on December 29. We wish them all well! While the ladies intend a leisurely retirement, Mr. Harris has accepted a position with the Local Initiative Support Corporation (LISC) . . . **Patrice Caldwell** joined the agency as Community Revitalization Administrator on October 23. . . **Ann Pratt** joined the agency on October 30. Ann will provide Administrative Assistant services to both the Arizona Housing Finance Authority and the Special Needs Housing Programs . . . **Sue Dabbs-Preciado** formerly with the Arizona Department of Commerce joined the agency on November 13 as Assistant to the Director. . . **John Lopach** who retired from State service in 2000 returns to work for Housing in the position of Customer Liaison starting January 2 . . . Promotions: **Mark Ludwig** has been named Special Needs Housing Administrator and **Sarah Olson** was promoted to Senior Community Revitalization Specialist. Congratulations to both . . . Congratulations to Housing Compliance Administrator **Renee Serino** who gave birth to a son, Isaac, on November 2 and congratulations to Tribal Liaison **Eric Descheenie** on the birth of his son on December 17 . . . **ADOH staff** held a holiday toy drive in December, donating nearly 300 toys for homeless children through **Arizona Helping Hands, Inc.**



ADOH will be closed on the following State Holidays:

Monday, January 1	New Year's Day
Monday, January 15	Martin Luther King Jr. Day
Monday, February 19	Presidents' Day

Kathy Blodgett named 2006 ADOH Employee of the Year

Kathy Blodgett was named the Arizona Department of Housing 2006 Employee of the Year in December.



Kathy Blodgett receives congrats from Director Sheila Harris

Ms. Blodgett, who has worked in State housing programs since 2000, served in several divisions of the agency prior to being named Administrator of Homeownership Programs in 2004. She was nominated by two fellow employees for meeting all of the agency's guiding principles. One of her nominations read, "She works without fail to manage her programs in a timely and professional manner making sure that ADOH assets are handled appropriately."

ADOH website to get a new look

ADOH is pleased to announce that we have almost finished a major overall of the agency's website, at www.housingaz.com. The new, easier-to-use site will be up and operational around the middle of January.

New features that allow for enhanced navigation will make it easier for you to find the information for which you are looking. An overview of what you can expect:

- ☺ Enhanced visual design
- ☺ Improved navigability
- ☺ Improved search ability
- ☺ Detailed information about our many programs
- ☺ Modern web standards compliance
- ☺ Staff contact information

Center on Housing Affordability and Livable Communities

In response to the Incentives for Affordable Housing Task Force Report, one of ADOH's first responses will be to establish a clearing house within the agency that will provide access to research and best practices in housing innovation within the state as well as nationally. Look for more information in our Spring 2007 E-Newsletter!

The 2007 Legislative Scene

If you have any questions about housing or community development related Legislative affairs, please feel free to contact Meggan Medina, Government Relations and Communications Administrator at (602) 771-1011.



The Arizona Legislature is set to convene January 8, 2007. Governor Napolitano will present the State of the State address, setting forth her legislative and budget priorities, in the afternoon of that day.

Over the past two fiscal years revenues have grown approximately 20 percent per year following leaner economic times. While it would be difficult to keep up such high growth rates, during the first four months of the current fiscal year (July – October), revenue was 10 percent higher than the previous year. Since then, the economic projections have slowed down and the Joint Legislative Budget Committee (JLBC) finance advisory committee, economists who advise the Legislature’s budget staff, now projects an overall growth rate of five percent for the year.

As of Dec. 15th, legislators had only opened 823 bill folders. This is a 35-percent decrease compared to 1,265 at this time last year. Generally, 75-percent of bill folders result in legislation, leading many to believe that 2007 may be a little slower than the previous two years. In 2005, the 47th legislature set a first record of 1,311 bills then they broke that record with 1,453 bills being introduced last year.

In the 48th Legislature, there are a number of new faces including: Representative Tobin (R-District 1), Representative Clark (R-District 6), Representative Crump (R-District 6), Representative Barto (R-District 7), Representative Thrasher (D-District 10), Representative Desimone (D-District 11), Representative Driggs (R-District 11), Representative Chad Campbell (D-District 14), Representative Clovis Campbell (D-District 16), Representative Ableser (D-District 17), Representative Schapira (D-District 17), Representative Adams (R-District 19), Representative Crandall (R-District 19), Representative Saradnik (D-District 26), Representative Farley (D-District 28) and Senator Pesquiera (D-District 26).

Washington Update

On December 8th, Congress passed the third continuing resolution for the FY2007 budget which will keep federal program funded until February 15th, 2007. Programs will be funded at the lowest level of the House, Senate and FY2006 levels.

Just a few days later, incoming Senate and House Appropriations Committee Chairs Robert Byrd (D-VA) and David Obey (D-WI) announced their plan to enact a year-long continuing resolution by February 15th instead of passing the FY2007 funding bills started by the 109th Congress. In a statement released by the Chairs, they said “unfortunately, there are no good options available to us to complete the unfinished work . . .” They did, however, commit to “make whatever limited adjustments [that] are possible.” In addition to the year-long continuing resolution, the Chairs Byrd and Obey also committed to remove all Congressional earmarks.

Exactly what this would mean to U.S. Department of Housing and Urban Development programs remains to be seen. However, without adjustments, this year-long continuing resolution would freeze HOME funding at the FY2006 level of \$1.76 billion, \$160 million less than the House-passed \$1.92 billion and \$180 million less than the Senate Appropriations Committee-passed \$1.94 billion. It would also freeze Housing Choice Voucher funding at \$15.4 billion, \$450 million less than the House-passed \$15.85 billion and \$520 million less than the Senate Committee-passed \$15.92 billion.

Program	FY2005	FY2006	House - Passed	Senate Approps Committee-Passed	Version for Continuing Resolution
<i>CDBG Formula Grants</i>	4,117	3,711	3,873	3,877	FY2006
<i>Flexible HOME Formula Grants</i>	1,787	1,680	1,823	1,862	FY2006
<i>Homeless Assistance Grants</i>	1,240	1,327	1,536	1,511	FY2006
<i>Tenant-Based Section 8 Vouchers</i>	14,766	15,417	15,846	15,920	FY2006
<i>Project-Based Section 8</i>	5,341	5,037	5,476	5,676	FY2006
<i>HOPE VI</i>	143	99	30	100	House-passed
<i>Native American Housing Block Grants</i>	622	624	626	626	FY2006
<i>HOPWA</i>	282	286	300	295	FY2006

Upcoming Conferences, Trainings and Other Happenings . . .

January 18

FHLB IDEA and WISH Program Workshops

Join the Federal Home Loan Bank (FHLB) to learn how to submit successful applications for the FHLB's 2007 IDEA and WISH programs. The Individual Development and Empowerment Account (IDEA) and Workforce Initiative Subsidy for Homeownership (WISH) programs – matching grant homeownership efforts – are tools to help empower lower-income families and individuals move from renting to owning. The half-day workshop, which will be offered on January 18 at the Arizona Federal Credit Union, 333 North 44th Street, Building C, in Phoenix is free, but attendance is limited to no more than two members from any organization. All attendees must pre-register; walk-ins may not be able to attend. To register on-line, go to: www.fhlbsf.com/register/setaside.asp.

2007 Affordable Housing Institute

Dates for the 2007 Affordable Housing Institute (AHI) have been selected. The 2007 AHI session will be held in Phoenix on March 21 & 22, April 25 & 26, June 13 & 14, and July 25 & 26. Sessions will be held at the Native American Connections new headquarters at 4520 North Central Avenue in Phoenix.

The AHI is an eight-session, intensive, hands-on training that brings together housing professionals of different disciplines to work in group settings on actual proposed affordable housing development projects. Training on the different aspects of housing development is covered during the AHI sessions, and participants are required to participate in additional group meetings in between AHI sessions.

For more information on the 2007 AHI, contact Pat Boland at (602) 771-1000 or patb@housingaz.com.

January 25

2007 LIHTC Workshop

ADOH will host its 2007 Arizona Low-Income Housing Tax Credit (LIHTC) Application Workshop on January 25, with registration/breakfast starting at 7:30 a.m., and the workshop scheduled from 8:30 a.m. – 12 noon at the Hilton Garden Inn/Airport, 3422 East Elmwood Drive, Phoenix. The workshop will be facilitated by ADOH staff and will provide a review of the Arizona LIHTC application, its process, forms, tools, and strategies needed to avoid application deficiencies. It will cover changes to the 2007 program, review of the 2007 Qualified Allocation Plan (QAP) and applicable federal regulations, application deadlines and requirements, a “hands-on” application review, application strategies and common mistakes, and the post-application process. This workshop is geared for developers, syndicators and property managers involved in submitting a 2007 LIHTC application. To register or for further details, visit www.housingaz.com.

April 17-18

Rental Housing Compliance Training

ADOH will be offering Rental Housing Compliance Training on April 17-18 in Phoenix. This training will focus on compliance basics and fundamentals and the challenges of working with those properties that are mixed-income or have mixed-financing or rental subsidies. Training will be facilitated by TheoPro Compliance & Consulting, Inc. Current or future Low-Income Housing Tax Credit (LIHTC) property owners, management agents, site managers, and others actively involved in screening applications or leasing units to eligible households should plan on attending. This training will be repeated on September 26-27 in Tucson. For additional information and registration materials for the April training, go to: www.housingaz.com.

May 21-23

4th Annual Construction in Indian Country Conference

Arizona State University's Del E. Webb School of Construction offers a unique opportunity to join Tribal leadership, construction and design professionals, Federal, State and local agencies to discuss construction challenges in Indian Country. The 2007 conference will be held May 21-23 at Radisson Fort McDowell Resort at Fort McDowell. For more information call (480) 727-3105 or email ksilent@asu.edu or go to:

<http://construction.asu.edu/ciic>.

Notices of Funding Availability . . .

State Housing Fund Program Summary available

The *FY2007 State Housing Fund Program Summary* (for applications submitted from July 1, 2006 – June 30, 2007) is currently available at the ADOH website at www.housingaz.com. Over \$19.8 million remains available to be applied for through the State Housing Fund in FY2007. Eligible activities include development, either through new construction and/or rehabilitation of rental and homeownership units, as well as owner-occupied housing rehabilitation and emergency repair programs.

Register to receive notice of all Federal grant opportunities

The Federal Grants.gov web page has a service that will allow subscribers to receive email notifications of funding opportunities. To access this service, go to: www.hud.gov/grants/index/cfm. Once at the website, click on "Receive Grant Funding Notification," which will take the user to a webpage where they will see four options for receiving notifications. Once subscribed, the user will receive an email notification every evening of what was placed on Grants.gov/FIND that day. All federal agencies are now placing their announcements on this site.

The Arizona Tribal CDFI is working to make loans available for tribal entities

The Arizona Tribal CDFI (ATC) is currently accepting proposals from Tribal entities for loans to be used in housing-related projects. For more information contact Carl Kinney at the Arizona Housing Finance Authority at (602) 771-1091.

Other Info . . .

HUD USER Help Desk

HUD USER is a primary source for federal government reports and information on federal housing policy and programs, building technology, economic development, urban planning, and other housing-related topics. Information Specialists can respond to inquiries and publication requests by phone or email, Monday through Friday, 8:30 a.m. to 5:15 p.m. eastern time. To reach the HUD USER Help Desk, call toll-free 1-800-245-2691 or email helpdesk@huduser.org. HUD USER also has a toll-free TDD line at 1-800-927-7589.

Arizona's Housing Market . . . at a glance

From 2000 to 2006, the median sales price of homes in Arizona increased by 74 percent, but during the same period, median family income increased by only 15 percent. This report issued by ADOH provides an overview of the housing market in Arizona, as well as highlights the challenge faced by many working families in finding housing which is affordable. To review the report, visit the ADOH website at www.housingaz.com.

New law requires changes to disaster housing

The Homeland Security appropriations law requires the creation of a National Disaster Housing Strategy no later than July 2007. It makes funds for disaster victims more flexible, tells the Federal Emergency Management Agency (FEMA) to create a pilot program for use of existing rental housing in disaster areas as temporary housing, and enacts other changes.

Youthbuild program moves to Labor

A new law will shift the Youthbuild program from the U.S. Department of Housing and Urban Development (HUD) to the Department of Labor. For program information, go to: www.youthbuild.org.

ADOH job announcements and requests for proposals

The Arizona Department of Housing posts job announcements and Requests for Proposals from time to time on its website. For a list of current offerings, go to: <http://www.housingaz.com/posting/jobrfp.asp>.

Census reports American Housing Survey data

The U.S. Census agency has released figures from the 2005 American Housing Survey. Data includes figures on housing quality and cost, poverty, race/ethnicity, and more for the United States, metro and non-metro areas as a whole, multi-state regions, or (from previous years) large metro areas. The information is available online at www.census.gov/hhes/www/housing/ahs/ahs.html. The data will also be available in printed form from HUD User at (800) 245-2691.

Final AHP Rule issued

A final rule has been passed for the Federal Home Loan Banks' Affordable Housing Program (AHP) which becomes effective on January 1, 2007. For more information see the *Federal Register* dated 10/6/2006 or contact Charles E. McLean, Federal Housing Finance Board at mcleanc@fhfb.gov or (202) 408-2537.

New Markets Tax Credit pilot program available

The Small Business Administration has created a pilot program to allow Community Development Entities with New Markets Tax Credit allocations to purchase participation interests in up to 90 percent of certain guaranteed loans to small businesses. The pilot program is scheduled to operate through 2011. For more information see the *Federal Register* dated 10/4/2006 or go to www.gpoaccess.gov/fr/index.html.

Native American website launched

The National American Indian Housing Council (NAIHC) has launched a new website to assist Native Americans prepare for homeownership: www.NativeAmericanHomebuyer.com. A recent NAIHC analysis shows that Native American applications for and approval for conventional mortgages increased from 2004 to 2005.

