



AHOUSING MATTERS

Vol. 8 No. 1 Winter, 2009

NEIGHBORHOOD STABILIZATION PROGRAM

Gearing up for action in Arizona

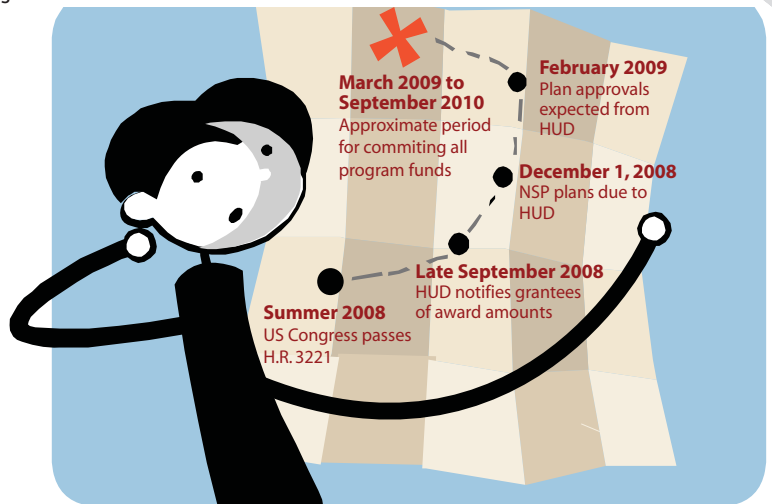
As the news of the foreclosure debacle unfolded this year, one issue became clear—the high foreclosure rate was not only having a devastating effect on individual families, but on entire neighborhoods which were suffering the results of large numbers of vacant properties. This past summer when the U.S. Congress passed the Housing and Economic Recovery Act of 2008, it established a program designed to combat such issues through the Neighborhood Stabilization Program (NSP). This temporary, one-time program will provide dollars to address neighborhood issues connected with high foreclosure rates across the nation. The state of Arizona as a whole will receive over \$121 million. The Arizona Department of Housing’s grant allocation of \$38.3 million will be utilized statewide. Other local grantees include Maricopa and Pima Counties, and the Cities of Phoenix, Mesa, Tucson, Glendale, Avondale, Chandler and Surprise.

When news of Arizona’s allocation was received in September, Governor Janet Napolitano, who has long been a proponent of federal aid in addressing foreclosure issues commented, “Arizona communities need substantial help in fighting the effects of foreclosure, and this funding will do a great deal.” The Governor went on to remark, “I’m glad that the

federal government has taken action on this program, and that Arizona has received a healthy share of resources to deal with the pressing effects that foreclosures are having on our communities.”

The program requires concentration of resources to areas impacted the most by high foreclosure rates, with the objective **see “NSP” on page 3**

—NSP PROGRAM TIMELINE—



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AzHFA Activities

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AZHFA SELECTS 2009 SLATE OF OFFICERS

Welcomes new board member



Ross McCallister



Carol Parry Fox

At its annual meeting held October 30, 2008, the Arizona Housing Finance Authority Board of Directors elected new officers:

Ross McCallister, Chairperson; Carol Parry Fox, Vice Chairperson; Richard Houseworth, Secretary; and Manny González, Treasurer. Ross McCallister, President of The McCallister Companies, previously served as chairperson in 2005-2006.



Nikki Groff



Richard Houseworth



Manny González

The Board of Directors also welcomes newly appointed member, Nikki Groff, who joined the board in November. Groff was nominated by Governor Janet Napolitano to replace departing member, Victor Flores. Groff serves as Assistant Vice President and Senior Mortgage Loan Officer with Wallick & Volk Mortgage Bankers in Flagstaff. Along with serving on a number of committees, she is also the founder and director of GivingBack Arizona, a program that was developed to provide specialized home lending, real estate, insurance, financial planning, home construction, title, and a variety of other services for discounted prices to people that provide critical services to the community.

Arizona Housing Commission

It is no secret that 2008 has been a difficult year. Certainly, the growing number of housing foreclosures and increasing homeless population represent significant personal and community tragedies both nationally and across Arizona. But, perhaps there is a little bit of a silver lining. That is, as a result of the intense press coverage, more people than ever before are recognizing the importance of safe, stable, affordable housing. Perhaps it takes crisis to focus us on the things that are important. It is hard to watch network footage of families moving out of their foreclosed home or children in line at a shelter or food pantry to and not be reminded of the importance of housing as an essential element of our communities.

The Arizona Housing Commission realizes the imperative of keeping the issue of affordable housing in focus. As we enter 2009, many changes and challenges await us. In a few weeks the state will transition to a new Governor. The Commission fully intends to work with Governor-to-be Brewer to sustain the policies which have lead to a significant increase in the availability of affordable housing across the state since the Department came into being during Governor Hull's administration.

In just a few days, the State Legislature will reconvene. Atop its agenda will be the need to address the significant gap in the state budget for this year and next. The Commission will be working with legislators to make sure they understand the importance of the Housing Trust Fund as a tool for addressing the current housing crisis and as an economic stimulus. We recognize that given the dire situation with the state budget, the Department of Housing will no doubt have to absorb additional cuts to the State Housing Trust Fund, but the Commission will argue that any cuts need to be thoughtful and proportionate.

In the year ahead, the Commission will be looking at some specific policy issues, including rethinking the policy framework for the Low Income Housing Tax Credit program beginning in 2010, and the implementation of some of the policy and programmatic recommendations of the recent Arizona Town Hall on housing.

So the coming year will provide both opportunities and challenges. As we head into 2009, we would like to thank Governor Napolitano for her strong leadership on housing issues and her support of the Commission and the Department of Housing. Many Arizonans are in safe, decent affordable homes because of her leadership. We wish her well as she takes on her new role at the Department of Homeland Security.

From the desk of FRED KARNAS

DIRECTOR'S MESSAGE

As we end 2008, there are many stories on the housing front. Difficulties in the tax credit and bond markets are slowing down or halting new affordable housing development efforts. Growing homelessness is overwhelming non-profits across the state as they struggle with the double whammy of growing demand and decreased funding support. First-time homeownership programs are being slowed by access to credit and consumers' concerns about the general economy.

Yes, there is more than enough bad news to go around. But there is one good news story this year that has not gotten much coverage. It is the story of how a relatively small non-profit industry has remade itself in an effort to assist the astronomical number of Arizonans facing mortgage foreclosures. For years, the primary mission of housing counseling agencies has been to assist low and moderate income families and individuals seeking to purchase their first home. The counseling agencies provided homebuyer education classes to ensure that the potential homebuyers understood the full responsibility of owning a home. They

helped households work their way through financing, and often assisted them as they moved into the new home. They almost never dealt with a mortgage foreclosure issue.

But with the tsunami of foreclosures hitting the state, it became apparent that many of the homeowners in the communities served by the housing counseling agencies needed help. And so, over a period of months, the counselors in these agencies have transformed themselves, at least for the time-being, into mortgage foreclosure mitigation counselors. This required not only additional training but a major emotional shift, as distressed borrowers replaced ecstatic homebuyers as their primary clients.

But quietly they have done, it, and Arizona is the better for it. It has been hard. It will continue to be hard. We all owe a debt of gratitude to the housing counseling agencies across the state who, having seen a critical need, stepped forward to meet it, and in the process helped hundreds of Arizona families save their homes.

NSP from page 1

of assisting those areas into quicker recoveries. Given the current economic downturn, without this aid it was feared that many neighborhoods most impacted by foreclosures might not see evidence of recovery for years to come. The Arizona Department of Housing (ADOH) has been working with the other Arizona grantees, to develop a comprehensive deployment of resources statewide. Many of the local communities will be utilizing their dollars to address blight that has cropped up as a result of so many vacant properties, as well as acquiring and rehabilitating abandoned homes and assisting new homeowners acquire these homes. Some emphasis will also be given to foreclosed rental properties to address federal requirements that 25 percent of the funds be utilized to assist households with incomes at or below 50 percent of the area median income.

While some of the resources entrusted to the State will be utilized to assist local entities with some of the activities listed above, ADOH intends to use as much as \$20.0 million of the grant monies to provide financial aid directly assisting homebuyers in purchasing homes that have previously been foreclosed on and is developing a program to be available statewide. Emphasizing

ADOH's efforts to work with other grantee communities as well as other impacted areas not receiving a direct grant, ADOH Director Fred Karnas recently noted, "... we are positioned to move decisively and act collaboratively to benefit communities throughout the state to address this critical problem."

Grant plans were submitted to HUD on December 1, 2008 with approvals expected no later than the end of February 2009. Until then, ADOH along with the other Arizona grantees are gearing up for this significant investment of federal resources which must be fully committed within a short 18 month period. Director Karnas remarked, "Arizona's NSP grantees are all working together to make sure that this resource is put to the best possible use. I think I speak for all of us when I say we're all looking forward to HUD's approval and the actual unveiling of specific program details. Done right, these programs should make a noticeable difference in many of Arizona's hardest hit communities."

To catch the latest developments on the NSP, we would recommend monitoring ADOH's website at www.housingaz.com for updates.

Current LEGISLATIVE INITIATIVES Focus on Housing

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STATE UPDATE

The Forty-Ninth Legislature will convene its First Regular Session on January 12, 2009 with 22 new members and brand new leadership in both the House and Senate. As the economic picture in the state continues to decline, legislators will likely face a number of challenges in the coming year.

For the first four months of Fiscal Year 2009, General Fund collections were down 9.4% when compared to last year. Given the decline in revenue, the Governor and Legislature will have to address a shortfall of an estimated \$1.2 billion in FY 2009 before beginning work on next year's budget. Elected officials are also expected to face another significant deficit as they begin to craft the budget for FY 2010.

Looking forward to next session, the Legislature will determine the Arizona Department of Housing's budget for FY 2010 and 2011 as part of the biennial budgeting process. Additionally, the Department will work to continue to ensure that our most vulnerable populations are protected during these difficult times. The state's Housing Trust Fund remains a critical resource, allowing ADOH to provide services to families and individuals affected by the current economic situation. Additionally, the flexibility of the HTF has allowed the Department to address the current mortgage foreclosure crisis with services such as the Arizona Foreclosure Help Line, 1-877-448-1211, to connect troubled homeowners with local, specially trained counselors throughout Arizona.

The Department of Housing looks forward to working with the Governor and the Legislature as they begin to address the economic challenges facing our state and citizens over the next couple of years.

FEDERAL UPDATE

As the country continues to grapple with the mortgage foreclosure crisis and resulting economic slowdown, a number of actions have been taken at the Federal level to assist with the situation. In October, the U.S. Department of Housing and Urban Development (HUD) announced

a grant of over \$38 million to the Arizona Department of Housing to revitalize neighborhoods that have been significantly impacted by foreclosures. The funds were provided through the Community Development Block Grant (CDBG) program under the Housing and Economic Recovery Act of 2008. More information on the funds and the Department's proposed Action Plan to distribute the funds can be found on page 1 of this newsletter.

In late-November, the Federal Reserve Board announced a program to purchase up to \$100 billion in direct obligations of housing-related government sponsored enterprises and up to \$500 billion in mortgage-backed securities backed by Fannie Mae, Freddie Mac and Ginnie Mae. The actions are being taken by the Federal Reserve in an effort to reduce the cost and increase the availability of credit for the purchase of homes.

Fannie Mae and Freddie Mac also announced a new streamlined loan modification program, which went into effect on December 15, targeted to the highest risk borrowers who have missed three or more payments, own and occupy their primary residence and have not filed for bankruptcy. The program creates a fast-track method for getting troubled borrowers into an affordable monthly payment through a mix of interest rate adjustments, loan term extensions and principal deferrals. To support the new streamlined program, Fannie Mae and Freddie Mac are suspending all foreclosure sales on occupied single-family properties scheduled to occur November 26, 2008 through January 9, 2009. The suspension will also provide more time to help homeowners avoid foreclosure.

In an effort to encourage more lenders and borrowers to participate in the HOPE for Homeowners Program, the United States Department of Housing and Urban Development announced changes to the program in late November, including increasing the maximum loan-to-value ratio and extending the maximum mortgage term from 30 to 40 years. HOPE for Homeowners aims to help distressed borrowers refinance into affordable, government backed mortgages and was created as part of the Housing and Economic Recovery Act of 2008.

Congressional leaders also continue to work on additional economic stimulus legislation and plan to have an economic recovery package to President-elect Obama shortly after inauguration. Past stimulus efforts have contained additional funds for public housing and it is likely that a new stimulus package will include additional housing and community development programs. ADOH remains hopeful that the economic package is successful and addresses housing needs for struggling families throughout the state.

Other Events of Note



UPCOMING MEETINGS & CONFERENCES

FEBRUARY

16-20 NeighborWorks Training Institute, Atlanta, GA *The Future of Rental Housing: Policy to Preserve Choice for American Families*, www.nw.org



Training, Conferences Other Happenings



COMMUNITY DEVELOPMENT BLOCK GRANT CDBG symposium January 22-23, 2009

FREE two-day training opportunity developed for those who utilize state administered CDBG funds, focusing on Davis-Bacon, Federal procurement, HUD requirements, and monitoring Section 3 compliance. Technical Assistance appointments with ADOH staff are available. [See website for details](#)

LOCATION | Comfort Inn Phoenix North
DATES | January 22-23, 2009

REGISTRATION DEADLINE: January 9, 2009



a training program of the  Arizona Department of Housing
2009

Applications are now available on our website
2009 Affordable Housing Institute
(a maximum of 40 individuals will be accepted)

Completed applications are due no later
than noon on March 12, 2009.

SAVE THE DATE

2009 Governor's Housing Forum

September 14-16, 2009 | The Buttes, Tempe, AZ

a brief **CALENDAR 2009**

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

JANUARY

1 **CLOSED - New Years Day**
19 **CLOSED - Martin Luther King Day**
13 Arizona Housing Finance Authority
22-23 CDBG Symposium
30 Arizona Housing Commission

FEBRUARY

16 **CLOSED - Presidents' Day**
10 Arizona Housing Finance Authority
27 Arizona Housing Commission

MARCH

10 Arizona Housing Finance Authority
23-24 UPCS Inspection Protocol Training
25-26-27 Housing Quality Standards Seminar
27 Arizona Housing Commission

MARK YOUR CALENDARS!

2 TRAINING OPPORTUNITIES NOW AVAILABLE

UNIFORM PHYSICAL CONDITIONS STANDARDS INSPECTION PROTOCOL TRAINING AND TESTING

3/23-24/08

\$255 per person
(\$275 after 2/20/09)

HOUSING QUALITY STANDARDS SEMINAR

3/25-26-27/08

\$275 per person
(\$295 after 2/20/09)

Residence Inn by Marriott
8242 N. Black Canyon Highway
Phoenix, AZ

Don't miss this NAHRO facilitated training if you do inspections of Public Housing or Section 8 units.

- » Identify necessary skills for doing inspections
- » Understand how they affect your agency's mission
- » Obtain skills to evaluate your current inspection operation

MORE THAN 100 TAYLOR MORRISON STAFF SPRUCE UP HOUSING FOR TRANSITIONAL FAMILIES IN EAST VALLEY

More than 100 employees of Scottsdale-based homebuilder Taylor Morrison rolled up their sleeves recently to spruce up apartments for families in need on behalf of Save the Family Foundation of Arizona.

The clean-up of eight apartment units in Mesa consisted of painting the interiors, landscape maintenance of the entire neighborhood, window washing, general clean-up and other improvements to boost the curb appeal of the property and to provide new residents with a refreshed place to live.

Save the Family, which is based in Mesa, helps children in homeless families by treating the whole family with programs to break the negative cycles of poverty, abuse and homelessness.

Taylor Morrison is a national homebuilder headquartered in Scottsdale. The Phoenix division, which is the company's largest, has approximately 40 new home communities in the Valley and Casa Grande.

"There is a great need for organizations like Save the Family especially in tough economic times," said Charlie Enochs, president of Taylor Morrison's Phoenix division. "By beautifying Save the Family's transitional housing, we hope to create a more cheerful environment for families in need."



Taylor Morrison employees donated their time to clean up eight apartment units for families in need including painting, landscape maintenance, window washing and general improvements.



2008 ADOH Employee of the Year

Cynthia Diggelmann, ADOH's Publications Specialist, has been named the agency's 2008 Employee of the Year.

Diggelmann was honored

at the agency's December staff meeting for her many contributions to the agency, including her creativity, her willingness to go the extra mile, her team work, and focus on customer service. Diggelmann, who has been with the agency since 2002, has been instrumental in the agency's successful delivery of the annual Governor's Housing Forum. In addition to the honor of being named the 2008 recipient of this award, Diggelmann also received a commendation from Governor Janet Napolitano, and will receive two additional days of annual leave.

ARIZONA FORECLOSURE HELP-LINE

Mortgage Trouble?

Don't Delay...Call Today

1-877-448-1211
TOLL-FREE

ADOH and the Arizona Foreclosure Prevention Task Force are tasked with reducing both the residential foreclosures in Arizona and the impact foreclosures have on families and communities. One of the ways we do this is through education and counseling.

If you know of a workshop or training opportunity that would benefit those Arizonans at risk of losing their homes, please send the details to cynthiad@housingaz.com for posting on our website.

ADOH FUNDING HELPS BUILD 72 -UNITS OF AFFORDABLE HOUSING

Asst. Deputy Director of Operations Carol Ditmore represented ADOH at the December 11 ribbon cutting ceremony for Indigo Pointe apartments, a newly-constructed 72-unit affordable rental property built by The NRP Group in southwest Phoenix. The project consists of 2-3 bedroom units, with some rents affordable to households at 40, 50 and 60 percent below the area median income. A 2007 Low-Income Housing Tax Credit awardee, the project also utilized financing through MMA Financial and the City of Phoenix.



From left: Mark Shoemaker, The NRP Group, Kim Dorney, City of Phoenix, Carol Ditmore, ADOH and other guests.



This holiday season, ADOH staff took on the challenge to collect more than 1,000 items of food for **St. Mary's Holiday Food Drive**. They also entered into a "challenge" with other state employees in the building which netted an additional 370 items. The final tally was 1,683 items. "Not only is it a department-wide challenge," said Pat Boland, one of the organizers of the collection, "but it turns into a personal challenge to do something that makes you feel good, especially during the holidays." We agree, Pat. **Good job, everyone!**



SAVE THE DATE

Arizona Fair Housing Partnership
 presents it's annual fair housing event

PUT THE 'FAIR' BACK IN FAIR HOUSING

Wednesday, April 15, 2009
 9:00 am - 12:00 pm
 Disability Empowerment Center (DEC)
 5025 E. Washington Street, Phoenix
THIS IS A FRAGRANCE-FREE BUILDING

FOR INFORMATION, CONTACT
 Shawna Tarboro, stswfhc@hotmail.com or
 602-252-3423, TTY 520-670-0233

New FACES



A lifelong Arizonan, Enriqueta "Queta" Aldrete joined ADOH in November as a Housing Compliance Officer, where she will travel the state, monitoring rental properties developed with ADOH's rental financing sources. Aldrete brings nine years of property management experience to her new duties, including direct management experience in properties financed with State Housing Trust Funds, federal HOME dollars and Low-Income Housing Tax Credits. Most recently

Aldrete worked as a property manager through Dunlap & Magee Property Management.



LaTonya Williams joined the agency in October as a Rental Development Programs Specialist, where she will work with developers utilizing ADOH's rental financing sources, such as State Housing Trust Funds, federal HOME funds and Low-Income Housing Tax Credits. Williams, who holds a Bachelor of Science degree from Florida Memorial University began her housing career as a Compliance Specialist with the Housing Finance Authority of Miami Dade County in Florida. She also worked as a Housing Specialist for the Detroit Housing Commission before moving to Arizona.

welcome!