AARP report shows seniors value affordable housing

A recent AARP report found that seniors list affordable housing fourth among community priorities. Urban and rural residents age 60 and older were questioned and rural seniors were more likely than urban (68 percent and 38 percent) to be "very satisfied" with their counties. The study, *The Views of 60+ Residents and Community Leaders*, is available at www.aarp.org/research/press-center/presscurrentnews (select October 27 press release).

Warning: Mail delivery to Capitol is slow

Need to make a speedy delivery of materials to the ADOH office at the Capitol? If so, then we need to warn you that you may not want to use the U.S. postal system. Since the incidents of 9/11/2001, all incoming mail to the Capitol undergoes a physical security screening at a separate facility prior to actual delivery to the Capitol complex. As a result, correspondence that would typically reach its destination in 1-2 days is taking 3-4 days or more. For this reason, if the information you are sending is time-sensitive, you might wish to send it by messenger, next-day delivery service, by e-mail, or plan ahead so that a tight deadline is not a problem. We apologize for the inconvenience, but know our constituents understand the concerns that necessitate the increased security measures.



Recent Funding Announcements . . .

Since our Fall 2006 E-Newsletter was issued in October, ADOH has made the following commitments for funding of housing and community development programs and projects in Arizona:

State Housing Fund Program

Recipient	Service Area	Type of Program/Project	Funding
Central Rural Area:			
Community Action Human Resources Agency (CAHRA)	Pinal County	Owner-occupied housing emergency repair program	330,000
Southeastern Rural Area:			
Cochise County Housing Authority	Graham County	Administration of Graham County Section 8	15,000
PPEP Microbusiness & Housing Development Corporation	Douglas	New construction for homeownership	40,000
Metropolitan Areas:			
Central Arizona Shelter Services/ Human Services Campus	Maricopa County	Rental assistance program	126,000
Central Arizona Shelter Services/ Human Services Campus	Maricopa County	Emergency operating subsidy for homeless shelter	375,000
Habitat for Humanity West Valley	Peoria	New construction for homeownership	175,000
Interfaith Coalition for the Homeless	Pima County	Homeless planning	50,000
PREHAB of Arizona, Inc.	Maricopa County	Rehabilitation and emergency operating for homeless shelter	572,000

E-Newsletter E-Newsletter

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Arizona Department of Housing

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This publication may be made available in alternative formats upon request. Please contact Joy Johnson, Community Education Division, Arizona Department of Housing, 1700 W. Washington Street, Suite 210, Phoenix, Arizona 85007; (602) 771-1086 or TTY (602) 771-1001 or joyj@housingaz.com.



AHOUSING MATTERS



Arizona Department of Housing

Vol. 6 No. 2 Spring 2007



Sheila D. Harris, Ph.D.

Message from the Director

This year certainly has been an exciting one for the State and for the Arizona Department of Housing—and it is only April! A new legislative session is well underway, and much progress has been made on the many initiatives contained within Governor Janet Napolitano’s State of the State Address. We at ADOH are very pleased to be a part of the collaborative efforts toward the realization of what the Governor outlined in her vision for “One Arizona” as part of her January address.

I am pleased to tell you, too, that our ever-growing agency has moved to a new location. We are no longer to be found on the second floor of the State Executive Office Tower but in the state office building located at 1110 W. Washington. I hope you will visit us sometime soon at our new home!

In addition, our new, more user-friendly website will be up and running as of April 9. New features that allow for enhanced navigation should make it considerably easier for you to find the information you seek.

Please take a look at this edition of our quarterly agency e-newsletter, and be sure to let us know what you have been doing, too. We are in this together, leading with solutions to the housing challenges that face all of us throughout Arizona.

WE NEEDED MORE ROOM—SO WE MOVED!



Effective April 2, 2007 our new address is:

1110 W. Washington, Suite 310
Phoenix, AZ 85007

All phone numbers, faxes, e-mails, and mailing post office box remain the same. This also applies to the Arizona Housing Finance Authority and the Arizona Housing Commission.

Inside this issue:

AZHFA Activities	2
2007 Legislative Scene	3
Arizona Housing Commission	4
Homes for Arizonans Day	5
Homes within Reach Initiative.....	6
Mortgage Fraud a Growing Concern	7
April is Fair Housing Month	7
New Faces	7
Training, Conferences & Happenings.....	8
Continuum of Care.....	8
Funding Announcements	11
Staff Contacts.....	12

Leading with solutions.

AzHFA Activities

Carl Kinney

Arizona Housing Finance Authority Programs Administrator
(602) 771-1091
carlk@housingaz.com

Low-Interest Mortgage Financing Now Available for First-Time Homebuyers in Rural Arizona

Governor Janet Napolitano and the Arizona Housing Finance Authority (AzHFA) announced late in February that \$25 million in low-interest mortgage financing will be made available to qualified first-time homebuyers through the 2007 Mortgage Revenue Bond (MRB) program. Participants must be buying houses in one of the following counties: Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Pinal, Santa Cruz, Yavapai, or Yuma.

"Last year this program made it possible for more than 200 Arizona families to achieve the dream of homeownership and the benefits that come with it," Governor Napolitano said. "This year's program will allow even more working families in rural counties to make that first home purchase."

This is the first bond issue for 2007, and it is anticipated that a second issue will take place later this year, bringing the total amount of low-interest financing for first-time homebuyers to a record \$44 million.



Work on Santa Carolina Apartments in Nogales nears completion. The project was financed using multi-family bonds issued by the Arizona Housing Finance Authority. A grand opening is scheduled for early May.

"In January the Governor directed us to increase financial assistance for first-time homebuyers in rural Arizona," AzHFA Executive Director Dr. Sheila D. Harris said. "I'm happy to say that with this new bond issue, we are moving forward to do exactly that."

The MRB program offers qualified first-time homebuyers a 30-year fixed rate mortgage at below market rate interest rates. Financing through participating lenders is available for new or existing homes, including manufactured homes, on a first-come, first-served basis. For more information about the MRB program, please go to www.housingaz.com and click on "Arizona Housing Finance Authority."

PARTICIPATING MRB LENDERS

Adobe Financial Corporation
AHM Mortgage
AmeriFirst Financial
American Mortgage Group
Bank of America NA
Charter Funding
Countrywide Home Loans
DHI Mortgage Company, Ltd.
GMAC Mortgage
Guild Mortgage Co.
JP Morgan Chase Bank, N.A.
Liberty Financial Group
Madera Financial, Inc.
Market Street Mortgage
National Bank of Arizona
National City Mortgage
NexGen Lending, Inc.
Suburban Mortgage
U.S. Bank, N.A.
Washington Mutual Bank
Wells Fargo Home Mortgage



Arizona Housing
Finance Authority

2007 Board of Directors

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City of Cottonwood

Rita Carrillo

Cliff Potts

Prudential Real Estate

The Arizona Housing Finance Authority (AzHFA) Board of Directors is a seven member board that governs the work of the Authority. Board meetings are open to the public and are scheduled to take place at the Arizona Department of Housing, unless otherwise noted.

SCHEDULED MEETINGS

April 17
May 8
June 12

For additional information on AzHFA Board Meetings contact Ann Pratt at (602) 771-1000 or annp@housingaz.com.

2007 Legislative Scene

Meggan Medina
Government Relations
& Communications Administrator
(602) 771-1011
megganm@housingaz.com



The legislature has had a very busy year—1,420 bills have been introduced, just under last years' record of 1,453 bills. Several bills have been introduced this session relating to housing affordability. You can view the bills by visiting www.azleg.state.az.us.

State

HB 2397: unclaimed property; timeframe -Yarbrough

SUMMARY: Principal and interest on debt other than certain bonds is presumed abandoned 3 years after maturity or payment date, instead of 5 years. Dividends, profit, interest, payments on principal and other amounts owed by a business association for any type of security holder is presumed abandoned 3 years after the payment date if no claim or contact has been made.

Fiscal impact: According to DOR, this bill will have a cost savings to the Department of approximately \$60,000 - \$70,000 annually from reductions in the cost to manage the portfolio. "In addition, the Unclaimed Property Fund could see a one-time gain of \$50M - \$45M from the sale of the portfolio." An additional one-time gain of up to \$4M will be seen from the change in the holding period from 5 to 3 years.

HB2608: S/E: homeless services; lottery funds – Meza

Appropriates the balance of the lottery funds, up to \$5 million, to the Department of Economic Security for homeless emergency and transitional shelters and related support services.

HB 2733: escrow interest on trust accounts – Nichols

Changes the way banks may invest money deposited for escrow accounts. Provides a portion of the interest earned on those accounts, after bank and title company fees are deducted, for affordable housing (administered by the Arizona Department of Housing) and legal services (administered by the Arizona Foundation for Legal Services).

HCM 2002: community development block grant; funding – Nelson

SUMMARY: This bill sends a "postcard" to Congress asking them to preserve and fully fund the federal Community Development Block Grant (CDBG) program.

SB 1038: low income housing; property tax – Waring

SUMMARY: Establishes a uniform property valuation process for housing developed through the Low Income Housing Tax Credit Program (LIHTC). This bill requires a county assessor to value qualified low income multifamily residential rental property using the income approach to value by using actual annual income and expenses of the property. Income derived from the sale of federal income tax credits and using a market-based capitalization rate developed for nonparticipating LIHTC property is excluded from the income calculation.

SB 1078 – sales tax exemption; nonprofit housing – Waring

SUMMARY: This bill would establish up to a \$135,000 deduction from the gross proceeds of sales or income from contracts to build single family residential housing by charitable non-profit organizations under the prime contracting classification of the transaction privilege tax (TPT). ADOH will review the applications for the deduction and provide a certificate to the prime contractor. Only 100 homes per year are eligible for the deduction.

SB 1221: residential mortgage fraud – Tibshraeny

SUMMARY: Designates the commission of any of the following acts, with the intent to defraud, as residential mortgage fraud:

- a) knowingly making, using or facilitating the use of any deliberate misstatement, misrepresentation or material omission during the mortgage lending process that is relied on by a mortgage lender, borrower or other party to the mortgage lending process.
- b) receiving any proceeds or other monies in connection with a residential mortgage that the person knows resulted from the knowing use of or facilitation of the use of a deliberate misstatement, misrepresentation or material omission.
- c) filing or causing the filing with the office of the county recorder of any residential mortgage loan document that the person knows to contain a deliberate misstatement, misrepresentation or material omission.

Federal

SB 1227: domestic violence; lease termination – Bee

SUMMARY: A tenant who is a victim of domestic violence may break a lease under certain situations and with proper notice to the landlord. A landlord must comply with a tenant's request to install a new lock for the tenant's living unit if the tenant pays the cost of installation. Landlords must refuse entry to any perpetrator of domestic violence who has been served with an order of protection. A tenant who breaks a lease by falsely reporting domestic violence is liable to the landlord for treble damages.

H.R. 1427 Federal Housing Finance Reform Act of 2007 – Representative Frank

SUMMARY: Among a variety of reforms, of most interest to the Department is the establishment of an affordable housing fund. A portion of the GSEs' total mortgage portfolio would be used annually for the fund. The annual amount of the fund has not been determined, but early estimates are around \$500 million. In the first year, the fund would be provided to Louisiana and Mississippi to assist in rebuilding the areas devastated by Hurricane Katrina. In the remaining years, the Department of Housing and Urban Development would allocate the AHF by formula to all states, which would then distribute the funds to recipients based on priority needs. If the allocation were based on a similar distribution as HOME funds, Arizona would receive almost \$7.6 million.

S. 809 Small Public Housing Authorities Paperwork Reduction Act – Senator Sununu

SUMMARY: Exempts Public Housing Authorities (PHAs) with fewer than 500 public housing units and any number of vouchers from annual PHA plan requirements. The agencies would still be required to create resident advisory boards.



Arizona Housing Commission

Meggan Medina
Government Relations
& Communications Administrator
(602) 771-1011
megganm@housingaz.com

CURRENT MEMBERS

- Reid Butler**
Arizona Multihousing Association
- Maria Chavez**
Arizona Interagency Farmworker Coalition
- Arthur Crozier**
Frank M. Smith & Assoc., Inc.
- Suzanne DeConcini**
Long Realty
- Elisa de la Vara**
Fannie Mae
- Richard Elias**
Pima County Board of Supervisors
- Helen Ferrell**
Bothands, Inc.
- Rena Van Fleet**
Colorado River Indian Tribes
- Irving Hill**
Fleetwood Homes of Arizona
- Kelly Langford**
Tucson Urban League
- Janet Marcus**
Public Member
- Guy Mikkelsen**
Foundation for Senior Living
- Marty Moreno**
Town of Sahuarita
- Emily Nottingham**
Tucson Community Services
- Gregory Petz**
Graham County Community Development
- Cass Rankin**
Public Member
- Jean Richmond-Bowman**
Northern Arizona Building Association
- Roberto Ruiz**
Ruiz Engineering
- Juan Salgado**
City of Phoenix
- Annette Stein**
Maricopa County
- Sen. Tim Bee**
President, Arizona Senate
- Rep. Robert Meza**
Arizona House of Representatives



A Word from the Chair

Jean Richmond-Bowman

I recently had an opportunity to attend a meeting of the Governor's Growth Cabinet and to join a lively discussion of the growth issues facing our state.

On behalf of the Arizona Housing Commission, I made the case that, while growth issues are varied and many, how those issues are ultimately addressed can and should contribute to the creation of housing opportunities that are achievable for all Arizonans. Why? Because nearly every growth issue we're facing is intertwined in some fashion with the need for homes within reach of working families.