FY2008

State Housing Fund Projects Funded:

Recipient	Location of Project	Amount	Type of Activity
Arizona Behavioral Health Corporation (ABC)	Maricopa County	\$10,000	Homeless prevention
Arizona Coalition to End Homelessness (ACEH)	Statewide	\$5,000	Homeless conference
Arizona Housing & Prevention Services	Pima County	\$37,400	Homeless prevention
Catholic Charities Community Services - Yavapai County	Yavapai County	\$70,000	Homeless prevention
Catholic Charities of Holbrook	Holbrook	\$23,000	Homeless prevention
Central Arizona Shelter Services (CASS)	Phoenix	\$500,000	Emergency operating
City of Phoenix	Phoenix	\$83,000	Homeless prevention
City of Springerville	Springerville	\$20,000	Homeless prevention
Coconino County Community Services	Coconino County	\$74,000	Homeless prevention
Community Action Human Resources Agency	Pinal County	\$77,000	Homeless prevention
Community Housing Partnership	Phoenix	\$10,000	Homeless prevention
Gila County Community Service	Gila County	\$36,609	Homeless prevention
Interfaith Coalition for the Homeless	Pima County	\$35,000	Homeless prevention
La Posada Apartments/Bethel Dev, Inc.	Yuma	\$750,000	New construction/rental
Labor's Community Service	Maricopa County	\$32,200	Homeless prevention
Lodestar Day Resource Center	Maricopa County	\$140,000	Homeless prevention
Maricopa Association of Governments	Maricopa County	\$35,000	Homeless planning
Maricopa County Community Services	Maricopa County	\$81,000	Homeless prevention
Martin Luther King I, LLC/Metropolitan Housing Corp	Tucson	\$750,000	New construction/rental
Mesa Community Action Network	Mesa	\$32,000	Homeless prevention
Mohave County Community & Economic Development	Mohave County	\$82,000	Homeless prevention
NeighborWorks®	Statewide	\$7,500	Foreclosure training
New Hope Ranch	Apache County	\$20,000	Homeless prevention
Parenting Arizona	Navajo County	\$20,000	Homeless prevention
Pima County	Pima County	\$25,000	HMIS match
Pima County Community Service	Pima County	\$57,850	Homeless prevention
Rural Continuum of Care Planning Process	Statewide	\$36,770	Homeless prevention
SouthEastern Arizona Community Action Program, Inc.	Southeastern Arizona	\$85,000	Homeless prevention
St. Vincent de Paul Society	Maricopa County	\$14,000	Homeless prevention
Sungate Villa II/Prescott Valley LP	Prescott Valley	\$750,000	New construction/rental
Tucson Planning Council for the Homeless (TPCH)	Statewide	\$1,000	Homeless conference
University of Arizona, Drachman Institute	Statewide	\$158,154	Community planning
Western Arizona Council of Government	Western Arizona	\$82,000	Homeless prevention
White Mountain Catholic Charities	Apache County	\$27,000	Homeless prevention
Community Information & Referral, Inc.	Maricopa County	\$25,000	Maricopa County HMIS Project
Central Arizona Shelter Services (CASS)	Maricopa County	\$25,000	Emergency operating
Globe Family Associates, LP	Pinal County		New construction/rental
City of Douglas	Cochise County	\$115,500	Emergency repair
Community Action Human Resources Agency	Pinal County	\$275,000	Emergency repair

Recipient	Location of Project	Amount	Type of Activity
Coconino County Community Services	Coconino County	\$275,000	Emergency repair
Lake Havasu City	Mohave County	\$275,000	Emergency repair
Mohave County	Mohave County	\$275,000	Emergency repair
City of Bullhead City	Mohave County	\$275,000	Emergency repair
Services Maximizing Independent Living and Empowerment (S.M.I.L.E.)	Yuma County	\$275,000	Emergency repair
City of Flagstaff	Coconino County	\$110,000	Emergency repair
Campeños Sin Fronteras	Yuma County	\$275,000	Emergency repair
Western Arizona Council of Government Services Maximizing Independent Living and Empowerment (S.M.I.L.E.)	Western Arizona	\$275,000	Emergency repair
Santa Fe Springs Apartments/Walling Development, Inc.	Yuma County	\$275,000	Emergency repair
	Sierra Vista	\$750,000	New construction/rental

Community Development Block Grant Projects Funded:

City of Casa Grande	Casa Grande	\$136,646	Owner-occupied rehabilitation
City of Page	Page	\$366,876	Various
Town of Kearny	Kearny	\$424,439	Water treatment
City of Benson	Benson	\$326,903	Street improvements
City of Douglas	Douglas	\$326,904	Street improvements
Town of Duncan	Duncan	\$100,000	Street improvements
Town of Thatcher	Thatcher	\$382,006	Street improvements
City of Tombstone	Tombstone	\$326,903	Owner-occupied rehabilitation
City of Willcox	Cochise County	\$326,904	Community center
Town of Wellton	Yuma County	\$562,942	Public safety
City of Eloy	Pinal County	\$273,293	Infrastructure
City of Coolidge	Pinal County	\$136,646	Owner-occupied rehabilitation
Mohave County	Mohave County	\$247,691	Owner-occupied rehabilitation
Mohave County	Mohave County	\$53,571	Vehicle purchase
Mohave County	Mohave County	\$115,571	Public safety
Mohave County	Mohave County	\$198,393	Senior program support
Mohave County	Mohave County	\$117,913	Counseling
Pinal County	Pinal County	\$136,646	Owner-occupied rehabilitation
City of Apache Junction	Pinal County	\$273,293	Downtown redevelopment plan
City of Kingman	Mohave County	\$123,200	Infrastructure
City of Kingman	Mohave County	\$79,800	Senior program support
City of Kingman	Mohave County	\$353,139	Owner-occupied rehabilitation
City of Kingman	Mohave County	\$177,000	Accessibility modifications
Santa Cruz County	Santa Cruz County	\$490,264	Building and energy improvements
Town of Star Valley	Yavapai County	\$136,646	Owner-occupied rehabilitation
Town of Jerome	Yavapai County	\$363,040	Infrastructure



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AHOUSING MATTERS

Vol. 8 No. 2 Spring, 2009



yourwayhomeaz

ADOH Launches YourWayHomeAZ.com
One-stop Website for Arizona's Neighborhood Stabilization Programs

Arizonans can now visit www.YourWayHomeAZ.com to receive the latest information on Arizona's Neighborhood Stabilization Programs, including assistance for purchasing foreclosed homes.

Those interested in purchasing foreclosed homes in select areas throughout the state will be able to determine if they might be

PROGRAM AVAILABILITY (by county)		
MAY 2009		
Apache	Coconino	Cochise
Gila	Graham	Greenlee
LaPaz	Mohave	Navajo
Pinal	Santa Cruz	Yavapai
	Yuma	
JULY 2009		
All Arizona Residents		

see [YourWayHomeAZ](http://YourWayHomeAZ.com) on page 4

GOVERNOR BREWER GRANTS EMERGENCY ASSISTANCE TO HOMELESS SHELTERS

\$771,000 Awarded To Five Shelters, Assisting More Than 700 Arizonans Per Night

On April 16, Arizona Governor Janice K. Brewer announced \$771,000 in awards to help shelters around the state that are facing eminent closure. The funding will allow the services to more than 700 Arizonans, including children, to continue.

"Now is not the time to turn our backs on our fellow Arizonans, who are in need of a safe place to shelter their families," stated Brewer. "This funding is critical to keeping the doors open to these homeless shelters as demand dramatically increases while financial assistance for the shelters decreases."

In the last year, the number of people living on the street who cannot access a shelter has increased by 24 percent in Pima County, 20 percent in Maricopa County and by similar percentage in the other counties. Funding cuts and declines in private contributions have continued to decimate existing homeless programs throughout the state, undermining the ability of the providers to offset the overwhelming demand.

"The current economic conditions have created a wave of Arizonans who have never been homeless before, and these individuals and families are

see **EMERGENCY ASSISTANCE** on page 8

Leading with solutions.

a brief CALENDAR 2009
(for details, check the Event Calendar on our web site)

MAY

- 14 **Arizona Housing Finance Authority**
- 21 **QAP Public Hearing (see web site for details)**
- 25 **CLOSED - Memorial Day**

JUNE

- 11 **Arizona Housing Finance Authority**
- 26 **Arizona Housing Commission**

JULY

- 3 **CLOSED - 4th of July**
- 9 **Arizona Housing Finance Authority**

Ross McCallister

Chairperson
The MC Companies

Carol Parry Fox

Vice-Chairperson
Corporate Social Responsibility Associates

Manny Gonzalez

Treasurer
Pinal County

Richard Houseworth

Secretary
Capital Bancorp Limited

For additional information on AzHFA Board Meetings contact Ann Pratt at (602) 771-1090 or ann.pratt@azhousing.gov

Arizona Housing Commission



AHC Chair Marty Moreno (right) presents a certificate of appreciation to former AHC Chair Maria Chavez (left).

Moreno Named Arizona Housing Commission Chair

Arizona Housing Commission (AHC) Chair Maria Chavez handed over the gavel to newly appointed Chair Marty Moreno at the February 27 meeting.

Moreno currently serves on the Sahuarita Town Council, where she focuses on a variety of issues including workforce housing, community outreach programs, and defining the cultural and historical identity of Sahuarita. Prior to her service on the Town Council, she worked for the Sunnyside Unified School District and the Sahuarita Unified School District.

Chair Moreno is also active in Sahuarita Team Offers Prevention, Reading with Children, the Regional Transportation Authority Citizens Accountability for Regional Transportation Committee, the Meth Free Alliance, the National Association of Latino Elected Officials Board, and the Sahuarita Teen Advisory Council.

Moreno has served as the rural city government representative for the Arizona Housing Commission since 2007.

Chavez leaves the Housing Commission after seven years of service as the representative for farmworkers' housing issues.

DIRECTOR'S MESSAGE



First of all, I would like to say I am deeply honored to be asked to serve Arizonans as the director of ADOH. Our previous directors have worked hard to see the Department of Housing play a critical role in Arizona and the housing industry. I hope to be able to continue this mission.

As you have read in the papers and maybe experienced personally, these are very tough economic times. You have heard it over and over again. But what does that mean for the Department? What does that mean for our clients and for Arizonans needing our services?

We are not exempt from the budget crisis that impacts our state. We are seeing cuts, sweeps and decreases in funding projections for next fiscal year. The future of the Housing Trust Fund is still up in the air. It might be weeks or months before we know our budget situation for Fiscal Year 2010 and beyond.

In the mean time, we will have to do more with less. But can we?

Absolutely, but this will require some retooling within the Department, some retooling in terms of the way our partners view working with us, and ultimately a mutual commitment to communicate better than ever so that we might “find a way” together.

With the many changes in the housing industry (NSP, TCAP, Exchange, etc.), as well as the unique market conditions within Arizona, we will need to start from the ground up. To me, that means addressing anything that stands in the way of success. And I mean anything. For example, ADOH cannot simply be a source for funding, but must evolve into being seen as *an investor*.

Therefore our involvement will include anything we can do to assist in our partners’ success. As our partners, you will see ADOH more actively engaged in working towards solutions, overcoming challenges, and providing input far beyond simply determining whether or not to provide funding. Conversely, you will also see a significant increase with regard to candor in our communication, where the Department stands on a specific project, and “where we are at” relating to challenging issues.

During my limited time at ADOH, I can say I am very impressed with the dedication and abilities of ADOH employees. I am confident we have the individuals necessary to shore up these aspects of the Department’s future and will be adding some new faces in the coming months. I can assure you our staff will not only be open to input, but will actively seek it.

These adjustments in approach will not take long and hopefully you will observe some of them immediately. Whether that means the way we are shoring up challenged projects right now or adjusting the QAP to be more supportive of the challenges our partners are facing, ADOH is on the move. But let me know; the last thing I want to do is make speeches regarding change with no results to show.

I am a very upfront person committed to getting things done, rather than talking about it. The Department will be the same way.

Thank you for your continuing support and I look forward to meeting each of you in the future.