In this regard, our recommendations were as follows:

1. Implement all 19 final recommendations of the 2006 Arizona Incentives for Affordable Housing Task Force.
2. Review statewide land use policy decisions utilizing the following guidelines:
 - .. Do they encourage efficient use of land?
 - .. Do they value land use for housing and economic development (in line with state objectives) at least as equally important as open space?
 - .. Do they create regulations that create additional costs/burdens which effectively contradict stated objectives of housing that is attainable or desirable economic development?
3. Adequately fund rural water infrastructure necessary to support the future growth of the state in the same way that the state funds infrastructure for water for urban areas.
4. Review water adequacy regulations to address the differing conditions throughout the state to create conditions rural areas can attain before implementing statewide water adequacy requirements, especially as they relate to depth standard.
5. Fully fund public education from K-20 to ensure training of our future workforce and provide all children in the state with the tools they need to succeed as contributing members of our communities.

Perhaps the most important thing for all of us to bear in mind is that our decisions about how we grow smarter are going to impact people, real people: our neighbors, our friends, and our families. As we decide, plan, and implement, we must not lose sight of the worth of community or the value of sense of place.





The Arizona Department of Housing and the Arizona Housing Commission hosted the 5th Annual Homes for Arizonans Day on the House Lawn at the State Capitol in downtown Phoenix on Wednesday, January 17.

With her remarks, the Governor reiterated the "One Arizona" theme contained within her 2007 State of the State Address and highlighted in particular the four housing-related initiatives she introduced with that speech on Jan. 8, 2007.

ADOH Director Dr. Sheila Harris thanked the Governor for being a part of Homes for Arizonans Day and for including homes within reach of working families in her vision for the future of Arizona.

"It's been a pleasure to work with this administration and with Governor Napolitano," said ADOH Director Dr. Sheila Harris, "Because, in the vernacular of the Department, she gets it. Governor Napolitano understands just how important housing is in the greater scheme of things, how vital a role it plays not only in the lives of working families throughout the state but in the economy as well, both regionally and as a whole."



Governor Napolitano welcomes sponsors, exhibitors and guests.

Speaker of the House Jim Weiers and Senate President Timothy Bee both participated in the luncheon program. RL Brown, a well-known expert on the real estate market and publisher of *RL Brown Reports*, delivered the keynote address.

In recognition of outstanding developments and revitalization projects made possible by continued support of the Arizona Housing Trust Fund, three 2007 Housing Excel Awards were announced.

An opportunity for policymakers and the public to learn more about housing and the vital role it plays in the economy and in the lives of working families, Homes for Arizonans Day also addressed innovative strategies and incentives for smart, strategic growth in Arizona as it relates to housing.

Governor Janet Napolitano welcomed representatives and attendees from across the state as well as the members of the Legislature who were in attendance.

Exhibitors

Arizona Association of REALTORS®
 Arizona Coalition to End Homelessness
 Arizona Department of Financial Institutions
 Arizona Housing Finance Authority
 Bank of America
 BOTHERS, Inc.
 CASS - AZ Housing, Inc.
 City of Phoenix Housing Department
 City of Phoenix Neighborhood Services Department
 City of Tempe Housing Services
 Community Housing Resources of Arizona
 Community Legal Services
 Community Services of Arizona
 Department of Veterans Affairs - Phoenix
 Regional Loan Center
 Desert Mission Neighborhood Renewal
 Family Housing Resources
 Foundation for Senior Living
 Governor's Council on Developmental Disabilities
 Habitat for Humanity, Valley of the Sun
 JPMorgan Chase
 Manufactured Housing Industry of Arizona
 National Bank of Arizona
 Native American Connections
 Neighborhood Housing Services of Phoenix, Inc.
 Newtown Community Development Corporation
 Rural Community Assistance Corporation
 Southwest Fair Housing Council
 U.S. Department of Housing & Urban Development
 U.S.D.A. - Rural Development, Casa Grande
 U.S.D.A. - Rural Development, Phoenix
 Wells Fargo Home Mortgage

CHASE



Bank of America



Arizona Association of REALTORS®
 Raymond James Tax Credit Funds, Inc.

HOMES FOR ARIZONANS DAY



Speaker Weiers introduced keynote speaker, RL Brown.

EXCEL AWARDS



Crystal Creek Townhomes
 Sierra Vista, AZ



Sahara Luna Apartments
 Phoenix, AZ



Arizona Tribal Community
 Development Financial Institution
 (CDFI)



RL Brown of *RL Brown Reports* acted as keynote for the luncheon.

HOMES WITHIN REACH: a Significant Part of Governor's Vision

Those of you who listened to Governor Janet Napolitano's State of the State Address on Monday, January 8th probably noticed a number of housing-related points. That is because Governor Napolitano takes seriously the interrelated issues of population growth, the need for homes for working families, the preservation of our quality of life, and maintaining a strong economy.

The Governor had four major initiatives in her State of the State Address that relate to housing that is affordable. The Governor has:

- Directed the Arizona Department of Housing to increase financial assistance for first-time homebuyers in rural Arizona;
- Doubled the investment in Homebuyer Education, including the development of an online version;
- Set aside an additional \$2.5 million for Tribal housing needs statewide;
- Allocated \$1 million for "blueprint" grants to encourage creative housing solutions at the center of our communities rather than allowing further sprawl at the edges.

This last initiative will take the form of competitive grants that reward communities for coming up with innovative ways of addressing their specific local affordable housing challenges. Key selection criteria

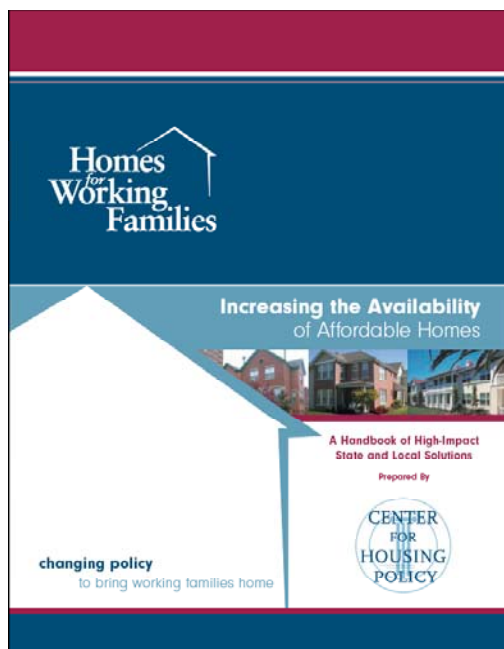
will likely include (a) significant coordination among agencies, jurisdictions, community organizations, and other stakeholders, as well as (b) true innovation in terms of the proposed projects. Look for more specific information about this evolving grant program later this year.

As most Arizona communities do not have a large staff and in-house expertise when it comes to planning for homes within reach, the Arizona Department of Housing will offer technical assistance to communities that would like to incorporate affordable housing into their general plans—a key recommendation of the Arizona Incentives for Affordable Housing Task Force.

Additionally and in light of the fact that Arizona is now the fastest-growing state in the Union, the Governor in January signed Executive Order 2007-05, thereby formally establishing the Governor's Growth Cabinet.

She has given the Cabinet members until May 8, 2007, to develop and present a smart growth and development process that can be used by cities, towns, and Tribal communities in their efforts to coordinate a host of complex growth processes.

For the full text of the Governor's 2007 State of the State Address, please visit the Governor's website: <http://azgovernor.gov> and click on "Media Room."



Homes for Working Families

Homes for Working Families, in partnership with the Center for Housing Policy, recently released ***Increasing the Availability of Affordable Homes: A Handbook of High-Impact State and Local Solutions***.

It offers policy solutions to the growing crisis recently identified in the Center's Paycheck to Paycheck study, which found that many healthcare professionals, along with other community workers, are priced out of homeownership in the majority of markets across the country. Homes for Working Families' user-friendly handbook serves as a practical reference tool that state and local leaders can use to address the affordability challenge within their jurisdictions. To view the document visit their website: www.homesforworkingfamilies.org/media/policyhandbook.

Homes for Working Families is a national, nonprofit organization dedicated to advancing policy changes that enable more of America's working families to find safe, good-quality homes they can afford.

Spring, 2007

April is FAIR HOUSING MONTH

Governor Janet Napolitano has proclaimed April to be Fair Housing month in the State of Arizona.

To mark the 39th anniversary of the Fair Housing Act, April has once again been proclaimed Fair Housing Month. The Act, established by Congress in 1968, prohibits discrimination in the rental, sale, or advertising of any dwelling based on race, color, religion, or national origin. Amendments were added in 1988 prohibiting discrimination based on disability and familial status.

With very few exceptions, the fair housing law applies to all people and properties – whether subsidized by the government or not. There are additional requirements placed on units of government and organizations that receive federal housing funds.

The Arizona Department of Housing invests in fair housing outreach and education activities in the 13 rural counties. Enforcement of the Arizona Fair Housing Act is the responsibility of the Arizona Attorney General's Office.

WATCH OUT: Mortgage Fraud a Growing Concern

ADOH staff are often asked to participate in ad hoc, interagency committees for the purpose of dealing with a multiplicity of issues. The Mortgage Fraud Task Force is one such committee, and it makes sense that we would be invited to participate: helping to make homeownership possible is one of the many things we do.

Headed by Felecia Rotellini, superintendent of the Arizona Department of Financial Institutions, the Mortgage Fraud Task Force is looking into an exponential increase in the incidence of mortgage fraud in Arizona.

The fraud usually takes the form of cash-back deals on mortgages for homes with inflated appraisals. Homeowners who participate in the scam—either wittingly or unwittingly—can get stuck with a mortgage they can't afford or with a mortgage that is worth more than their house. Neighbors can be led to believe that their homes have appreciated more than they actually have. Lenders draw the short straw, though: they can end up with hundreds of thousands—if not millions—of dollars' worth of bad loans. That's a bad thing for the real estate market and for the economy as a whole.

It is interesting to note additional agencies that are participating in this matter, including the Federal Bureau of Investigation, Homeland Security, the Arizona Attorney General's Office, and other law enforcement agencies. Mortgage fraud is a serious issue that is being given due attention. In fact, Senator Jay Tibshraeny has introduced Senate Bill 1221 which, if passed, would establish residential mortgage fraud as a crime in Arizona.

What can we do?

For one, those of us in the housing industry along with our partners in related industries can stay vigilant. While it's unlikely that scam artists would choose to involve themselves with any of us, having an awareness of the issue will likely help to reveal any peculiarities in transactions that involve you or the ADOH.

Additionally, moving forward and in accordance with Governor Janet Napolitano's call for increased education for first-time homebuyers, the ADOH is going to prepare a tip sheet for our customers that will tell them what to look for so they can avoid any kind of mortgage fraud situation.

New **FACES**



Karia Basta has joined ADOH as Technical Assistance Coordinator. Her 17 years of experience in both the public and private sectors includes extensive work with a multi-family property management firm and eight years as Housing Director for the Missouri Department of Mental Health. Karia holds an M.S. from ASU.



Marianne Marinucci has joined ADOH as our first-ever Asset Manager. She brings with her a strong background in affordable housing grant administration, underwriting, development, and mortgage restructuring from her years with the Ohio Housing Finance Agency.

welcome!

Training, Conferences & Other Happenings



NEXT COMPLIANCE TRAINING
SEPTEMBER 26-27 - TUCSON
Details Pending

RENTAL HOUSING COMPLIANCE TRAINING

4/17-18/2007

Hilton Garden Inn/Airport
University Center
3422 E. Elwood Drive
Phoenix, AZ

At this two-day workshop will learn:

- Complete IRS, HOME, and HUD forms and review changes in regulations
- Complete required income verification forms
- Adhere to Section 42 and HOME guidelines
- Lease and manage mixed income tax credit developments
- Make the most of the Available Unit Rule and multiple set-asides
- Calculate income to determine income eligible households

REGISTER ON-LINE AT
WWW.HOUSINGAZ.COM

GOVERNOR'S HOUSING FORUM
Radisson Fort McDowell Resort
September 11-13, 2007

Arizona Department of Housing

CHASE Bank of America National Bank

Arizona Association of REALTORS® Raymond James Tax Credit Funds, Inc.

Join us September 11-13, 2007 at the Radisson Fort McDowell Resort for the 4th annual **Governor's Housing Forum**.

Watch for information on registration and program content. If you are interested in being put on the Forum mailing list, e-mail cynthiad@housingaz.com.

Housing Hero Award Nominations

Housing Hero awards were developed in 2004 to recognize housing professionals and organizations who had performed above and beyond during the year. In 2006, ADOH opened the nomination process to peers. 2007 Housing Hero awards will be presented at the Governor's Housing Forum on September 11.

Download the nomination packet at www.housingaz.com and get your nominations in by June 15!



Coming to Phoenix May 7-10.
REGISTER ON-LINE:
www.nw.org/network/training/training.asp

a brief CALENDAR 2007	
<i>(for details, check the Event Calendar on our website)</i>	
APRIL	
11-12	Homebuyer Counseling Classes/Pinal
17	Rental Housing Compliance Training
17	AzHFA Board Meeting
25-26	Affordable Housing Institute
27	Arizona Housing Commission
MAY	
7	NeighborWorks of America Institute
8	AzHFA Board Meeting
9-10	Homebuyer Counseling Classes/Pinal
25	Arizona Housing Commission
28	CLOSED - Memorial Day Holiday
JUNE	
6-7	Homebuyer Counseling Classes/Pinal
12	AzHFA Board Meeting
13-14	Affordable Housing Institute
29	Arizona Housing Commission
JULY	
4	CLOSED - 4th of July Holiday
10	AzHFA Board Meeting
11-12	Homebuyer Counseling Classes/Pinal
25-26	Affordable Housing Institute
AUGUST	
15	Arizona Housing Commission at the Arizona Rural Development Conference
SEPTEMBER	
3	CLOSED - Labor Day Holiday
11-13	Governor's Housing Forum
11	AzHFA Board Meeting
11	Arizona Housing Commission
26	Rental Housing Compliance Training
OCTOBER	
8	CLOSED - Columbus Day Holiday
11	AzHFA Board Meeting
26	Arizona Housing Commission
NOVEMBER	
12	CLOSED - Veterans' Day Holiday
13	AzHFA Board Meeting
22	CLOSED - Thanksgiving Day
DECEMBER	
7	Arizona Housing Commission/AzHFA Joint Meeting
25	CLOSED - Christmas Holiday

HOMEOWNERSHIP & HOMEBUYER EDUCATION

ADOH continues to stay firmly committed to making homeownership a reality for working families in Arizona.

Governor Janet Napolitano has directed ADOH to double its investment in homebuyer education, so more resources than ever are available to those Arizonans seeking to buy their first home in counties other than Maricopa and Pima.

Purchasing a home is probably the biggest investment you will ever make, and thus it is important to be well educated about what it is you are getting into. Not only are lower-interest 30-year-fixed mortgages available through the Mortgage Revenue Bond (MRB) program, but there are down payment and closing cost assistance programs that can help bring that first home within reach.

ADOH offers homebuyer education classes in Pinal and Gila counties. The classes are free; prospective homebuyers may make a reservation on our website under Calendar of Events. Check for other organizations that provide this service on our website under Homeownership.

HOMEBUYER EDUCATION CLASSES

COUNTY	DATE	TIME	LOCATION
Pinal	April 11 and 12	5:30 pm - 9:30 pm	Central Arizona College, Rm I-211 8470 N. Overfield Road Coolidge
Pinal	May 9 and 10	5:30 pm - 9:30 pm	Central Arizona College, Rm M-101 (Clock tower building) 8470 N. Overfield Road Coolidge
Pinal	June 6 and 7	5:30 pm - 9:30 pm	Central Arizona College, Rm I-211 8470 N. Overfield Road Coolidge
Pinal	July 11 and 12	5:30 pm - 9:30 pm	Central Arizona College, Rm I-211 8470 N. Overfield Road Coolidge
For additional information, call Sandy Weis at (602) 771-1000 or sandyw@housingaz.com			

Applicants may qualify for a new on-line homebuyer counseling dependent upon the program and other income criteria. Applicants need to verify their qualification with the agency administering the program in their area for further details.

SAVE THE DATE

April 11, 2007
8:30 a.m. – Noon
Burton Barr Public Library
First Floor Auditorium
1211 N. Central Ave., Phoenix

“Fair Housing in the Trenches”

A must-attend fair housing seminar designed for real estate agents, HOA boards and managers, and rental property owners, managers and leasing staff. Learn how to identify and prevent housing discrimination.

- Hear a victim’s real-life experience with housing discrimination.
- Vignettes based upon actual Arizona fair housing cases with analysis by a panel of industry and government experts and audience discussion.
- Assistive animal presentation and demonstration.



Featured Speaker
**Arizona Attorney General
 Terry Goddard**
 \$15 per person, \$25 at the door
 Includes Continental Breakfast
 Arizona Department of Real Estate
 Continuing Education Credit (pending)

Registration form coming soon!

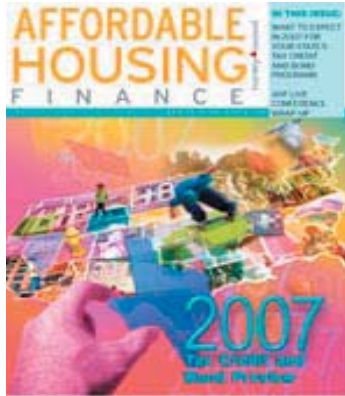
Presented by
ARIZONA FAIR HOUSING PARTNERSHIP
 The Arizona Fair Housing Partnership is a statewide coalition of real estate and rental housing trade associations, government agencies, social service organizations and housing advocates who support and promote fair housing.



Persons with a disability may request a reasonable accommodation by contacting Monica Schulik at (602) 248-7787. Requests should be made as early as possible to arrange the accommodation.

CALL FOR ENTRIES

Affordable Housing Finance Magazine Seeks Best Affordable Housing Developments of 2006 – 2007



If you have done an outstanding affordable housing project or know of an outstanding project, *Affordable Housing Finance* wants to hear about it!

Affordable Housing Finance is searching for the best affordable housing projects in the nation that were completed in 2006 or that will be completed in 2007. The finalists will be published in the August 2007 issue. *Affordable Housing Finance* readers will then vote for the winner in each category. Winners will be presented with awards in Chicago at AHF Live: The Tax Credit Developers' Summit Oct. 24 – 25. They will also be published in the November 2007 issue of *Affordable Housing Finance*.

Deadline for entries is April 30, 2007. Download the nomination form as a PDF or as a Word document at www.housingfinance.com. Please send your nomination material to Donna Kimura via fax (415-315-1248) or mail to her care of Hanley Wood, 111 Sutter Street, Suite 975, San Francisco, CA 94104.

For more information, e-mail Donna Kumura at dkimura@hanleywood.com.

CONTINUUM OF CARE

The Continuum of Care is a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness. Services and resources include, but are not limited to:

Homeless Prevention. Assistance to help people maintain their housing and prevent homelessness.

Outreach, Intake and Assessment. To identify an individual's or family's needs and link them to appropriate housing and/or services.

Emergency Shelter. Short-term, safe and decent shelter provided as an alternative to the streets.

Transitional Housing. Housing with supportive services to help people develop the skills they need to live in permanent housing.

Supportive Services. Supportive services should be available throughout the Continuum of Care in order to address the specific needs of each individual. Supportive services may be provided in conjunction with housing, or through referral. Services should be available to address both the immediate and long term needs of homeless persons, such as education, employment assistance, health care, substance abuse treatment and mental health care, child care, transportation and other services.

Permanent Housing. Affordable housing in which residents pay no more than 30% of their income for housing costs.

Permanent Supportive Housing. Housing with supportive services designed to allow persons with disabilities to live in the community as independently as possible.

ADOH administers this program in rural Arizona (outside Pima and Maricopa Counties). If you are interested in participating in discussions, the meeting schedule is listed below.

Meeting Schedule

CONTINUUM	MEETING DATE	MEETING TIME	LOCATION
Sierra Vista	Thursday, April 5	10:00 am	CPSA 999 E. Fry Boulevard Sierra Vista
Safford	Wednesday, April 11	1:00 pm	1615 S. 1st Avenue Safford
Parker	Thursday, April 12	11:00 am	Desert View Church 401 W. 15th Street Parker
Yuma	Monday, April 16	1:00 pm	3250 E. 40th Street Yuma
Apache County	Monday, April 16	10:00 am	TBD
Nogales	Monday, April 23	10:00 am	Community Development Office 1248 N. Terrace Avenue Nogales

POTPOURRI

Arizona Department of Housing has released its **2006 Annual Report**. This year's Annual Report highlights programs and developments throughout the state and gives an overview of the accomplishments in 2006. View or download at the Agency's website, www.housingaz.com.

HUD has released new **Low Income Housing Tax Credit (LIHTC) income and rent limits** which are effective March 20, 2007. See Electronic Bulletin 02-07 dated March 26 or download from our website.

Funding Announcements

Notice of Funding Availability

Since our Winter E-Newsletter was issued in January, ADOH has made the following commitments for funding of housing and community development programs and projects in Arizona:

STATE HOUSING FUND

Recipient	Service Area	Type of Program/Project	Funding
Against Abuse, Inc./La Casita Grande de Paz	Casa Grande	New construction of homeless units	\$749,849
Apache Junction, City of	Apache Junction	Owner-occupied housing rehabilitation program	\$330,000
Arizona State University/Del E. Webb Construction in Indian Country	Statewide	Conference Sponsorship	\$10,000
Bothands, Inc.	Coconino County	Supportive Housing Program administration	\$1,861
Bullhead City, City of	Bullhead City	Owner-occupied housing rehabilitation program	\$582,438
Camp Verde, Town of	Camp Verde	Owner-occupied housing rehabilitation program	\$354,000
Casa Grande, City of	Casa Grande	Owner-occupied housing rehabilitation program	\$700,000
Coconino County	Coconino County	Owner-occupied housing rehabilitation program	\$556,000
Community Action Human Resources Agency (CAHRA)	Pinal County	Supportive Housing Program administration	\$3,823
Community Home Repair Projects of Arizona	Pima County	Owner-occupied housing emergency repair program	\$500,000
Community Information & Referral	Maricopa County	Continuum of Care Planning Grant	\$25,000
Community Partnership of Southern Arizona (CPSA)	Cochise County	Supportive Housing Program administration	\$6,270
Community Partnership of Southern Arizona (CPSA)	Graham, Santa Cruz Counties	Supportive Housing Program administration	\$1,840
Coolidge, City of	Coolidge	Owner-occupied housing rehabilitation program	\$525,000
Crossroads, Inc./Crossroads for Women	Phoenix	Acquisition/rehabilitation of homeless units	\$750,000
Douglas, Town of	Douglas	Owner-occupied housing rehabilitation program	\$600,000
Eagar, Town of	Southern Apache County	Owner-occupied housing emergency repair program	\$500,000
Eagar, Town of	Apache County	Owner-occupied housing rehabilitation program	\$710,000
El Destino LP/El Destino at Rio Rico	Rio Rico	New construction of rental units	\$500,000
Eloy, City of	Eloy	Owner-occupied housing rehabilitation program	\$330,000
Excel Group	Yuma County	Supportive Housing Program administration	\$3,179
Excel Group	Yuma County	Supportive Housing Program administration	\$4,549
Flagstaff, City of	Flagstaff	Owner-occupied housing emergency repair program	\$110,000
Flagstaff, City of	Flagstaff	Owner-occupied housing rehabilitation program	\$160,000
Foundation for Senior Living	Maricopa County	Owner-occupied housing emergency repair program	\$220,000
Habitat for Humanity Desert Foothills	Cave Creek	New construction of homeownership units	\$140,000
Horizon Human Services	Pinal County	Supportive Housing Program administration	\$1,878
Housing Authority of Cochise County	Cochise County	Owner-occupied housing emergency repair program	\$198,000
Kearny, Town of	Kearny	Owner-occupied housing rehabilitation program	\$250,000
Lake Havasu, City of	Lake Havasu	Owner-occupied housing emergency repair program	\$496,000
Mohave County	Mohave	Owner-occupied housing emergency repair program	\$495,000
Mohave County	Mohave County	Supportive Housing Program administration	\$2,352
Northern Arizona Council of Government - Navajo Nation Pilot Program	Apache, Coconino, Navajo Counties	Owner-occupied housing emergency repair program	\$220,000
New Arizona Family, Inc.	Phoenix	New construction of rental units	\$50,000
New Life Center, Inc./Building Hope et al	Goodyear	New construction of homeless units	\$750,000
Newtown Community Development Corporation	Tempe	New construction of homeownership units	\$128,000
Old Concho Community Assistance Center	Apache County	Supportive Housing Program administration	\$2,168
Old Concho Community Assistance Center/LC	Apache County	Supportive Housing Program administration	\$1,800
Old Concho Community Assistance Center/Navajo County	Navajo County	Supportive Housing Program administration	\$2,314
Old Pueblo Community Foundation	Marana	Owner-occupied housing rehabilitation program	\$325,000
Old Pueblo Community Foundation	Tucson	New construction of homeownership units	\$350,000
Open Inn	Yavapai County	Supportive Housing Program administration	\$1,165
Payson Area Habitat for Humanity	Payson	New construction of homeownership units	\$315,000
Payson, Town of	Payson	Owner-occupied housing rehabilitation program	\$270,000
Pinal County	Pinal County	Regional Planning Grant	\$50,000
Guidance Center, The	Coconino County	Supportive Housing Program administration	\$2,588
Tolleson, City of	Tolleson	Owner-occupied housing emergency repair program	\$330,000
US Veterans	Yavapai County	Supportive Housing Program administration	\$8,342
West Yavapai Guidance Clinic	Yavapai County	Supportive Housing Program administration	\$2,673
Western Arizona Council of Government	LaPaz, Mohave, Yuma Counties	Owner-occupied housing rehabilitation program	\$300,000
Western Arizona Council of Governments	LaPaz, Mohave, Yuma Counties	Owner-occupied housing emergency repair program	\$550,000
Winkelman, Town of	Winkelman	Owner-occupied housing rehabilitation program	\$330,000
Women's Transition Project	Cochise County	Supportive Housing Program administration	\$3,063
Yuma County	Yuma County	Owner-occupied housing rehabilitation program	\$685,000

AHOUSING MATTERS



Arizona Department of Housing

Vol. 6 No. 3 Summer 2007



Sheila D. Harris, Ph.D.

Message from the Director

This September, Governor Napolitano and I hope that each of you will join us for a conference that we believe will offer great ideas, motivating speakers, and stimulating discussion in a packed day and a half at the conveniently located Radisson Fort McDowell Resort. **Leading with Solutions**, this year's Governor's Housing Forum theme speaks to our commitment to craft plans to face the future, fully acknowledging the myriad of challenges brought by unprecedented growth.

As the nation's fastest growing state, Arizona's population grew more than 20 percent from 2000 to 2005. According to the Census Bureau, our population continued to grow in 2006 by approximately another million more residents. Our percentage of homeownership is higher than the nation's average; almost seven out of 10 Arizonans own their own home. And this state's home appreciation values again led the nation.

Yet it is also true that with skyrocketing home values are also higher prices. For families still seeking the American Dream of their own home, there is a price paid for finding and reaching affordable housing. Our Governor has coined the phrase "time tax" to describe this phenomenon. All the time spent driving further and further away from places of employment, subtracts from remaining time with families, reduces the amount of disposable income, and increases the fuel costs for longer commutes. Longer commutes also translate into more congested roads, costs to maintain them or expand them. At the center of these costs is the place each of us calls home. The communities where our children go to school, learn values that last a lifetime, and every family member finds peace and relaxation at the end of the day, are the places each of us wants to be at home. Governor Napolitano and I share those same dreams for all of Arizona.

Here's hoping to see you this September!