ABOUT DIRECTOR CARDON:

- Named director of Housing by Governor Janice K. Brewer March 25
- Started at ADOH April 6
- Recently served as President and CEO of Cardon Development, LLC
 - Led efforts in creating CityScape – a mixed-use development in downtown Phoenix
- Past Experience:
 - Deputy Housing Director for city of Phoenix
 - Executive Director for Longview Housing Authority
 - Community and Economic Development Director for Longview, Washington
- Education:
 - Masters of Public Administration from Lewis and Clark College
 - Undergraduate studies conducted in Business at Point Loma College
- Member of the National Association of Housing and Redevelopment Officials (NAHRO)
- Board member of Helping Hands Housing Services
- Married to Kim and has three children

Focus on Housing

Kristina Fretwell

Legislative Liaison (602) 771-1008

kristinaf@housingaz.com

STATE UPDATE

With an estimated \$3.3 billion deficit to close, the Legislature released a joint draft budget proposal for FY 2010 on April 28. The proposal cuts \$670 million from state spending, transfers an additional \$394 million from other state funds and uses \$989 million of federal stimulus dollars to fill the budget gap.

While the budget proposal includes fund transfers of more than \$2.5 million from the Department of Housing, the most concerning proposal is a recommendation to permanently divert all Unclaimed Property proceeds to the state General Fund. Because the Housing Trust Fund receives 55 percent of all Unclaimed Property proceeds, this proposal in effect will permanently defund the Housing Trust Fund.

As Legislators continue to address the FY 2010 budget, the economic picture for the next couple of years continues to look grim. On March 31, the Finance Advisory Committee, a group of economists that provide the Legislature with forecasts of revenues and economic outlooks, noted that while revenues will begin to improve in FY 2011 and FY 2012 they will still fall below 2006 levels.

FEDERAL UPDATE

In March, the federal FY 2009 omnibus spending bill was enacted. The omnibus bill consists of nine uncompleted FY 2009 appropriations bills, including the Transportation-Department of Housing and Urban Development (HUD) appropriations bill.

The omnibus bill provides \$41.5 billion for HUD programs for the fiscal year running from October 1, 2008 to September 30, 2009. The amount is \$2.84 billion above the FY 2008 spending level. Programs that received an increase include the HOME Partnership program, housing counseling programs, housing choice vouchers and the Section 8 project-based rental assistance program.

"YourWayHomeAZ" from page 1

eligible for the **Your Way Home AZ** programs and which program meets their needs.

"Especially during these tough economic times, Arizonans are looking for the stability, safety and hope a secured home provides," ADOH Director Donald E. Cardon said. "**Your Way Home AZ** brings the joy and responsibility of owning a home one step closer for those who were unable to afford a home even a year ago."

Funding was made available through the U.S. Housing and Urban Development Neighborhood Stabilization Program (NSP). The state of Arizona and nine other counties and communities received more than \$121 million to help stabilize our hardest hit neighborhoods through a variety of efforts.

Information regarding the NSP projects for the state of Arizona, Maricopa County, Pima County, Avondale, Chandler, Glendale, Mesa, Phoenix, Surprise and Tucson will be available at www.YourWayHomeAZ.com.

The state of Arizona will use up to \$20 million of its \$38 million allocation to assist homeowners in purchasing foreclosed homes through a forgivable second mortgage program. Individuals and families who have a gross income of 120 percent or less of the area median income (AMI) may be eligible for the assistance. AMI is determined by the federal government for each county in Arizona.

The purchase discount program will be available to residents of Apache, Coconino, Cochise, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Pinal, Santa Cruz, Yavapai and Yuma Counties in May 2009. It will then be open to all Arizona residents in July 2009.

"We encourage all Arizonans to visit www.YourWayHomeAZ.com to determine if they are eligible to participate in the opportunity this program provides," Cardon said. "The information is free and you could be closer to owning your own home than you might imagine. This truly is a great opportunity for families as well as individuals to experience a major element of the American Dream – which many believe includes owning your own home."

Arizonans should check the **Your Way Home AZ** site often as communities update their projects.



Training, Conferences Other Happenings

Save the date...



BRIAN MICKELSEN HOUSING HERO AWARDS

ADOH is now accepting nominations for the Brian Mickelsen Housing Hero Awards to be presented at the 2009 Housing Forum at the Buttes Resort on September 15.

Information and nomination forms are available at www.azhousing.gov/Training & Events.

This year's categories are Local Initiatives, Innovative Partnerships, Superior Sustainable Design, Tribal Initiatives, Elected Official Award, and the Arthur Crozier Partner in Housing Arizona.

Entry Deadline is **June 12, 2009**.

Other Events of Note

MAY

- 1-2 Arizona Saves Train-the-Trainer classes, www.arizonasaves.org Deadline is April 17 to register. Contact Lauren Brandt at lbrandt@arizona.saves.org or (602) 246-3506
- 4-6 Green clinics and symposium, NeighborWorks, www.nw.org/network/training/upcoming/PHXNT109.asp

If you have an event that you would like us to list in the "OTHER EVENTS OF NOTE" section, please send the date, the name of your event, the sponsoring organization, and contact information to:
cynthia.diggelmann@azhousing.gov

The summer issue of **HOUSING MATTERS** will publish in July and will list events for July, August and September, 2009.

QAP HEARING SCHEDULED

Thursday, May 21, 2009 | 10:00 am - 12:00pm
Carnegie Center
1101 W. Washington - Main Floor
[SEE WEB SITE FOR ADDITIONAL DETAILS](#)



April
is Fair Housing month.
MAKE IT A PRIORITY.
your

GOVERNOR BREWER DECLARES APRIL "FAIR HOUSING" MONTH

Arizona Governor Janice K. Brewer continued the state of Arizona's longtime support of fair housing by declaring April "Arizona Fair Housing Month."

In her proclamation Governor Brewer recognized the efforts of the Arizona Fair Housing Partnership and other organizations that focus on statewide fair housing efforts.

"Fair housing laws guarantee the right to a housing market free from discrimination based on national origin, race, color, religion, sex, disability, and familial status," the Governor explained. "The state of Arizona recognizes and values the efforts of those who seek to reduce barriers to full and fair housing opportunities."

The right to fair housing was championed by Dr. Martin Luther King, Jr. In 1968, the Fair Housing Act was signed by President Lyndon B. Johnson prohibiting discrimination concerning the sale, rental and financing of housing based on race, religion and national origin. It was expanded to include sex in 1974 and the handicapped and families with children in 1988.



bell mirage estates grand opening

NINE NEW UNITS DESIGNATED FOR DOMESTIC VIOLENCE VICTIMS

Surprise Mayor Lyn Truitt, city council members, representatives from Tofel Construction, Community Services of Arizona, Inc., Todd & Associates and DCM Consulting, and other community leaders joined ADOH Rental Programs Administrator Randy Archuleta at the grand opening of Bell Mirage Estates in Surprise, Arizona on March 19.

The 60-unit complex was built by Tofel Construction and Community Services of Arizona, Inc. It consists of 24 two-bedroom and 36 three-bedroom apartments, including four state-assisted units and nine units designated for victims of domestic violence. The domestic violence victims will receive support and services from Eve's Place.

The Bell Mirage Estates project was funded through the Arizona Housing Trust Fund, Low-Income Housing Tax Credits, and Deferred Developer's Fee. Bank of America served as the equity investor and lender.



nuestra señora development opens

UNITS AVAILABLE FOR HOMELESS FAMILIES

Rental Programs Administrator Randy Archuleta represented ADOH at the grand opening of Nuestra Señora Affordable Housing Apartments in Guadalupe, Arizona on February 25.

The 72-unit complex was built by Guadalupe Community Development Corporation and Englewood Development Company. It consists of eight one-bedroom, 32 two-bedroom and 32 three-bedroom apartments, including 11 units designated for homeless persons and families. Community Housing Partnership will be the service provider for the special units.

Archuleta was joined by representatives of the developers, Guadalupe council members, Bonneville Mortgage, USDA Rural Development, and other community leaders in the celebration.

The Nuestra Señora project was funded through federal HOME funds, tax credits and a RD538 loan guarantee.

ARIZONA FORECLOSURE HELP-LINE

Mortgage Trouble?

Don't Delay...Call Today

1-877-448-1211
TOLL-FREE

On Monday, March 16, financial counselors from the **Arizona Foreclosure Help-Line** and Arizona Department of Housing Coordinator, Reginald Givens appeared on a KPNX Channel 12 morning news show to take calls and highlight the FREE assistance available to homeowners in danger of foreclosure on their homes.

New **FACES**



Patsy Cohoe brings 24 years of experience in the field of Indian Housing to ADOH as the Tribal Liaison. She also worked with the National American Indian Housing Council for almost 10 years providing technical assistance and training to Indian tribes nationwide. She currently serves as the President of the San Carlos Apache Telecommunication Utility, Inc. Board of Directors, Vice President of the Gilson Wash District Economic Enterprise Board of Directors and the Vice President of the Mescal Mountain Materials Board of Directors. She has lived in Arizona for most of her life and enjoys spending time spoiling her five grandsons.



Esperanza "Espi" Garrett joins the ADOH team as the Neighborhood Stabilization Program Administrative Assistant. She comes from former Governor Napolitano's office, where she assisted the Deputy Chief of Staff for Finance and the Governor's Office of Strategic Planning and Budgeting. She is detail-oriented and fast on turnarounds, which makes her perfect for the federal program. Espi graduated from the University of Arizona in 2005 with a degree in Agribusiness Management. She is married to Stephen Padilla.



Reginald Givens brings more than 20 years of mortgage industry experience to the Department of Housing as the Neighborhood Stabilization Program Coordinator. His background covers operations, sales, wholesale and the retail aspects of mortgage lending, in addition to his experience as a credit counselor. Reginald is an avid racquetball and basketball player. He and his wife, Diane moved to Arizona 14 years ago from New Mexico. He has a son and a daughter. Originally from Ohio, Reginald appreciates the warmth of Arizona and the lack of daylight savings time changes.



Shilo Munk joins the Arizona Department of Housing as the Public Information Officer. Shilo formerly served under Governor Janet Napolitano as the Deputy Press Secretary. She has worked in state government since June 2003 when she interned at the Arizona Department of Revenue, and then as Project Manager for Marketing and Member Services for the Arizona-Mexico Commission. Shilo graduated from Brigham Young University with a double major in Public Relations and History and a minor in Business Management. Unfortunately her time with us will be short. In May, Shilo will join her husband, Ryan Munk, in California.

welcome!

EMERGENCY ASSISTANCE (from page 1)

showing up at shelter doors only to be denied services," Arizona Department of Housing Director Donald E. Cardon said. "This funding will allow us to help those who most desperately need the assistance, the shelter and the safety."