Sheila D. Harris

Inside this issue:

AzHFA Activities	2
2007 Legislative Scene	3
Arizona Housing Commission	4
Open House.....	5
June is Homeownership Month.....	6
RFP Issued	6
New Faces	7
Training, Conferences & Happenings.....	8
Tribal Housing Initiative.....	10
CD&R Reorganization	10
Funding Announcements	11
Staff Contacts.....	12

GOVERNOR'S HOUSING FORUM
Radisson Fort McDowell Resort
September 11-13, 2007

LEADING WITH SOLUTIONS

Arizona Department of Housing
CHASE Bank of America Countrywide HOME LOANS WELLS FARGO
APS Bank of America National Bank SFP
Arizona Association of REALTORS® Raymond James Tax Credit Funds, Inc.

Leading with solutions.

AzHFA Activities



2007 Board of Directors

Victor Flores

Chairperson
Salt River Project

Donald E. Brandt

Vice-Chairperson
Pinnacle West Corporation

Ross McCallister

Treasurer
MC Companies

Brian Mickelsen

Secretary
City of Cottonwood

Rita Carrillo

Arthur Crozier

Frank M. Smith & Associates, Inc.

Richard Houseworth

Capital Bancorp Limited

The Arizona Housing Finance Authority (AzHFA) Board of Directors is a seven member board that governs the work of the Authority. Board meetings are open to the public and are scheduled to take place at the Arizona Department of Housing, unless otherwise noted.

SCHEDULED MEETINGS

July 10
no meeting in August
September 11

For additional information on AzHFA Board Meetings contact Ann Pratt at (602) 771-1000 or annp@housingaz.com.

Carl Kinney

Arizona Housing Finance Authority Programs Administrator
(602) 771-1091
carlk@housingaz.com

Governor Janet Napolitano Appoints Two New Directors to Fill Vacancies

With the departure of two board members, Stephanie Prudence and Cliff Potts, Dr. Harris, staff and the Arizona Housing Finance Authority Board would like to thank each for their years of service to the Arizona Housing Finance Authority, and their service to the people of Arizona.



Arthur Crozier
Frank M. Smith & Associates, Inc.

Two individuals were recently appointed by Governor Napolitano to fill the vacancies. One is an Arizona native, the other a Midwestern transplant. Both bring exceptional credentials to an important state board at this exciting time.

A life long resident of Pinetop, Mr. Arthur Crozier graduated from Blue Ridge High School in 1967. He enrolled in Arizona State University and later transferred to Northern Arizona University. In 1972 he received his real estate license, and four years later became a licensed broker. He has more than 35 years of real estate experience, during which he has held many leadership positions, both statewide and nationally. Along with Mr. Crozier's professional accomplishments are a lengthy record of service to his community and church. Appointed to the Arizona Housing Commission in 1999, he served as its chair from 2003 through 2005.



Richard Houseworth
Capital Bancorp Limited

Mr. Richard Houseworth brings extensive experience in banking and public service. Mr. Houseworth began his career as a bank management trainee in Lawrence, Kansas, later rising to become bank president. He won Senate confirmations as U.S. Alternate Executive Director of the Inter-American Development Bank and as a consultant to the assistant secretary of the Treasury for International Affairs.

Here in Arizona from 1993 until 2006, Mr. Houseworth was the superintendent of banks for the State of Arizona and served as Superintendent of the Department of Financial Institutions. In February 2006, he assumed his current post as director of government relations for Capitol Bancorp. Mr. Houseworth also has a lengthy record of professional and civic affiliations, serving as chairman of the Conference of State Bank Supervisors, and president of three other noted organizations.

The board and staff welcome these distinguished civic servants. Their unique blend of talents and service will well serve the people of Arizona.

PARTICIPATING MRB LENDERS

Adobe Financial Corporation
AmeriFirst Financial
American Mortgage Group
Bank of America, NA
Bell America Mortgage, LLC
Charter Funding
Consumers Mortgage Corporation
Countrywide Home Loans

DHI Mortgage Company, Ltd.
Express One Mortgage Corporation
GMAC Mortgage
Guild Mortgage Co.
Intellichoice Mortgage Services
JP Morgan Chase Bank, NA
Liberty Financial Group
Market Street Mortgage
National Bank of Arizona

National City Mortgage
Pacific Coast Mortgage
Ryland Mortgage Company
State Mortgage, LLC
Suburban Mortgage
Territorial Mortgage, LLC
U.S. Bank, N.A.
Wallick and Volk, Inc.
Washington Mutual Bank
Wells Fargo Home Mortgage

The legislature had a very busy year—1,434 bills were introduced, only a quarter of which made their way through the process, resulting in 254 bills signed into law and 17 bills that were vetoed by the Governor. Several bills have been introduced this session relating to housing affordability. You can view the bills by visiting www.azleg.state.az.us

2007 Legislative Scene

Meggan Medina
Government Relations
& Communications Administrator
(602) 771-1011
megganm@housingaz.com



State

After 164 days, tying last year as the fifth longest session in state history, the Legislature adjourned, sine die, on Wednesday, June 20th at 10:58 p.m. Before adjourning, the Legislature passed and the Governor signed a \$10.6 billion budget. Below are a couple of budget highlights:

- The FY 2008 General fund spending increased \$236 million above FY 2007, an increase of 2.3 percent.
- The entire state budget, including both appropriated and non-appropriated funds, is projected to be \$27 billion.
- The budget also includes new FY 2009 tax reductions of \$10.5 million, including business property tax reductions, a “529” college savings plan deduction, and a military families relief tax credit.
- Department of Economic Security budget includes \$3 million to fund approximately 257 additional beds for victims of domestic violence.
- Department of Commerce budget includes \$2 million for the Greater Arizona Development Authority (an Incentives Task Force recommendation).
- \$1 million in lottery funds will be transferred to the Department of Economic Security for use in funding emergency shelters, transitional housing and related support services.

This year, the Arizona Department of Housing requested an increase to our appropriated portion of the Housing Trust Fund to be able to hire three more staff positions. That request was granted. As many of you already know, the portfolio and responsibilities of the Department has grown steadily over the last several years, and the need for additional staff members is significant. We are very grateful to the Governor and Legislature for supporting our much needed budget request.

Federal

The House Appropriations Transportation-HUD (THUD) Subcommittee approved its version of the FY 2008 funding bill on June 11th. The bill includes \$50.7 billion in spending, \$2.8 million more than the Administration requested. While an improvement, much of the \$2.8 million was needed to fill holes in programs cut by the Administrations proposal such as the Community Development Block Grant (CDBG) program, elderly housing, housing for the disabled and HOPE VI.

In a press release by the Chairman of the Subcommittee on Transportation and Housing and Urban Development, Congressman John Oliver (D-MA) admitted that with the level of funding given the Subcommittee most programs were funded at the FY 2007 level. Committee members felt they did their best to restore funding for programs slated for cuts that would have affected the nation’s most vulnerable citizens. Among those programs, CDBG was funded at \$4.18 billion, \$400 million over the FY 2007 level, elderly housing was restored to \$735 million, housing for the disabled received \$237 million and HOPE VI received \$120 million - a slight bump over last year.

The full House Appropriations Committee was scheduled to markup the bill on June 18, but that meeting was cancelled. Amendments and additional priorities are expected to be introduced when that meeting occurs.



Arizona Housing Commission

Meggan Medina
Government Relations
& Communications Administrator
(602) 771-1011
megganm@housingaz.com

CURRENT MEMBERS

Reid Butler
Arizona Multihousing Association

Maria Chavez
Arizona Interagency Farmworker Coalition

Arthur Crozier
Frank M. Smith & Assoc., Inc.

Suzanne DeConcini
Long Realty

Elisa de la Vara

Richard Elias
Pima County Board of Supervisors

Helen Ferrell
Bothands, Inc.

Rena Van Fleet
Colorado River Indian Tribes

Irving Hill
Fleetwood Homes of Arizona

Kelly Langford
Tucson Urban League

Janet Marcus
Public Member

Guy Mikkelsen
Foundation for Senior Living

Marty Moreno
Town of Sahuarita

Emily Nottingham
Tucson Community Services

Gregory Petz
Graham County Community Development

Cass Rankin
Public Member

Jean Richmond-Bowman
Northern Arizona Building Association

Roberto Ruiz
Ruiz Engineering

Juan Salgado
City of Phoenix

Annette Stein
Maricopa County

Sen. Tim Bee
President, Arizona Senate

Rep. Robert Meza
Arizona House of Representatives

A Word from the Chair

Jean Richmond-Bowman

New Commission Members arrive in time for a ground-breaking collaboration with ASU's Decision Theater

With the departure of several Commission members, it is appropriate to publicly express our thanks for their years of service to the Arizona Housing Commission. As we bid adieu to Rosa Bruce, Scot Butler, Chester Carl, Ray Clarke and Ken Finlayson, their collective and valuable contributions deserve acknowledgement.

Fortunately however, ours is a state brimming with talented leaders who are willing to accept new opportunities to make Arizona an even greater part of America. Four such individuals were recently appointed by Governor Napolitano to fill the vacancies created by these recent departures. As Chair of the Arizona Housing Commission, I would like to welcome Helen Hudgens-Ferrell, Irving Hill, Kelly Langford, and Marty Moreno.

Our new commissioners arrive when an important new project is beginning. In collaboration with Arizona State University's Decision Theater, a three-dimensional presentation will soon be developed as a cutting-edge community education tool. Designed to assist policy leaders, businesses, community-based advocates and others, the presentation will graphically depict how farther distances traveled to access affordable housing bring an inescapable and accompanying time tax that economically impacts families, communities, and businesses alike.

When completed, the presentation will enable groups of people in a single session to view how the lack of accessible affordable housing is a significant concern for everyone in our state. The presentation will come to life aided by a 260-degree faceted screen, panoramic computer graphics, seven rear projection passive stereo sources, and the Commission's considerable data. Instead of reading pages of data, the statistics will be transformed into a dynamic and colorful visualization.

ASU's Decision Theater utilizes advanced visualization techniques that provide a special way to see and contemplate public policy and other issues. Sometimes referred to as a "policy visualization center," the facility's goal is to connect university research with communities and their real-life needs.

Preliminary plans for this exciting endeavor were a focus of the recent June 29 commission meeting held at the Decision Theater in Tempe. As plans and progress move forward, additional updates will be shared.



On June 6, government agencies, industry executives, and friends were invited to tour the Department's new office space, located in the Arizona Department of Environmental Quality building.

LEED Silver Certified by the U.S. Green Building Council, the building was constructed with low-E glass to reflect heat, energy saving indoor lighting, and low-emitting materials used in the carpet, paint and wood to minimize levels of urea-formaldehyde compounds. The number one feature that every ADOH staff member will agree on is the covered parking garage—we will not miss the Capitol Tower parking lot in August.

THANKS TO OUR OPEN HOUSE SPONSORS:

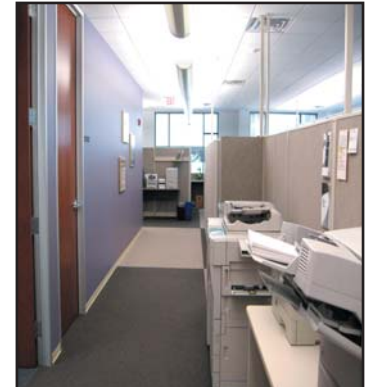


The agency now inhabits space on two floors, allowing for expansion and a better alignment of departments. The new space also features a large training room with internet capability and space for 75.

The building is located at 1110 West Washington. Visit our website: www.housingaz.com for directions and parking information.



ADD Charlotte Grant-Cobb greets Paul Durr of Adams Construction, St. George, UT.



Second floor space houses PHA, Special Needs, the Data staff and the Arizona Housing Finance Authority.



Nedra Halley, Dunlap & McGee, pens a congratulatory message.



Carl Kinney, AzHFA Administrator takes a group of guests on a tour.



PHA staffer, Celia Gibbar, welcomes visitors to the new space.

REQUEST FOR PROPOSAL ISSUED

ADOH has issued a Request for Proposal for consultant services to assess needs and make recommendations on the Homebuyer/Homeowner Assistance Programs offered by the State of Arizona and its partners.

In order to make the best investment of public resources, ADOH is seeking a qualified individual or firm to perform a needs assessment and make recommendations as described in the RFP. Preference will be given to those with experience or knowledge of homebuyer programs targeted to low and moderate income homebuyers.

Download the RFP in its entirety from our website:
[www.housingaz.com/
Requests for Proposals \(RFPs\)](http://www.housingaz.com/Requests%20for%20Proposals%20(RFPs))

Submission deadline:
August 15, 2007

**Governor Janet Napolitano
proclaims June**

HOMEOWNERSHIP MONTH

Underscoring the efforts to "Make the American Dream a Reality", Governor Janet Napolitano proclaimed June Homeownership Month.

Average median priced home in AZ

\$244,000

Increase in median price 00-06

74%



New **FACES** Several new staff have joined ADOH. Meet some of our most recent hires.

With a goal of building community capacity, two new Community Development and Revitalization staff members joined the agency June 18. Although each will continue to administer funding contracts, new CD&R specialists Steven Sims and Megan Zakrzewski will eventually be assigned geographic areas for HOME, CDBG and HDF.



Steven Sims, a newlywed just returning from his honeymoon, arrives at the Department of Housing after residing in the Phoenix area for approximately one year. This graduate of the Memphis Bible Institute has a passion for traveling and world-wide missions work. He has also lived in California, Washington, Georgia, and Texas.

His colleague, **Megan Zakrzewski**, transferred to the Department from another state agency, the Department of Economic Security where she worked for 18 months in facilities management for the Division of Business and Finance. Prior to joining state government, Megan worked for a decade in residential and commercial real estate and property management. When asked why she wanted to work in housing, she replied, "I wanted to be in a position to impact the community. The Arizona Department of Housing is a great place to do that."



In a career that includes major markets in the Southeast, Southwest, and Midwest, **Charlene Crowell** has joined the Arizona Department of Housing as Public Affairs Manager. The Indiana native and Valparaiso University alum arrived in Phoenix from Lansing, Michigan, another state capitol where she worked as a registered lobbyist agent. This former press secretary to both a state attorney general and mayor is also an award-winning journalist whose work has been honored by the National Newspaper Publishers Association and the Texas Publishers Association.

With a record of notable accomplishments in a 30-year public service career, **Fred Karnas'** May arrival at ADOH launches the newly-created Center for Housing Affordability and Livable Communities (CHALC). In this visionary agency development, ADOH will draw upon his seasoned experience, gained through senior positions at the Fannie Mae Foundation, Interagency Council on the Homeless, National Coalition for the Homeless, and HUD. Trained as both a city planner and social worker, Fred earned his Ph.D. from the College of Architecture and Urban Studies at Virginia Tech.



In June, **Lisa Nguyen** joined the department as an Administrative Assistant III for Government Relations & Communications/CHALC. Her service to the department is really a return to state government. Earlier as a participant in the Governor's Internship Program, Lisa worked for the State Refugee Resettlement. Since graduating from Arizona State University with a B.A. in history, Lisa's career path has been in social services, working with refugees and immigrants from diverse cultures and socioeconomic backgrounds.

Julia Peru joined the Housing Department as a Risk Assessment Officer in May. Julia received both her Masters in Business Administration and a Bachelor of Science in Finance from Arizona State University. During the past 15 years she has worked primarily in the banking industry where she financed construction developments, commercial loans/lines of credit, and consumer loans. She also worked over two years as the Finance Director for the Water Infrastructure Finance Authority of Arizona where she financed water and wastewater systems for the State of Arizona.



welcome!

ADOH job announcements and requests for proposals

The Arizona Department of Housing posts job announcements and Requests for Proposals from time to time on its website.

For a list of current openings, go to:

www.housingaz.com/careers.

For a list of current RFPs, go to: [www.housingaz.com/general public](http://www.housingaz.com/general_public) and click on Requests for Proposals.

State Housing Fund Program Summary available

The 2008 State Housing Fund Program Summary Guide (for applications submitted from July 1, 2007 – June 30, 2008) is currently available at the ADOH website at www.housingaz.com.

Eligible activities include development, either through new construction and/or rehabilitation of rental and homeownership units, as well as owner-occupied housing rehabilitation and emergency repair programs.



Training, Conferences & Other Happenings

GOVERNOR'S HOUSING FORUM
Radisson Fort McDowell Resort
September 11-13, 2007

Arizona Department of Housing
CHASE
Countrywide HOME LOANS
WELLS FARGO
APS Bank of America
FNB National Bank
Arizona Association of REALTORS®
Raymond James Tax Credit Funds, Inc.



Don't miss the keynote address by J. Ronald Terwilliger of Trammell Crow Residential in Atlanta at this year's Governor's Housing Forum. Mr. Terwilliger

is one of the nation's most successful residential real estate developers and a leading advocate for affordable housing.

And, while we continue to put the finishing touches on the program, we can tell you that we have taken your responses to last year's "exit" survey and have incorporated them into this program.

Registration and hotel information is available at www.housingaz.com

Housing Hero Awards

Nominations Closed

The nomination period for the 2007 Housing Hero awards closed June 15. Thanks to all of you who participated.

Labor Standards & Davis Bacon Training

SEATING LIMITED TO 100

July 30 & 31, 2007

ADOT Human Resource Development Center
1130 North 22nd Avenue,
Phoenix, AZ

9:00 am - 4:00 pm

Facilitated by Carol Clark, HUD Regional Labor Relations Officer

Get additional information regarding the training on-line at www.housingaz.com by downloading the information sheet.

Registration deadline

July 13

RENTAL HOUSING COMPLIANCE TRAINING

September 26 & 27

HOTEL ARIZONA

181 W. Broadway, Tucson

(520) 624-8711

- ☞ Qualify Families for Section 42
- ☞ Determine Program Income and Rent Limits
- ☞ Calculate the Value of a Tax Credit Building
- ☞ Generate Tax Credits on a New Development
- ☞ Combine Section 8/236 and Rural Development with Tax Credits
- ☞ Understand Fair Housing in Section 42

REGISTER ON-LINE AT
WWW.HOUSINGAZ.COM

Bonus: HCCP Exam on 9/28/07

Registration for this exam is extra. Find information on registration form for LIHTC training.

a brief CALENDAR 2007

(for details, check the Event Calendar on our website)

JULY

- 4 **CLOSED - 4th of July Holiday**
- 10 **AzHFA Board Meeting**
- 11-12 **Homebuyer Counseling Classes/Pinal**
- 25-26 **Affordable Housing Institute**
- 30-31 **Labor Standards /Davis Bacon Training**

AUGUST

- 15 **Arizona Housing Commission at the Arizona Rural Development Conference**

SEPTEMBER

- 3 **CLOSED - Labor Day Holiday**
- 11-13 **Governor's Housing Forum**
- 11 **AzHFA Board Meeting**
- 11 **Arizona Housing Commission**
- 26-27 **Rental Housing Compliance Training**

OCTOBER

- 8 **CLOSED - Columbus Day Holiday**
- 11 **AzHFA Board Meeting**
- 26 **Arizona Housing Commission**

NOVEMBER

- 12 **CLOSED - Veterans' Day Holiday**
- 13 **AzHFA Board Meeting**
- 22 **CLOSED - Thanksgiving Day**

DECEMBER

- 7 **Arizona Housing Commission/AzHFA Joint Meeting**
- 25 **CLOSED - Christmas Holiday**

a look ahead to 2008

JANUARY

- 1 **CLOSED - New Year Holiday**
- 8 **AzHFA Board Meeting (T)**
- 21 **CLOSED - Martin Luther King Holiday**
- 25 **Arizona Housing Commission (T)**

FEBRUARY

- 12 **AzHFA Board Meeting (T)**
- 18 **CLOSED - Presidents Day**
- 29 **Arizona Housing Commission (T)**

MARCH

- 11 **AzHFA Board Meeting (T)**
- 28 **Arizona Housing Commission (T)**

(T) 2008 Calendar not approved

A round of applause for the Special Needs team!

Mark Ludwig, Special Needs Programs Administrator, staff Alex Moreno and Joy Johnson, and consultant Candee Stanton have successfully completed and submitted the Continuum of Care Super NOFA to HUD.

Services and housing for persons who are homeless are funded through a complex and diverse patchwork of resources. Federal programs issue Notices of Funding Availability (NOFAs) to announce funding opportunities. At HUD, competitive grants are consolidated into one NOFA called the "SuperNOFA." The SuperNOFA contains notices for over 30 different programs, including McKinney-Vento Homeless Act programs.

To receive McKinney-Vento funding, each applicant must work through a local Continuum of Care. The Continuum of Care serves as a planning body for the equitable distribution of funding across the balance of the state. The Continuum is charged with setting priorities and need for the community, evaluating each application for funding, and rank ordering the applications for HUD based on the Continuum's priorities.

Thanks to our **Special Needs** team for managing this complex process.

HOMEBUYER EDUCATION CLASSES

COUNTY	DATE	TIME	LOCATION
Pinal	July 11 and 12	5:30 pm - 9:30 pm	Central Arizona College, Rm I-211 8470 N. Overfield Road Coolidge
For additional information, call Sandy Weis at (602) 771-1000 or sandraw@housingaz.com			

Continuum of Care Meeting Schedule

CONTINUUM	MEETING DATE	MEETING TIME	LOCATION
Gila County/ Payson	Tuesday, July 10	12:00 pm	Tiny's Restaurant 600 E. Highway 260 Payson
Casa Grande	Wednesday, July 11	9:00 am	Fidelity Title Building 410 E. Florence Boulevard Casa Grande
Parker	Thursday, July 12	11:00 am	Desert View Church 401 W. 15th Street Parker
Nogales	Monday, July 16	10:00 am	Community Development Office 1248 N. Terrace Avenue Nogales
Globe	Thursday, July 19	11:30 am	Country Kitchen 1505 E. Ash Street Globe
Casa Grande	Wednesday, August 8	9:00 am	Fidelity Title Building 410 E. Florence Boulevard Casa Grande

Other Events of Note

- JULY**
- 9-11 **2007 Annual Conference National Alliance to End Homelessness** Hyatt Regency Washington on Capitol Hill
<http://www.endhomelessness.org/section/tools/conference/2007annual>
 - 11-13 **EITC and Beyond: 2007 Leadership Summit** co-sponsored by United Way of America and the National League of Cities Westin St. Francis San Francisco, CA <http://national.unitedway.org/eitc/>
 - 24 **Commerce and Economic Development Commission Meeting** Arizona Department of Commerce, 6th Floor
 - 25-27 **2007 Arizona City/County Management Association Summer Conference** Loews Ventana Canyon Tucson, AZ
<http://www.azmanagement.org/index.cfm?fuseaction=training.main>
 - 30 **How to Win with Smart Growth** co-sponsored by U.S. EPA, National Building Museum and Smart Growth Network National Building Museum Washington, DC <http://www.smartgrowth.org/>

4th Annual Construction
in Indian Country
INTERNATIONAL CONFERENCE

Eric Descheenie
Tribal Liaison
602.771.1087
ericd@housingaz.com

**Arizona Department of Housing honored at
4th Annual Construction in Indian Country Conference**

In public recognition of sponsor support, the Arizona Department of Housing was recently honored at the Fourth Annual Construction in Indian Country Conference held May 21-23 at the Radisson Fort McDowell Resort. Accepting honors on behalf of the agency was ADOH Tribal Liaison Eric Descheenie.

The Construction in Indian Country Conference (CIIC) promotes positive construction and development in Indian Country by providing educational workshops about the realities and opportunities concerning construction in Tribal communities. This year's conference topics included sessions on regulatory and legal issues, planning and pre-construction, licensing, project development and finance.

CIIC also provides networking opportunities for Tribal leaders and members, construction professionals, Federal, state, and local agencies to build relationships and begin creating solutions in overcoming construction issues. Proceeds from the conference support scholarships, research, and training for Tribal Nations as well as future conferences.

Hosted by Arizona State University's Del E. Webb School of Construction and ASU's Office of American Indian Affairs, this year's conference drew the attention of 550 attendees and 31 exhibitors representing architects, contractors, developers, and Native American arts and crafts.



ADOH Tribal Liaison Eric Descheenie accepted the sponsor award for the Department.



**CD&R...
a more
efficient use
of resources**

ADOH is pleased to announce an organizational change that reflects the complex and changing needs of communities and realigns resources to enable ADOH to support communities in achieving their goals. A new division, Community Development & Revitalization, will oversee activities related to homeownership units, including the development and acquisition/rehabilitation/re-sale of new units, rehabilitation and emergency repair of owner-occupied units and all CDBG (Community Development Block Grant) activities.

Kathy Blodgett, who has served as Homeownership Programs Administrator will lead this new division. Kathy has been with the agency for seven years and brings a wealth of professional experience, and was also named ADOH Employee of the Year in 2006. Joining her will be Specialists Renee Martucci, Sharon Tolman, Noel Schaus, Diane Olsen, Megan Zakrzewski, Chantel Key and Steven Sims. Cindy Perry will provide administrative support.

Funding Announcements

Notice of Funding Availability

Following is a list of projects funded by ADOH since July 1, 2006:

STATE HOUSING FUND

Recipient	Service Area	Type of Program/Project	Funding
Against Abuse, Inc./La Casita Grande de Paz	Casa Grande	New construction of homeless units	\$749,849
Apache Junction, City of	Apache Junction	Owner-occupied housing rehabilitation program	\$330,000
Arizona State University/Del E. Webb	Statewide	Conference Sponsorship	\$10,000
Construction in Indian Country	Coconino County	Supportive Housing Program administration	\$1,861
Bothands, Inc.	Bullhead City	Owner-occupied housing rehabilitation program	\$582,438
Bullhead City, City of	Camp Verde	Owner-occupied housing rehabilitation program	\$354,000
Camp Verde, Town of	Casa Grande	Owner-occupied housing rehabilitation program	\$700,000
Casa Grande, City of	Coconino County	Owner-occupied housing rehabilitation program	\$556,000
Coconino County	Pinal County	Supportive Housing Program administration	\$3,823
Community Action Human Resources Agency	Pima County	Owner-occupied housing emergency repair program	\$500,000
Community Home Repair Projects of Arizona	Maricopa County	Continuum of Care Planning Grant	\$25,000
Community Information & Referral	Cochise County	Supportive Housing Program administration	\$6,270
Community Partnership of Southern Arizona	Graham, Santa Cruz Counties	Supportive Housing Program administration	\$1,840
Community Partnership of Southern Arizona	Coolidge	Owner-occupied housing rehabilitation program	\$525,000
Coolidge, City of	Phoenix	Acquisition/rehabilitation of homeless units	\$750,000
Crossroads, Inc./Crossroads for Women	Douglas	Owner-occupied housing rehabilitation program	\$600,000
Douglas, Town of	Southern Apache County	Owner-occupied housing emergency repair program	\$500,000
Eagar, Town of	Apache County	Owner-occupied housing rehabilitation program	\$710,000
Eagar, Town of	Rio Rico	New construction of rental units	\$500,000
El Destino LP/El Destino at Rio Rico	Eloy	Owner-occupied housing rehabilitation program	\$330,000
Eloy, City of	Yuma County	Supportive Housing Program administration	\$3,179
Excel Group	Yuma County	Supportive Housing Program administration	\$4,549
Excel Group	Flagstaff	Owner-occupied housing emergency repair program	\$110,000
Flagstaff, City of	Flagstaff	Owner-occupied housing rehabilitation program	\$160,000
Flagstaff, City of	Maricopa County	Owner-occupied housing emergency repair program	\$220,000
Foundation for Senior Living	Cave Creek	New construction of homeownership units	\$140,000
Habitat for Humanity Desert Foothills	Phoenix	New construction of transitional living center	\$500,000
HomeBase Youth Services	Pinal County	Supportive Housing Program administration	\$1,878
Horizon Human Services	Cochise County	Owner-occupied housing emergency repair program	\$198,000
Housing Authority of Cochise County	Kearny	Owner-occupied housing rehabilitation program	\$250,000
Kearny, Town of	Lake Havasu	Owner-occupied housing emergency repair program	\$496,000
Lake Havasu, City of	Mohave County	Rental assistance and supportive services	\$83,808
Mohave County	Mohave	Owner-occupied housing emergency repair program	\$495,000
Mohave County	Mohave County	Supportive Housing Program administration	\$2,352
NACOG - Navajo Nation Pilot Program	Apache, Coconino, Navajo Counties	Owner-occupied housing emergency repair program	\$220,000
New Arizona Family, Inc.	Phoenix	New construction of rental units	\$50,000
New Life Center, Inc./Building Hope et al	Goodyear	New construction of homeless units	\$750,000
Newtown Community Development Corp.	Tempe	New construction of homeownership units	\$128,000
Northland Cares	Apache, Coconino, Gila, Navajo, and Yavapai Counties	Homelessness prevention and rental assistance	\$146,000
Old Concho Community Assistance Center	Apache County	Supportive Housing Program administration	\$2,168
Old Concho Community Assistance Center	Apache County	Supportive Housing Program administration	\$1,800
Old Concho Community Assistance Center	Navajo County	Supportive Housing Program administration	\$2,314
Old Pueblo Community Foundation	Marana	Owner-occupied housing rehabilitation program	\$325,000
Old Pueblo Community Foundation	Tucson	New construction of homeownership units	\$350,000
Open Inn	Yavapai County	Supportive Housing Program administration	\$1,165
Payson Area Habitat for Humanity	Payson	New construction of homeownership units	\$315,000
Payson, Town of	Payson	Owner-occupied housing rehabilitation program	\$270,000
Pinal County	Pinal County	Regional Planning Grant	\$50,000
Guidance Center, The	Coconino County	Supportive Housing Program administration	\$2,588
Tolleson, City of	Tolleson	Owner-occupied housing emergency repair program	\$330,000
US Veterans	Yavapai County	Supportive Housing Program administration	\$8,342
West Yavapai Guidance Clinic	Yavapai County	Supportive Housing Program administration	\$2,673
Western Arizona Council of Government	LaPaz, Mohave, Yuma Counties	Owner-occupied housing rehabilitation program	\$300,000
Western Arizona Council of Governments	LaPaz, Mohave, Yuma Counties	Owner-occupied housing emergency repair program	\$550,000
Winkelman, Town of	Winkelman	Owner-occupied housing rehabilitation program	\$330,000
Women's Transition Project	Cochise County	Supportive Housing Program administration	\$3,063
Yuma County	Yuma County	Owner-occupied housing rehabilitation program	\$685,000