The following is a breakdown of the funding that allows homeless shelters to maintain service levels that have already been impacted by cuts and increased patrons.

- **CASS: Phoenix, \$503,000.** Funding will prevent approximately 325 persons each night from being displaced from existing shelter beds and prevent 100 to 200 additional persons currently staying in the parking lot from being turned into the neighborhood.
- **UMOM: Phoenix, \$114,500.** Funding will keep 35 rooms open to serve an estimated 122 Arizonans, including 87 children.

- **A New Leaf: Mesa, \$62,500.** Funding will keep services for 30 Arizona families and 84 individuals.
- **Catholic Charities: Prescott, \$41,000.** Funding will help cover operating costs for six emergency units and 14 transitional units, serving approximately 50 people per night.
- **Primavera Foundation: Tucson, \$50,000.** Funding will provide services to 30 Arizonans per night.

The money was provided through the Arizona Housing Trust Fund, a state resource devoted to addressing the state's housing related needs. The money is derived from the state's Unclaimed Property proceeds and no tax revenues are allotted to the Fund.



**A quarterly publication of
Arizona Department of Housing**

Editor: Shilo Munk
Layout & Design: Cynthia Diggelmann

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**To see Funding
Announcements
for FY 2009, visit the
ADOH web site at
www.azhousing.gov**

Housing Matters

SUMMER 2009
VOLUME 8 | NUMBER 3

LEADING WITH SOLUTIONS



▲ A New Leaf La Mesita Family Homeless Shelter is a shining example of success. Serving approximately 400 residents each year, it provides the opportunity to regain self-sufficiency through “life skills” coaching in an environment that is safe for children and their families.

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- 1 ADOH Launches *Your Way Home AZ*
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- 9 Governor's Housing Forum Highlights





yourwayhomeaz

ADOH Launches *Your Way Home AZ* State-wide.

Homebuyers eligible for financial assistance to purchase foreclosed homes

On July 1, the Arizona Department of Housing (ADOH) announced the availability of the *Your Way Home AZ* program for homebuyers in Maricopa and Pima counties. The program, which provides financial assistance to homebuyers who purchase foreclosed homes, has been available to Arizonans in the 13 rural counties since early May. So far more than 118 families are currently in various stages of the process of purchasing a foreclosed home through ADOH's program.

"The *Your Way Home AZ* program offers an incredible opportunity for many potential homebuyers throughout the state," ADOH Director Michael Traylor said. "Arizonans are not only finding homes for their families, they are stabilizing our neighborhoods and communities by purchasing these otherwise vacant and foreclosed upon homes."

Your Way Home AZ provides up to 22 percent of a home's purchase price to qualified homebuyers purchasing an eligible foreclosed home in the state. The assistance is in the form of a deferred second mortgage loan for purchase assistance. Eligibility is based on a variety of factors including area median income, current debt-to-income ratio, use of the home as a primary residence and attendance at a Homebuyer Education Class.

Funding for the *Your Way Home AZ* program was made available through the U.S. Department of Housing and Urban Development Neighborhood Stabilization Program. The state of Arizona and nine other counties and communities received more than \$121 million to help stabilize the state's hardest hit neighborhoods.

info Those interested in purchasing a foreclosed home can visit www.YourWayHomeAZ.com to determine if they are eligible to participate in the state's program or one of the other nine county and community programs listed on the web site.

Governor Brewer Appoints New Housing Director

Michael Traylor to lead ADOH

On May 29, Governor Jan Brewer announced the appointment of Michael Dell Traylor as Director of the Arizona Department of Housing. Michael succeeds Don Cardon who now leads the Arizona Department of Commerce.

An Arizona native, Michael is no stranger to the state's housing world. Prior to his appointment as Director, Michael spent the past four years as Principle and Urban Development Specialist with Vanguard Cityhome of Scottsdale. In that role, he developed multiple residential and retail projects.

Michael also owned and managed MDT Holdings, served as the Arizona Division President of Centex Homes and owned and managed Gold Key Development Company. He is also a former President/Life Director of the Central Arizona Homebuilders Association, former Chairman of the Multi-Family Housing Council and a former member of the Governor's Growing Smarter Oversight Council.

"I appreciate Governor Brewer's confidence and look forward to working with the team of professionals at ADOH in addressing and solving Arizona's housing issues," said Director Traylor.

Michael has been taking advantage of opportunities to visit around the state, meeting and listening to the Department's constituents as the summer unfolds. We hope you will take the opportunity to congratulate Michael in his new role in leading the state's efforts and partnerships in housing.

Director's Message

From the Desk of Michael Traylor



As a result of what may likely be known in the future as the “first global depression,” the need for safe, affordable housing, foreclosure prevention programs, mortgage assistance and aid for the homeless has never been greater, especially in Arizona.

We are grateful for the federal stimulus programs we have to help mitigate the affects of this economic downturn on our citizens. Our communities should start seeing some improvements as a result of the various programs that are being implemented.

The Tax Credit Assistance Program, (TCAP) was created to offset tax credit pricing volatility that has occurred as a result of the poor economy. Several affordable housing projects that were awarded tax credits have been stalled due to the deterioration of tax credit pricing. The department has received several project applications for the TCAP program. These projects are “shovel ready” and can be started soon after the TCAP awards are finalized. Each project will directly or indirectly employ hundreds of Arizonans and provide much needed affordable housing for our state. The Tax Credit Exchange is a similar U.S. Treasury program that allows project developers to exchange previously issued tax credits from 2007 and 2008. ADOH has posted the program guidelines on its web site. Applicants must return their tax credit award by August 7, 2009 and submit their applications by August 21, 2009. Here again, these “shovel ready” projects will employ hundreds of Arizonans and provide needed affordable housing. Reviewing, approving and awarding TCAP and Tax Credit Exchange continue to be a major priority for the department.

The Neighborhood Stabilization Program homebuyer subsidy was implemented in the rural counties in May; Maricopa and Pima Counties in July. The program provides 22 percent in purchase assistance for buyers of foreclosed homes who qualify. Potential buyers’ household income cannot exceed 120 percent of area median income. As an example, the qualifying income for Maricopa County is approximately \$63,250 for a family of two individuals. This program is not restricted to first time buyers and affects a wide range of our population. This is a zero interest second loan and the principal is forgiven if the buyer remains in the home for the required period of time. For a \$15,000 loan the required term of residence is five years. To date 118 families are in various stages of the process, of which five have completed the process and purchased homes. We anticipate that the homebuyer assistance program will assist over 400 Arizonans to purchase homes.

While the wheels of government seem to move slowly, there is evidence that community issues have been identified and responded to in various forms of assistance.

AzHFA Activities

AzHFA Board approves 2009 MCC Program

In May, the Arizona Housing Finance Authority (AzHFA) Board approved the issuance of a 2009 Mortgage Credit Certificate (MCC) program. The program will allow qualified first-time homebuyers to receive a federal income tax credit equal to 20 percent of the interest paid annually on their first mortgage loan.

In addition, the AzHFA is offering down payment and/or closing cost assistance to first-time homebuyers who participate in the 2009 MCC program. First-time homebuyers are eligible for up to 5 percent of the purchase price of the home that can be used for part of the down payment or the closing costs for the purchase of the home, called the MCC Plus program. Agencies that are contracted with the AzHFA to administer the MCC Plus program include:

COUNTY	AGENCY	PHONE #
Gila, Pinal	Comm. Action Human Resources Agency (CAHRA)	520-466-1112
Yuma	Housing America Corporation (HAC)	928-627-4221
Apache, Navajo	Northern AZ Council of Gov. (NACOG)	928-289-6020
Coconino, Yavapai	Northern AZ Council of Gov. (NACOG)	928-774-1895
Cochise, Graham,	South Eastern AZ Governments Org. (SEAGO)	520-432-5301
Greenlee & Santa Cruz		
La Paz, Mohave	Housing America Corporation (HAC)	928-718-1888

info For questions about the AzHFA or the MCC and MCC Plus programs, contact:

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

Arizona Housing Commission Activities

Meet the new chair



The Arizona Housing Commission (AHC) selected Guy Mikkelsen as their new Chairperson at the June 26 meeting.

For the past 24 years, Mikkelsen has led the Foundation for Senior Living, one of the largest non-profit organizations in Arizona dedicated to improving the quality of life for seniors, adults with disability and their family caregivers. Prior to his work with the Foundation, he worked for the states of Arizona, South Dakota and the Milwaukee County Public Welfare Department.

Mikkelsen was originally appointed to the AHC by Governor Jane Dee Hull in January 1999 to represent the special needs population.

The AHC also chose Betty Villegas as their new Vice-chairperson. Villegas is the Housing Program Manager for the Pima County Community Development and Neighborhood Conservation Department. Prior to joining Pima County, she spent 19 years in the retail banking and lending industry.

Villegas was appointed to the AHC by Governor Janet Napolitano in January 2008 to represent a non-rural county government with a population of less than 1.5 million persons but more than 500 thousand persons.

The AHC would like to thank outgoing chair Marty Moreno who has lead the Commission as Chairperson since February 2009.

info **Kristina Fretwell**, Legislative Liaison and Public Information Officer

(602) 771-1008 + kristina.fretwell@azhousing.gov

AzHFA 2009 Board of Directors

Ross McCallister

Chairperson
The MC Companies

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Vice Chairperson
Corporate Social
Responsibility Associates

Manny Gonzalez

Treasurer
Pinal County

Richard Houseworth

Secretary
Capitol Bancorp, Ltd.

SCHEDULED MEETINGS

August NO MEETING

September 14

info For additional

information on AzHFA

Board Meetings contact:

Ann Pratt

(602) 771-1090

anpp@housingaz.com

2009 Legislative Wrap Up

After 170 days in session, the Legislature adjourned the Forty-Ninth Legislature, First Regular Session on July 1 at 7:35 am. 1133 bills were introduced this year of which 213 passed. Of those, 191 were signed by the Governor and 22 were vetoed.

Faced with large budget deficits for both FY 2009 and 2010, the Legislature postponed work on regular bills and focused on the budget for the majority of the session. In late January, the Legislature approved a midyear budget plan to close a \$1.6 billion deficit for FY 2009 and began working on a solution for FY 2010.

The FY 2009 budget plan included a \$20.7 million fund transfer from the Housing Trust Fund and a \$3.1 million fund transfer from the Housing Program Fund. Combined with the reductions passed during the last legislative session, a total of \$32.9 million was swept from the Department of Housing in FY 2009.

On July 1, hours before the end of the session, the Legislature sent a FY 2010 budget to the Governor. Later that afternoon, Governor Brewer vetoed a large portion of the budget and asked the Legislature to continue to work with her in a special session on a consensus solution to balance the state budget that neither over-spends nor under-funds.