AHOUSING MATTERS

Vol. 7 No. 4 Fall 2007



Sheila D. Harris, PhD

A fond farewell...

As my time with the Arizona Department of Housing (ADOH) and the Arizona Housing Finance Authority (AzHFA) nears conclusion, I am both honored and grateful to have led the many efforts that have resulted in housing being a prominent part of state government. In a comparatively short amount of time, a vision for what could be, has given rise to services and performance that steadily expand housing opportunities throughout Arizona.

The talented and dedicated ADOH/AzHFA staff and I share an important conviction that every taxpayer has a right to feel that their investment in government works for the betterment of all citizens. This ethic has not only guided our work, it has served as a source of inspiration and pride for all that we have accomplished together.

Message from the Director

Along with a talented and dedicated staff, it has also been a pleasure to work with our community partners across the state and the nation. Through multiple levels of engagement we have pooled ideas and resources in a genuinely collaborative effort. As a result, we have emerged as a leading state agency in the effort to expand affordable housing for renters and homeowners alike throughout Arizona, as well as with national organizations such as the National Housing Conference and the National Council of State Housing Agencies.

see *Message*, page 4



Fred Karnas, PhD

Governor Napolitano taps Fred Karnas to fill Director's position

Effective October 25, Fred Karnas will assume the Directors' duties at the Arizona Department of Housing and the Arizona Housing Finance Authority. Dr. Karnas is currently the Administrator of the Center for Housing Affordability and Livable Communities. His career has included time as the first executive director of the Community Housing Partnership in Phoenix, and as Deputy Assistant Secretary for HUD. From 2004 to 2006, Dr. Karnas was Governor Napolitano's policy adviser on urban affairs and community development.

Inside this issue:

AzHFA Activities	2
Arizona Housing Commission	3
2007 Forum Attendance a Record.....	4
New Faces	5
Funding Announcements	5
2007 Forum Picture Layout.....	6
Training, Conferences & Happenings.....	8
Staff Contacts.....	10

AzHFA Activities

Carl Kinney

Arizona Housing Finance Authority Programs Administrator
(602) 771-1091
carlk@housingaz.com



2007 Board of Directors

Victor Flores

Chairperson
Salt River Project

Donald E. Brandt

Vice-Chairperson
Pinnacle West Corporation

Ross McCallister

Treasurer
MC Companies

Rita Carrillo

Arthur Crozier

Frank M. Smith & Associates, Inc.

Richard Houseworth

Capital Bancorp Limited

Arizona Housing Finance Authority reaches homebuyer milestone Nearly 700 working families become homeowners throughout rural Arizona

In a sluggish real estate market where access to mortgages and other financial products is tightening in response to recent rises in mortgage foreclosures, a homeownership program offered by the Arizona Housing Finance Authority continues to bring good news to an otherwise bad housing market. By the time all of the loans reserved in 2007 through the Mortgage Revenue Bond (MRB) Program are closed, a total of 695 first-time homeowners will have successfully made the transition from renters to homeowners. Since 2004, the program has originated loans totaling \$96,635,313 in Apache, Cochise, Coconino, Gila, Graham, Mohave, Navajo, Pinal, Santa Cruz, Yavapai, and Yuma counties.

Commenting on the program success, Arizona Housing Finance Authority Executive Director Sheila Harris remarked, "There is a growing realization that a housing-jobs balance is needed. The real question is 'Can you live, work, worship, and recreate in the same community?' We have a toolbox of programs ready to assist communities."

Among these counties, new homeowners have surged the greatest in Pinal County. In 2005, Pinal County represented only 15 of the 115 home loans that year. In 2006, the MRB program service numbers more than doubled to 37 new homeowners. By 2007, this still sprawling growth area again more than doubled its participation rate, climbing to 86 new homeowners. Many of the home purchases occurred in Maricopa, Casa Grande, and Queen Creek.

However other areas of the state utilized the program as well. Close on the heels of 138 new Pinal County homeowners are another 105 families in Yuma that have utilized the program as well. Somerton gained 44 new homeowners, and San Luis posted 40 new homeowners.

Whether residing in a targeted census tract, or as a first-time homebuyer, all participants must provide a minimum \$1,000 investment of their own funds. This minimum investment cannot be borrowed or gifted. All homes selected by prospective home buyers must pass a Housing Quality Standards inspection that determines the dwelling to be in safe condition with major systems such as heating, cooling, plumbing and electrical to last at least three years before repairs would be needed.

The Arizona Housing Finance Authority (AzHFA) Board of Directors is a seven member board that governs the work of the Authority. Board meetings are open to the public and are scheduled to take place at the Arizona Department of Housing, unless otherwise noted.

SCHEDULED MEETINGS

November 13

December 7

January 8

For additional information on AzHFA Board Meetings contact Ann Pratt at (602) 771-1000 or annp@housingaz.com.



Brian Mickelsen and Governor Napolitano at the 2005 Governor's Housing Forum.

LEGACY OF LATE AzHFA BOARD MEMBER HONORED

A twilight welcoming reception for the Fourth Annual Governor's Housing Forum included a lasting legacy to a long-time Cottonwood City Manager. Honors given each year in recognition of notable achievements in affordable housing will now be known as the "Brian Mickelsen Housing Hero Awards." Making the announcement was Ms. Anna Maria Chavez, Deputy Chief of Staff for Urban Relations and Community Development in the Office of Governor Janet Napolitano.

"From the first meeting of the Arizona Housing Finance Authority until his sudden passing on August 18", said Ms. Chavez, "Brian Mickelsen exemplified civic service, serving on both the Arizona Housing Commission and the Arizona Housing Finance Authority. Four times over the past six years, his board colleagues on the Finance Authority elected him to leadership positions."

On behalf of Governor Napolitano, Ms. Chavez presented family members, who were special guests at the ceremonies, with a state flag to commemorate the occasion.

PARTICIPATING MRB LENDERS

- | | | |
|----------------------------------|---------------------------------|---------------------------|
| Adobe Financial Corporation | GMAC Mortgage | State Mortgage, LLC |
| AmeriFirst Financial | Guild Mortgage Co. | Suburban Mortgage |
| American Mortgage Group | Intellichoice Mortgage Services | Territorial Mortgage, LLC |
| Bank of America, NA | JP Morgan Chase Bank, NA | U.S. Bank, N.A. |
| Bell America Mortgage, LLC | Liberty Financial Group | Wallick and Volk, Inc. |
| Charter Funding | Market Street Mortgage | Washington Mutual Bank |
| Consumers Mortgage Corporation | National Bank of Arizona | Wells Fargo Home Mortgage |
| Countrywide Home Loans | National City Mortgage | |
| DHI Mortgage Company, Ltd. | Pacific Coast Mortgage | |
| Express One Mortgage Corporation | Ryland Mortgage Company | |



Arizona Housing Commission

Charlene Crowell
Government Relations
& Communications Administrator
(602) 771-1093
charlenec@housingaz.com

CURRENT MEMBERS

- Reid Butler**
Arizona Multihousing Association
- Maria Chavez**
Arizona Interagency Farmworker Coalition
- Arthur Crozier**
Frank M. Smith & Assoc., Inc.
- Suzanne DeConcini**
Long Realty
- Elisa de la Vara**
- Richard Elias**
Pima County Board of Supervisors
- Helen Ferrell**
Bothands, Inc.
- Rena Van Fleet**
Colorado River Indian Tribes
- Irving Hill**
Fleetwood Homes of Arizona
- Kelly Langford**
Tucson Urban League
- Janet Marcus**
Public Member
- Guy Mikkelsen**
Foundation for Senior Living
- Marty Moreno**
Town of Sahuarita
- Emily Nottingham**
Tucson Community Services
- Gregory Petz**
Graham County Community Development
- Cass Rankin**
Public Member
- Jean Richmond-Bowman**
Northern Arizona Building Association
- Roberto Ruiz**
Ruiz Engineering
- Juan Salgado**
City of Phoenix
- Annette Stein**
Maricopa County
- Sen. Tim Bee**
President, Arizona Senate
- Rep. Robert Meza**
Arizona House of Representatives



A Word from the Chair

Jean Richmond-Bowman

Saluting a Pioneering Leader: Sheila Harris

With the approaching leadership transition at the Arizona Department of Housing, now is an appropriate time for the Arizona Housing Commission to publicly express our collective appreciation for the years of dedicated service that Director Sheila Harris has shared.

As Commission Members, we have relied upon her considerable knowledge and expertise to guide our deliberations as we sought the best possible course to expand awareness of and engagement in housing issues. Because of her vision and commitment, we have witnessed how housing issues in Arizona have opened new and innovative opportunities for Arizona families. The Affordable Housing Task Force and the Governor's Growth Cabinet and are just two examples of how housing is a key consideration for public policy reforms and initiatives. The recent 4th Annual Governors Housing Forum is perhaps the best example of how a groundswell of interest and support for housing has emerged under her leadership.

Additionally, the vision and success that Arizona has achieved are also the basis for a well-deserved and growing national reputation for excellence. The National Housing Conference and National Conference of State Housing Agencies are among the organizations that view the Arizona Department of Housing as a cutting-edge leader. This prominent regard among national organizations is due in large part to the high regard that housing officials throughout the country have for Director Harris.

The level of dedicated service over the last six years that Director Harris has generously shared honors the Housing Commission, the entire ADOH staff, and most importantly, the people of Arizona.

On behalf of my colleagues and the people we are all pledged to serve, the Arizona Housing Commission extends its appreciation and best wishes to Director Sheila Harris.

FALL MEETING SCHEDULE

OCTOBER 12 Tucson NOVEMBER 9 @ ADOH DECEMBER 7 Joint meeting with AzHFA



Fall, 2007

Message (continued from page 1)

The sum of these engagements has now elevated housing to a core concern in community development planning and revitalization. Housing has joined jobs, health care and transportation as important quality of life measures. Beyond public entities, a growing number of businesses and corporations have come to understand that the availability of nearby affordable housing increases employee retention, and reduces the costs of employee turnover. A growing cadre of private employers is now looking for government and community partners to expand 'workforce housing'.

Remarkably, all of these developments occurred in a very brief span of time. It was only in 2001 that bi-partisan legislative will, matched with the executive leadership of Governor Jane Dee Hull, that the Arizona Department of Housing was created. By signing the now historic House Bill 2615, the Governor's Office of Housing Development came into being as an executive office six years ago and cabinet-level agency for the past five years.

Now, as efforts are underway to ensure a seamless transition in leadership at ADOH/AZHFA, I offer my sincere appreciation for the times and triumphs we have shared. Leading a new state agency is a rare opportunity that I feel fortunate to have known and enjoyed. With a talented and dedicated staff, as well as community partners to whom we could turn to as allies, together we expanded affordable housing opportunities. Indeed, Arizona and its people have been well-served.

Please accept my grateful appreciation for the confidence, support, and encouragement that has been so generously shared.

Sheila A. Harris



2007 HOUSING FORUM ATTRACTS RECORD ATTENDANCE

New research on Arizona housing trends showcased in keynote

Although the 2007 Governor's Housing Forum concluded on September 13, the success of this signature event for the Arizona Department of Housing continues to influence state housing discussions and initiatives.