One piece of the FY 2010 budget contained a change to the formula by which the Housing Trust Fund is funded. The legislation would have ensured the Department of Housing (ADOH) receives \$10.5 million annually from Unclaimed Property revenues, a positive change considering earlier proposals to permanently defund the Housing Trust Fund (HTF). While Governor Brewer supported continued funding for the HTF, other budget concerns led to a veto of the bill containing this provision.

At press time, the Legislature had not completed a new FY 2010 budget and continued to work in the special session on a consensus solution. The status of the HTF remains unknown and will likely be included in any new budget legislation considered by the Legislature. ADOH will continue to update constituents via our website, Twitter and Facebook pages.

info Kristina Fretwell, Legislative Liaison and Public Information Officer
(602) 771-1008 + kristina.fretwell@azhousing.gov

Federal Stimulus Update

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

- ▶ ADOH received a one-time grant of \$38.3 million in NSP funds which must be utilized state-wide.
- ▶ \$20 million will be used as a financing mechanism for the purchase of foreclosed homes. \$9.6 million will be targeted to the redevelopment of a foreclosed and vacant multi-family property that will house those at 50% or below of area median income.
- ▶ The NSP Program is currently available to residents state-wide. Interested individuals can visit www.YourWayHomeAz.com for details.

TAX CREDIT ASSISTANCE PROGRAM (TCAP)

- ▶ ADOH was awarded \$32.3 million to provide gap financing for Low-Income Housing Tax Credit projects that have already received an allocation of tax credits in 2007, 2008 and 2009.
- ▶ ADOH is currently reviewing 39 TCAP applications.

LOW-INCOME HOUSING TAX CREDIT MONETIZATION

- ▶ ADOH is eligible to exchange a portion of its 2007 and 2008 housing credit ceiling for cash grants to finance the construction or acquisition and rehabilitation of qualified low-income buildings.
- ▶ Awards will be determined through a competitive application process. Pertinent information is now available on our website at www.azhousing.gov.

COMMUNITY DEVELOPMENT BLOCK GRANT RECOVERY PROGRAM(CDBG-R)

- ▶ ADOH was awarded \$3.1 million in CDBG-R funds to support a broad range of housing and community development projects that are ready to proceed.
- ▶ ADOH submitted a draft amendment to its FY 2008 Action Plan describing proposed distribution of CDBG-R funds to HUD on June 29.

HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

- ▶ ADOH was awarded over \$7 million to prevent homelessness in rural Arizona through temporary rent or utility assistance for individuals and families currently in housing as well as temporary assistance in order to obtain housing and retain it for individuals and families who are experiencing homelessness.
- ▶ ADOH submitted an application for funds to HUD on May 18 and expects to make those funds available through its network of rural service providers in September.

info Updated information on these programs will be made available as ADOH receives updates from the federal government.

New 48-Unit Senior Housing Complex Opens in Payson

LIHTC project fills need in area

➤ Rental Housing Programs Specialist LaTonya Williams represented ADOH at the grand opening of Center Ridge Apartments in Payson, Arizona on April 30.

The 48-unit complex was built by The NRP Group, LLC. It consists of 32 two-bedroom and 16 three-bedroom apartments and a clubhouse with a computer center, community room and picnic area. There are 8 units set aside for the physically disabled.

Williams was joined by Payson Mayor Kenny Evans, Councilman Rick Croy, The NRP Group Senior Vice President Mark Shoemaker and other community leaders in the celebration.

Center Ridge Apartments was funded through federal HOME funds and Low-Income Housing Tax Credits.



Center Ridge is a 48-unit senior project (top); the club house holds a computer center and community room for residents' use (bottom);

Groundbreaking for Sunnyside Pointe Homes

Tucson project mixes senior and market rate housing

➤ Sunnyside Pointe Homes, a 267-lot housing subdivision in Tucson, broke ground on Wednesday, June 17. The lots will be developed for affordable senior housing (70) and market rate homes (197) by three non-profit corporations: La Frontera Center, Old Pueblo Community Foundation, and Tucson Urban League.

The property encompasses approximately 34 acres and is located south of Irvington Road between Park Avenue and 1st Avenue. The first phase of the project includes 90 homes for first-time home buyers. The homes will be 3- and 4-bedroom/2 bath with a single-car garage. The homes will be constructed by Pepper Viner Homes.

Each non-profit partner has received funds from a variety of sources including Pima County General Obligation Bond funds and Federal Home Loan Bank of San Francisco Affordable Housing Program funds. These funds will be used to reduce the price of the home to the home buyer in the form of substantial down payment assistance.



The program for the event included speeches by Daniel J. Ranieri, Ph.D., president and CEO of La Frontera, Inc. (above); Pima County Supervisor Ramon Valadez; Mary Fimbres, representing City of Tucson Council Member Steve Leal; and Bill Viner, president of Pepper Viner Homes.

info The homes will be available in March 2010

for purchase. Interested buyers should contact:

Daniella Zepeda

520 838-5539 + dzepeda@lafrontera.org

Calendar 2009

AUGUST

12	Constituent Forum on 5 Year Consolidated Plan, Sierra Vista
----	---

SEPTEMBER

7	CLOSED - Labor Day
14	Arizona Housing Commission
14	Arizona Housing Finance Authority
14-16	Governor's Housing Forum
15	Constituent Forum on 5 Year Consolidated Plan at Governor's Housing Forum, Phoenix

LIHTC Compliance Workshop

October 5-7

Desert Diamond Hotel Tucson, AZ

- ▶ Two-day training, plus an optional HCCP exam on October 7
- ▶ Training focused on tax credit compliance basics, and fundamentals and the challenges of working with LIHTC properties.

info Patricia Boland

602 771-1017 + patricia.boland@azhousing.gov

Offered by ADOH and Compliance Solutions, Inc.



9th Annual Travois Indian Country Tax Credit Conference

August 17-19

Hyatt Regency Resort & Spa, Santa Ana Pueblo, NM

info Beth Heap

816-442-8986 + bheap@travois.com

ADOH Holds Constituent Forums on Five Year Consolidated Plan

In July, the Arizona Department of Housing held community forums in Flagstaff and Lake Havasu to give constituents the opportunity to provide input on how the state's affordable housing and community development resources should be utilized over the next five years. The Department will use this input as they begin to craft their Five Year Consolidated Plan, the agency's road map for fiscal years 2010 through 2014.

To continue these discussions, the agency has scheduled follow-up conference calls for the Flagstaff and Lake Havasu areas, to take place in August. The Department will also host two additional constituent forums in Sierra Vista and Tempe in the coming months.

ADOH encourages constituents to take advantage of the opportunity to provide comment on how Department funds are invested in their communities. Additionally, attendees will be able to meet and share their thoughts with ADOH's new Director, Michael Traylor, who will attend all public meetings and conference calls.



Have Your Photo Featured in an ADOH Publication

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

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

THE SCHEDULE FOR THE UPCOMING FORUMS AND CONFERENCE CALLS IS AS FOLLOWS:

► SIERRA VISTA

WEDNESDAY AUGUST 12, 2009

Sierra Vista City Hall

1011 N. Coronado Drive
Sierra Vista, AZ 85635
12:00 p.m. – 2:00 p.m.
(light lunch provided)

info RSVP to:

Marla Charlsworth

(602) 771-1069

Marla.Charlsworth@azhousing.gov

► FLAGSTAFF

TUESDAY, AUGUST 18, 2009

Follow up to public forum meeting

NACOG Region Conference Call
9:30 a.m. – 11:00 a.m.
Conference Call line # 1-866-476-8702
Participant PIN: 984163

► LAKE HAVASU CITY

WEDNESDAY, AUGUST 19, 2009

Follow up to public forum meeting

WACOG Region Conference Call
1:00 p.m. – 3:00 p.m.
Conference Call line # 1-866-476-8702
Participant PIN: 984163

► PHOENIX

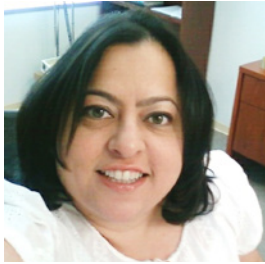
TUESDAY, SEPTEMBER 15, 2009

The Buttes Marriott Resort

Kachina Ballroom 5
2000 Westcourt Way
Tempe, AZ 85282
1:30 p.m. to 2:45 p.m.

*** Forum registration not required to attend this session**

New Faces



Susy Bustillos

Susy Bustillos, the new Assistant to Director Traylor, was born and raised in southern California, recently relocating to Arizona in May, 2009. Her previous professional experience consists of over a decade with the California State University system, and most recently working with Boost Mobile, the pre-paid component of Sprint Nextel. She has an AA degree in Administration of Justice and a BA degree in English Literature.



Cindy Coen

Cindy Coen joined ADOH in May as Assistant Deputy Director, Programs. Some of you may have known Cindy when she served our predecessor agencies, the Governor's Office of Housing Development and the Department of Commerce, as the Manager of the Rental Housing Development Programs and Underwriting Officer from 1998 to 2002. In addition to her background working with housing programs in the public sector, Cindy also brings a strong background on the private side, having worked 23 years in the banking industry, and having spent the last seven years working as a consultant to the development community.

ADOH Makes the Leap into Social Networking

Recognizing the potential to keep constituents up to date on Department news, ADOH created social networking sites on Twitter and Facebook in July. Through these sites, ADOH will be able to send current information to followers on legislative developments, meetings, events and internal happenings at the Department.

"Twitter and Facebook will give the Department the ability to reach a broad audience of individuals interested in affordable housing issues," ADOH Director Michael Traylor said. "We look forward to using these new tools to reach out to our constituents and partners throughout the state."

ADOH would like to invite you to become a follower of the Department:



www.twitter.com/AZHousing



www.facebook.com

info Kristina Fretwell, Legislative Liaison and Public Information Officer
(602) 771-1008 + kristina.fretwell@azhousing.gov

Mortgage Trouble? Dont' Delay...Call Today

ARIZONA FORECLOSURE HELP-LINE

1-877-448-1211

 TOLL FREE

Since inception on May 28, 2008, Arizona's mortgage foreclosure help-line has received nearly 24,000 calls.

info If you know of a workshop or training opportunity that would benefit those Arizonans at risk of losing their homes, please send the details to:

Patricia Boland

602 771-1017 + patricia.boland@azhousing.gov



GOVERNOR'S HOUSING FORUM

gearing up for the future

collaboration | resources | knowledge | strategies

THE BUTTES • TEMPE, AZ • SEPTEMBER 14-16, 2009

Join us in September for the only statewide housing conference in Arizona. "Gearing up for the future" is this year's theme as major shifts in our working environment and the economy have made it necessary to change and consider new strategies.

info A detailed agenda and program are available on our web site, www.azhousing.gov

Agenda Highlights

2009 STATE OF HOUSING IN ARIZONA REPORT

A highly-anticipated annual report prepared by the Arizona Department of Housing, the 2009 State of Housing in Arizona will be addressed by ADOH Director Michael Traylor.

TUESDAY BREAKFAST PLENARY

RL Brown and Jay Butler are Arizona industry gurus on the housing market ups and downs. Let's see what's changed and what we can expect.

BRIAN MICKELSEN HOUSING HERO AWARD LUNCHEON

The luncheon will be held on Tuesday to hand out these coveted awards to Arizona professionals nominated by their peers.



KEYNOTE ADDRESS

An excellent program deserves an excellent finish. Ron Sims, Deputy Secretary of the U.S. Department of Housing & Urban Development will deliver the keynote address on Wednesday.

Hotel Information

BUTTES MARRIOTT RESORT | TEMPE

Nestled in the saddle of the Tempe Butte overlooking the Valley of the Sun, the Buttes Marriott Resort is a landmark in the east valley.

Special conference room rate of \$125 per night.

Call 888-867-7482 or go on-line at

www.marriott.com/phxtm

Conference Code AZDAZDA.

Mention the Governor's Housing Forum.

DEADLINE TO REGISTER AT CONFERENCE RATE IS AUGUST 20

Marketplace

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

info Susy Bustillos

(602) 771-1007 + susy.bustillos@azhousing.gov

Sponsors

Download a sponsorship information packet to see the benefits of being a sponsor of this event. Visit our web site, www.azhousing.gov.



Housing Matters

FALL 2009
VOLUME 8 | NUMBER 4

LEADING WITH SOLUTIONS



▲ Victory Place II is a 20-unit rental complex providing permanent rental housing for homeless veterans, including a Career Center and space for support services for residents. For more information, see the story on page 5.

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Arizona
Department
of Housing





Governor Visits Federal Stimulus Project with HUD Deputy Secretary

Housing project will provide affordable rental units for working families

On Tuesday, September 15, Governor Jan Brewer and HUD Deputy Secretary Ron Sims toured Catherine Arms, a multifamily rental development project made possible by federal stimulus dollars. The project, funded with a combination of federal, state and local dollars will serve individuals and families up to 50 percent of the area median income in downtown Phoenix when complete.



Gov. Brewer accepts a gift to commemorate the event while Dep. Sec. Sims looks on.

“The Arizona Department of Housing had identified this project as a very worthwhile program that will provide assistance to extremely needy victims of domestic violence and substance abuse,” said Governor Brewer. “Catherine Arms is one of the many projects receiving assistance in the state of Arizona, providing much needed housing for working families.”

Native American Connections began rehabilitating the Catherine Arms multifamily rental project when construction stalled due to the current economic situation. Through the federal Tax Credit Assistance Program (TCAP), established as part of the American Housing and Recovery Reinvestment Act of 2009, the Arizona Department of Housing was able to provide additional monies to fill a funding gap, saving jobs that would have been lost and allowing construction to continue on the project. When complete, Catherine Arms will consist of 28 one-bedroom rental units, five of which will be reserved for victims of domestic violence and/or chronic substance abuse.

The Department of Housing is pleased that Governor

▶ see **CATHERINE ARMS** (page 4)

2009 Housing Forum brings together housing industry

More than 300 attendees gather at annual event

Each year, the annual Governor’s Housing Forum offers an opportunity for housing industry representatives to gather and work together to plan for the future. This year’s forum was no exception and came at a critical time as the state continues to face difficult economic challenges.

Serving as a backdrop for work that would take place through more than 25 workshops and panels, ADOH Director Michael Traylor began the event with an update on the state of housing. He discussed some of the current economic trends and their impact on the housing market, highlighting information contained in the “2009 Arizona’s Housing Market...a glance” report published by the agency.

Director Traylor noted that while housing affordability has improved, several other factors continue to plague the housing market including falling real estate values and an increasing unemployment rate. Attendees were challenged to work together to adjust to the new economy and make the best use of funds while providing solutions to Arizona’s housing issues.



**2010
Arizona Housing Forum**
JW Marriott Star Pass Resort
Tucson, AZ | September 15-17

Other highlights of the two day conference included an economic discussion with RL Brown of RL Brown and Associates and Dr. Jay Butler, Director of the Arizona Real Estate Center, and an interactive panel on architectural design from recognized experts Gary Todd

of Todd & Associates, Inc. and Barry Berkus of B3 Architects and Berkus Design Studio.

Additionally, the Department announced the roll-out of the Arizona Collaborative Clearinghouse, a joint project with the ASU Stardust Foundation to provide resources and best practices for affordable housing and sustainable communities via an Arizona-based web site. The web site can be accessed at www.azcollaborative.net.

This year’s Forum concluded with an inspiring keynote address from the U.S. Department of Housing and Urban Development Deputy Secretary Ron Sims who shared his history and passion for affordable housing. Deputy Secretary Sims was also able to provide some timely remarks about the federal stimulus programs and HUD’s vision for the next few years.

Director's Message

From the Desk of Michael Traylor



The economy continues to be the lead story. As we have discussed, the good news is the economy is declining at a decreasing rate. In the end, it's all about jobs.

State revenues, consumer spending and paying mortgage payments all depend on Arizona residents having jobs. The "Great Recession" is not like others where the factory closes, the employees go on unemployment until the economy recovers and the factory starts up again. In many cases it doesn't appear that the factory is starting up again. Whether you are in the automobile business in Detroit or the real estate business in Phoenix you may need to develop another career. It's hard to imagine why Arizona is not leading the nation in solar technology and application.

We are grateful at the Department of Housing for the federal stimulus programs including the Tax Credit Assistance Program (TCAP) and the Tax Credit Exchange program (TCX). Thanks to these two stimulus programs Arizona's affordable housing developers are in the process of starting several affordable housing projects throughout the state. The total value of the economic impact that these projects will bring to our state is estimated at \$380,000,000. Our economic consultants tell us that every \$1,000,000 of output creates 10.7 jobs.

The department has also begun work on the 2010 Qualified Allocation Plan (QAP), which is used to administer the federal Low Income Housing Tax Credit Program. We have developed multiple focus groups to gather input from our stakeholders. Our goal is two fold, to target the housing needs of our communities and create, as much as possible, a predictable process. We appreciate the development community's assistance.

I hope everyone enjoyed and learned something useful at this year's Governor's Housing Forum. Thank you for taking time out of your busy schedules to attend. We received very positive feedback and are already working on improving the experience for next year.

AzHFA Activities

AzHFA welcomes two new members

In August, Governor Jan Brewer appointed two new members to the Board of Directors of the Arizona Housing Finance Authority, Robert J. Gardiner and Paul C. DeSanctis. Both bring unique backgrounds and skill sets to the AzHFA and will prove valuable assets as the group continues efforts to assist homebuyers in rural Arizona.

Robert J. Gardiner is a Senior Vice President and Senior Credit Officer of Northern Trust, NA for the Southwest region. He began his career as a Tax Accountant with a Phoenix-based commercial finance company before entering Banking in 1986. He worked primarily in commercial lending and management prior to joining Northern Trust in 1999. Mr. Gardiner has also served as a board member for the Desert Mission Neighborhood Renewal, LISC of Phoenix, Arizona Society of CPAs, member of the Risk Management Association and Arizona Business Leadership.

Paul DeSanctis is the President and owner of Arizona Lending Specialists, LLC. Previously he served as a Regional Manager of Triad Financial Services and Regional Manager of Conseco Finance. He is an active member of the Government Relations and Zoning Committee of the Arizona Housing Association, serves on the Board of Directors for the Arizona Housing Association and is a board member of the Arizona State Office of Manufactured Housing. Mr. DeSanctis has a B.S. in Real Estate Finance from Arizona State University.

Director Michael Traylor and the current AzHFA board members are pleased to welcome their two newest members and look forward to their participation.



Robert J. Gardiner



Paul DeSanctis

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

Arizona Housing Commission Activities

Chairman's letter



Guy Mikkelsen

As chairperson of the Arizona Housing Commission, I want to take this opportunity to share with you the focuses of the Commission for the next year beyond our natural desire and charge to help the Department of Housing succeed in implementing the programs currently available to them.

As Americans we have a long history of believing in the basic rights of each individual and as a nation have responded together to the needs of the many across the decades—and across borders. Our democracy is messy, sometimes very difficult, but we make decisions in rooms where people meet, not in secret meetings or in conflict on the streets. We are at a most challenging time in our history, with a rapidly rising population, changing racial makeup, and a significant increase in the numbers of seniors. This is a time of great opportunity, a moment to guide the largest economy and the third most populous country to realize its full potential as a leader of basic human rights and to promote a sound and just economy. We are a society that provides help where needed and always provides hope for a better life for all.

The Housing Commission will focus its efforts on this well documented fact—namely, safe, reliable, affordable, sustainable housing for all income levels is not an option for Arizona but an imperative if we are to realize our potential as a people and as individuals.

We welcome your active participation in the process and would welcome more public input at our meetings. Be assured of our commitment to stay the course in the rough seas of special interests and politics.

info Kristina Fretwell, Legislative Liaison and Public Information Officer
(602) 771-1008 + kristina.fretwell@azhousing.gov

State budget the topic of the third special session of the Legislature

On July 6 the Legislature convened the Third Special Session of the year to continue work on FY 2010 budget. Faced with a growing deficit, lawmakers struggled to develop a consensus solution and on August 20 sent a FY 2010 budget to Governor Brewer that was nearly identical to the one she vetoed on July 1.

In order to allow state government to continue to operate, the Governor signed a majority of the budget bills sent to her by the Legislature but requested additional work and compromise on a number of items that she vetoed.

One of the bills vetoed contained a change to the formula by which the Housing Trust Fund is funded. The legislation would have ensured the Department of Housing (ADOH) receives \$10.5 million annually from Unclaimed Property revenues, a positive change considering earlier proposals to permanently defund the Housing Trust Fund (HTF). While Governor Brewer supported continued funding for the HTF, she vetoed the bill containing this provision due to the lack of a comprehensive state revenue strategy for FY 2010 and future fiscal years.

The Governor asked the Legislature to return to another special session to continue to work on a comprehensive state revenue strategy, however at press time a date for a future special session was uncertain.

The status of the HTF remains unknown and will likely be included in any new budget legislation considered by the Legislature in a special session or during the next regular session in January. ADOH will continue to update constituents via our website, Twitter and Facebook pages.

info **Kristina Fretwell**, Legislative Liaison
and Public Information Officer
(602) 771-1008 + kristina.fretwell@azhousing.gov

ADOH participates in meeting with White House on federal stimulus

In September, ADOH participated in a meeting hosted by the White House Office of Urban Affairs and the Arizona Community Foundation to discuss early innovations and challenges associated with implementation of the American Recovery and Reinvestment Act (ARRA). The discussion focused on the interconnected topics of housing, urban development and energy/sustainability.