For the first time in event history, advance registration surpassed the reserved block of rooms, requiring a second and nearby hotel to accept the overflow. This year, 442 registrants came from all parts of Arizona and 18 other states: California, Colorado, Georgia, Idaho, Indiana, Iowa, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, New Mexico, New York, Ohio, Utah, Texas, Virginia and Washington, DC.

The prominence of recent state and national news coverage of housing issues provided a timely backdrop to announce important new research on Arizona housing trends. In the opening keynote address on Wednesday, September 12, ADOH Director Sheila Harris spoke to these trends and statistics, drawing a clear connection between the financial strain wrought by rising housing costs and household incomes.

"The very workers that make our communities safe, or teach our children, cannot afford to live in the same places that benefit from their time, talents, and dedication" said Director Harris in her keynote address. "Instead, they are forced to drive increasingly long commutes until they reach affordable housing."

"For these families of modest financial means" she added, "the American dream of owning a home is a vanishing one."

A study of 13 markets in Arizona from 2001 to 2006 revealed a series of stark contrasts. While population, job creation, median home sales prices, and housing appreciation all posted increases across the state, where these new jobs are located and the incomes they offer impose severe housing challenges in rural and urban communities alike. In many instances, severe housing challenges in Arizona are borne by public servants whose talent and training deliver many of the services communities expect and rely upon: police officers, teachers, nurses, and firefighters. Among lower paid workers such as retail, wait staff, hospitality, and healthcare assistants, average earnings were too low to afford to rent or buy.

For all of the occupations surveyed in 2007, only one market afforded adequate income to either buy or rent a home: Douglas in Cochise County. In eight communities, workers were determined to have enough income to only rent: Holbrook, Pinetop-Lakeside, Safford, San Luis, Show Low, Sierra Vista, Springerville, and Winslow. For the largest and most densely populated areas of the state —Phoenix and Tucson —two-income households would be necessary for most families to own a home.

The 2007 Arizona Housing Market...a Glance brochure can be downloaded at our website www.housingaz.com. Hardcopies (up to 50 copies) can be ordered through Marla Charlesworth, marlac@housingaz.com. Orders over 50 copies will incur a \$1 per brochure charge.

New FACES

Best wishes are extended to former Government Relations & Communications Administrator Meggan Medina and her family for the new addition to their family. On August 28, Meggan and her husband Raul greeted baby girl, Elena Maria. Reportedly, big sister Isabella is just as excited as the parents. On October 5, both mother and baby paid ADOH a visit. Congratulations, Meggan!

Welcome is also extended to two new ADOH staff members, Chantel Key and Ayana Weaver.



Ayana Weaver

Armed with two degrees from Arizona State University—a Masters in Public Administration and a Bachelor of Science in Design —Chantel Key joined ADOH ON July 10 as a Community Development and Revitalization Specialist. Beyond these academic credentials, she also brings seven years of full-time experience at ASU where she worked in the Office of the University Architect where her duties included auditing, reporting, and liaison to the campus community. 🌱



Chantel Key

A Detroit native and current senior at Grand Canyon University where she is studying Applied Management, Ayana Weaver joined the Compliance Department on August 17, bringing nearly 10 years of property management experience to the staff. 🌱

welcome!

Funding Announcements Notice of Funding Availability

Following is a list of projects funded by ADOH since July 1, 2007:

DATE	COUNTY	RECIPIENT	AMOUNT
7/3/2007	Coconino	Flagstaff Shelter Services	29,060
7/3/2007	Statewide	University of Arizona's Drachman Institute	133,325
7/10/2007	Maricopa	Chicanos Por La Causa, Inc.	550,000
7/23/2007	Statewide	National Association for County Community and Economic Development	5,000
8/21/2007	Maricopa	City of Phoenix	20,000
8/21/2007	Mohave	Katherine Heights Townhomes II	660,000
8/21/2007	Maricopa	UMOM New Day Center, Inc.	750,000
8/28/2007	Maricopa	Lodestar Day Resource Center	140,000
8/28/2007	Coconino	Bothands, Inc.	280,000
8/28/2007	Maricopa	Apache ASL Trails, LP	750,000
9/4/2007	Pinal	Interfaith Coalition for the Homeless	35,000
9/4/2007	Gila	Center Ridge Apartments LLLP	750,000
9/4/2007	Cochise	La Habra 2004 Limited Partnership	500,000
9/4/2007	Maricopa	Nuestra Senora, LP	750,000
9/4/2007	Maricopa	Bell Mirage Estates, LLC	500,000
9/18/2007	Yavapai	Bradshaw Senior Community	750,000
9/18/2007	Maricopa	Amber Pointe Apartments	250,000
9/18/2007	Santa Cruz	City of Nogales' Community Development	35,000
9/25/2007	Yavapai	Stepping Stone Agencies	24,750
9/25/2007	Statewide	24 nonprofit agencies and local governmental units	1,300,000
FY YEAR TO DATE			\$7,462,885



From top left clockwise: Anna Maria Chavez; Lin Mickelsen and son, Ky, accept flag flown over the capitol in honor of Brian Mickelsen; Housing Hero award winners representing the City of Flagstaff Community Housing Policy Task Force.



HOUSING HERO AWARDS

In light of his passion for affordable housing, the Housing Hero Awards will now be named in honor of Brian Mickelsen, the City Manager of Cottonwood and an Arizona Housing Finance Authority Board member who died suddenly in August. Winner of this year's awards were:

Partner in Housing

Rosa Bruce

Elected Official

Carol West

Innovative Partnerships

City of Flagstaff Community

Housing Policy Task Force

Local Initiatives

Newtown Community Land Trust

Program

Sustainable Design

ASU Stardust Center for Affordable

Homes and the Family

Tribal Initiative

Ak-Chin Indian Community



U.S. Congressman Harry Mitchell and ADOH Deputy Director Karen Scates review the Arizona Republic article (shown at right) on Arizona home affordability published during the Forum. Congressman Mitchell addressed attendees on Wednesday morning.



SPONSOR MARKETPLACE

This year's Sponsor Marketplace attracted many vendors and sponsors, including the American Indian Veteran Memorial Organization which sold Native American jewelry as a fund raiser, and the ever popular house pins sold by Newtown CDC, the sales proceeds of which fund Newtown's Homebuyer Education Workshops.



LA PUESTA

107° degrees in the desert doesn't make for a good outdoor event. But the band, Mogollon, the food and the dessert sponsored by JPMorgan Chase made up for it. And, of course, the company.



KEYNOTE

J. Ronald Terwilliger, CEO & President, Trammel Crow Residential in Atlanta, had a strong message on public responsibility.



Keynote speaker, Ron Terwilliger reviews the program with ADOH Director Harris and Keve Womble, JPMorgan Chase.



To view all the pictures from the Forum, visit www.digitaldavephotos.com, select **Recent Events**, select the **Forum**, enter password **2007**.

THE QUEEN

Linda Cobb, the "Queen of Clean" entertained everyone at lunch—and she didn't get stumped, either!

SMART GROWTH & THE GOVERNOR'S GROWTH CABINET



SAVE THE DATE

2008  **Governor's Housing Forum**
September 9-11, 2008
High Country Conference Center, Flagstaff, AZ

...a Bruce
your home."
Governor Janet Napolitano -
2007 State of the State Address
...includes 25 years of dedicated
...in the areas of development and
...Rosa Bruce has been a vocal
...a livable housing, urban and
...like the nation, regional and
...in recognition of her outstanding
...she is the 2007 recipient of the
...Housing Arizona Award.
...Foundation fellow to the Program
...Executives in State and Local
...at Harvard's John F. Kennedy
...Government. Her past and present
...of the Arizona Housing Commission,
...of their Governor Pete Symington. She
...was an active member until this year
...term expired and the duties of her
...forced her to decline reappointment.
...idential appointee, she also served on
...terial Advisory Committee to provide
...d recommendations on the President's

Training, Conferences Other Happenings

SIGN UP NOW!



a training program of the  Arizona Department of Housing
2008

Learn the language, skills, concepts, and business practices required to generate and sustain affordable housing development in your community.

Whether your development project is a concept or in production, your organization will benefit from this training.

This program is for government, nonprofit, and private sector individuals with limited experience in affordable housing finance and/or development, and those individuals who have experience in these areas. Only five teams will be accepted for participation. All classes will be held at Native American Connections, 4520 N. Central Avenue in Phoenix. The fee per student is \$575.00 which includes materials, lecturers, breakfast, lunch, and breaks for all sessions. All AHl students must also complete after-classroom assignments to remain in the Institute.

2008 Dates

March 12 & 13 June 4 & 5
April 16 & 17 July 9 & 10

For information on the application process or to download an application, see our website
www.housingaz.com

Application deadline
January 18, 2008
Questions
patb@housingaz.com

2007 AHl Graduate Feedback

"This was one of the best, if not the best training class I have ever taken."

"The CD and manual are great."

"I know more items are necessary to do my due diligence. It was helpful to go through 'critical path' with a team."

"I have found the AHl to be extremely beneficial. As a lender, the Institute allows me to take a look at the deal from the eye of the developer, and we primarily approach this from the viewpoint of a non-profit. We discuss rental and homeownership deals. The presenters insist that the nonprofit developer be a developer and not a dabbler. This results in the agency taking a realistic look at their capacity to conduct development while still emphasizing their primary mission as a service provider."

a brief CALENDAR 2007

(for details, check the Event Calendar on our website)

OCTOBER

- 8 **CLOSED - Columbus Day Holiday**
- 9 **AzHFA Board Meeting**
- 12 **Arizona Housing Commission**
- 23 **LIHTC FOCUS Group - Phoenix**
- 25 **LIHTC FOCUS Group - Tucson**

NOVEMBER

- 12 **CLOSED - Veterans' Day Holiday**
- 13 **AzHFA Board Meeting**
- 22 **CLOSED - Thanksgiving Day**
- 27 **LIHTC QAP Public Hearing - Phoenix**

DECEMBER

- 7 **Arizona Housing Commission/AzHFA Joint Meeting**
- 25 **CLOSED - Christmas Holiday**

FOCUS Groups scheduled for 2008 LIHTC Qualified Allocation Plan

ADOH has scheduled two opportunities for the public to provide comments on the first draft of the 2008 QAP.

Phoenix

Carnegie Library* - Main Floor
1101 W. Washington
Phoenix, AZ 85007
October 23 10:00 am - 11:30 am
(602) 771-1030 Lisa Roth

*Attendees may park in visitors' parking in the garage at 1110 W. Washington. Street parking around the Carnegie Library is also available.

Tucson

Community Resource Center
(Sentinal Building)
Sabino / Rillito Room
320 N. Commerce Park Loop
Tucson, AZ 85745
October 25 11:00 am - 12:30 pm
(520) 791-4171 Noeme Santana

PUBLIC HEARING SCHEDULED

ADOH must adopt a Qualified Allocation Plan (QAP) that sets forth the methods, criteria, preferences, and priorities that will be used to select projects that receive tax credits. Any sub-allocation or set-asides of tax credits also

are part of the allocation plan. Before allocation plans are adopted a public hearing of the plan must be held. The date, time and location for the Public Hearing are as follows:

November 27, 2007 - 2:00 pm
Capitol Tower - 2nd Floor
1700 W. Washington

Other Events of Note

HOME BUYER EDUCATION CLASSES

COUNTY	DATE	TIME	LOCATION
Pinal	October 10-11 FULL November 28-29 December 19-20	5:30 pm - 9:30 pm	City of Apache Junction City Conference Room 1001 N. Idaho Road Apache Junction
Pinal	October 3-4 FULL November 14-15 December 5-6	5:30 pm - 9:30 pm	Central Arizona College, Bldg. M101 8470 N. Overfield Road Coolidge
For additional information, call Sandy Weis at (602) 771-1000 or sandraw@housingaz.com			
Registration Line (602) 771-1097 Couples must attend together - Please do not bring children			

DEADLINES

OCTOBER

- 22 Comment deadline for HUD risk-based Single Family FHA premiums www.regulations.gov . Contact: Margaret Burns, HUD: 202-708-2121
 - 27 Comment deadline for Census interactions with tribal governments. Contact Dee Alexander, Census: dee.a.alexander@census.gov; phone: 301-763-9335
 - 31 2007 Maxwell Awards for Excellence – Entry deadline for a \$75,000 grant to continue work in supportive and affordable housing for homeless individuals and families. <http://www.pnnonline.org/article.php?sid=7728&mode=thread&order=0&thold=0>
- Community Development Financial Institutions Fund – Application deadline for financial assistance awards and technical assistance grants. <http://www.cdfifund.gov>

DECEMBER

- 24 Brownfields Economic Development Initiative grants and Section 108 loan guarantees HUD deadline <http://www.grants.gov>

UPCOMING MEETINGS & CONFERENCES

OCTOBER

- 18-19 Urban Markets Initiative Forum 2007 sponsored by the Brookings Institution - Washington, DC
- 28-30 NAHRO's 2007 National Conference and Exhibition Charting a New Course: Building America's Communities, San Diego Convention Center , San Diego, CA
- 10th Annual National Multi Housing Council Apartment Technology Conference - Hyatt Regency – Dallas, TX

NOVEMBER

- 4-5 "Wealth Inequality and the Eroding Middle Class" sponsored by the Center for Poverty, Work and Opportunity at the University of North Carolina and the American Constitution Society for Law and Policy George Watts Hill Alumni Center, Chapel Hill, North Carolina
- 11-16 64th Annual Convention & Trade Show - National Conference of American Indians - Denver Hyatt – Denver, CO
- 17-20 PSWRC-NAHRO Fall Workshop - Rio All-Suite Casino Resort – Las Vegas, NV
- 27 2007 Multi Family Housing Conference sponsored by the Wisconsin Housing and Economic Development Authority Allint Energy Center, Madison, WI

DECEMBER

- 12 "Taking Shared Equity to Scale: An Innovative Method to Grow and Preserve Affordable Homeownership" sponsored by NeighborWorks America and NCB Capital Impact - Doubletree Hotel and Executive Meeting Center – Portland, OR