ADOH Director Michael Traylor joined representatives from the White House Domestic Policy Council, the White House Office of Urban Affairs, the U.S. Department of Housing and Urban Development, the U.S. Department of Energy and the Arizona Department of Commerce as well as a number of local governments and non-profit organizations to talk about the successes and specific challenges associated with implementing Recovery Act-funded projects.

One of the breakout sessions focused specifically on the foreclosure crisis where attendees had the opportunity to discuss the key barriers to addressing the foreclosure crisis in Arizona and barriers to effective implementation of the Neighborhood Stabilization Program locally.

The White House plans to use information garnered at the meeting to identify concrete and specific actions that can be taken by various stakeholders to foster creativity and address barriers associated with economic recovery. Ideas will also be shared with the White House Interagency Working Group on Urban Policy and used to inform policy development for the FY 2011 Federal budget as well as program improvements in FY 2010.

CATHERINE ARMS (continued from page 1)

Brewer and Deputy Secretary Sims had the opportunity to witness stimulus dollars at work in our state," said Department of Housing Director Michael Traylor. "Projects like Catherine Arms that stimulate job creation and increase housing opportunities for low-income Arizonans are a critical part of our economic recovery efforts."

Administered by the Arizona Department of Housing, the TCAP program was established to provide gap financing for federal Low-Income Housing Tax Credit projects that received an allocation of tax credits in 2007, 2008 and 2009. Arizona was awarded \$32.3 million in TCAP funding and has committed over \$27 million to 13 projects in the first round of funding.

Victory Place II celebrates Grand Opening

New 20-unit rental complex will provide housing for homeless veterans

► Joined by ADOH Director Michael Traylor, City of Phoenix Councilman Michael Johnson, Arizona Attorney General Terry Goddard, US Vets State Director Brad Bridwell and Phoenix VAMC Director Gabriel Perez, Cloudbreak Phoenix, LLC celebrated the grand opening of Victory Place II on September 11.

Directly adjacent to the current facility, the new two story residential building provides 20 units of permanent rental housing, equipped with kitchenettes and private bathrooms, for disabled, low-income Veterans in Maricopa County. Together with the existing 69 units of transitional housing and 12 units of permanent housing, Victory Place encompasses 34,675 square feet of land and includes a Veteran's career center, employment services and supportive services provided by U.S. VETS.

Since December 2001, U.S. VETS has provided transitional housing in conjunction with clinical counseling and employment assistance at Victory Place, including outreach and assistance, residential and non-residential employment services and sobriety support groups to 3500 homeless veterans in Maricopa County. U.S. VETS - Phoenix has been recognized as one of the outstanding model Homeless Veterans Reintegration Programs in the country by the U.S. Department of Labor.

Victory Place II was funded with state Housing Trust Fund dollars, City of Phoenix HOME funds and owner equity. Additionally, Cloudbreak Phoenix, LLC was recently awarded Low-Income Housing Tax Credits for a third phase at Victory Place and will begin construction on 75 additional units of permanent housing in Spring 2010.

info Victory Place is located at at 804 E. Jones Avenue, Phoenix, AZ



NRP Group celebrates grand opening of Amber Pointe Apartment Homes

New 56-unit rental complex will provide affordable housing to seniors

► Director Michael Traylor represented ADOH at the grand opening of the Amber Pointe Senior Apartment homes in Phoenix on September 17.

The 56-unit complex, developed by the NRP Group LLC, is a one and two bedroom garden style complex reserved for individuals 55 and older. Residents can enjoy amenities such as a spacious clubhouse, community room and kitchenette that will be used for planned activities and social events.

Director Traylor was joined by Phoenix Housing Director Kim Dorney, the NRP Group Senior Vice-President Mark Shoemaker and other community leaders at the celebration.

The Amber Pointe Senior Apartment Homes were funded through Low-Income Housing Tax Credits and City of Phoenix HOME funds.

info Interested tenants should visit www.amberpointeapts.com.



Calendar 2009

OCTOBER

22	Arizona Housing Finance Authority
29	Adaptive Reuse Seminar - Ajo, AZ
30	Arizona Housing Commission - Flagstaff

NOVEMBER

10	QAP Public Forum - Phoenix
10	Arizona Housing Finance Authority
11	CLOSED - Veterans' Day
13	QAP Public Forum - Tucson
26	CLOSED - Thanksgiving Day

DECEMBER

9	QAP Public Hearing - Phoenix
17	Arizona Housing Commission - Tucson
25	CLOSED - Christmas Day

Affordable Housing Through Adaptive Reuse

October 29 | 11 am - 5 pm

Curley School, Ajo, AZ

Curley School Affordable Artisan Lofts, San Carlos Hotel Affordable Senior Housing and Lalo Guerrero Affordable Senior Housing in Tucson—learn about successful projects directly from the project teams. Attend this workshop and take a walking tour of the Curley School facility.

- \$30 non-refundable registration fee, due by October 23, 2009
- Free bus transportation available from Phoenix and Casa Grande

TO REGISTER ON LINE www.azhousing.gov/eventscalendar

info Marilyn Robinson 520 626-4614 + marilynr@u.arizona.edu

Offered by ADOH and Drachman Institute

Community Housing Assessment Workshops

Back by popular demand

WHO SHOULD ATTEND? Anyone who needs to collect and analyze data to garner community support, or provide decision makers with information to identify community needs, or complete a grant application for external funding.

- Flagstaff, Thursday, November 5 9am - 4pm
- Phoenix, Tuesday, November 17 9am - 4pm
- Tucson, Friday, November 20 9am - 4pm

info Peter McBride

520 626-6364 + pwm@u.arizona.edu

Have Your Photo Featured in an ADOH Publication

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

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



ADOH Seeking Comments on 2010 Qualified Allocation Plan

As we begin to draft the 2010 Qualified Allocation Plan (QAP), the Arizona Department of Housing would like to extend some opportunities for you to provide suggestions, comments and feedback. The first draft of the QAP, which will be used to administer the federal Low-Income Housing Tax Credit Program in Arizona for 2010, will be posted on our website, www.azhousing.gov, for public review on October 30. The first draft will include comments gathered by ADOH during the first part of October. ADOH will be holding two focus groups to discuss revisions to the QAP and solicit feedback on the changes.

SCHEDULE FOR THE UPCOMING FOCUS GROUPS:

► **PHOENIX**

TUESDAY
NOVEMBER 10, 2009
Carnegie Center, Main Floor
1101 West Washington
Phoenix, AZ 85007
1:00 pm - 3:00 pm.

► **TUCSON**

FRIDAY
NOVEMBER 13, 2009
Tucson Community Service Center
320 N. Commerce
Park Loop
Sentinel Building
Tucson, AZ 85745
1:00 pm - 3:00 pm

A draft of the report which will include changes from the Focus Group sessions will be posted to our website on November 23 with a public hearing to follow.

PUBLIC HEARING:

► **PHOENIX**

WEDNESDAY, DECEMBER 9, 2009
Carnegie Center, Main Floor
1101 West Washington

info **Marla Charlesworth**

602 771-1030 + Marla.Charlesworth@azhousing.gov

Funding available for owner-occupied housing rehabilitation, state special projects, and multi-family rental redevelopment

► ADOH is pleased to announce a Notice of Funding Availability (NOFA) for funding through the State Housing Fund (SHF), HOME Investment Partnerships Program for housing rehabilitation programs for owner occupied single family dwellings. The SHF will be allocated through one competitive funding round and the application submission deadline is January 15, 2010 at 4:00 p.m.

The application process for SHF can be found in the SHF Program Summary and Application Guide on our web site at www.azhousing.gov.

► For FY 2009, ADOH expects to allocate approximately \$1.7 million in Community Development Block Grant (CDBG) Program funds to State Special Projects (SSP). The SSP funds will be distributed in one competitive funding round and the application submission deadline is February 15, 2010 at 4:00 p.m.

The application process for the SSP allocation is described in the CDBG application handbook with any additional requirements outlined in the NOFA. All documents can be found on our web site at www.azhousing.gov.

► Funding for the redevelopment of foreclosed multi-family rental housing projects through the Neighborhood Stabilization Program is now available. The foreclosed developments must be vacant and/or blighted and serve persons at or below 50 percent of the area median income. Applications may be mailed or hand delivered to ADOH and must be received no later than December 15, 2009 at 4:00 p.m.

The NOFA and score sheet are available for download on our web site at www.azhousing.gov. The application for the NSP multi-family NOFA will be posted to our website no later than Friday, October 23.

ADOH would like to invite you to become a follower

Follow us on Twitter and Facebook to receive updates on legislative developments, meetings, events and internal happenings at the Department. Join today!



www.twitter.com/AZHousing



www.facebook.com

info **Kristina Fretwell**, Legislative Liaison

and Public Information Officer

(602) 771-1008 + kristina.fretwell@azhousing.gov

2009 Brian Mickelsen Housing Hero Award Winners

6th annual awards presented at Housing Forum

► Elected Official

GOVERNOR JANICE K. BREWER



Governor Janice K. Brewer was honored with the Elected Official award for her dedication to affordable housing during an especially difficult budget year. Facing complete and permanent elimination, the Housing Trust Fund, the only state resource devoted to addressing Arizona's housing related needs, was all but lost during the most difficult budget negotiations in state history. Governor Brewer came through as a champion for housing when she sought to ensure that Housing Trust Fund resources would continue to be available in the future to address the most critical housing needs in Arizona.

► Innovative Partnerships

BARBARA BLYTHE

Grants Coordination Specialist, Mohave County Community & Economic Development Department



Barbara Blythe from the Mohave County Community & Economic Development Department was selected for the Innovative Partnerships award for her efforts to engage community partners in the county's housing rehabilitation program which primarily assist seniors, disabled families and families with children. One recent example was her work on Helen Lundy's mobile home. In 2007 Ms. Lundy's husband passed away and just months later, their home burned down leaving her homeless. Barbara was able to garner over \$6,000 in local donations to compliment the state-funded rehabilitation project to replace Helen Lundy's mobile home.

ADOH would also like to congratulate Barbara and the team at the Mohave County Community & Economic Development Department for being selected to receive the HUD Phoenix Field Office's Most Valuable Partner Award for the administration of the Owner-Occupied Housing Rehabilitation programs and for the Lundy Home Rehab Project under the new Mobile Homeowner Program.

► Tribal Initiatives

HOPI TRIBAL HOUSING AUTHORITY
for the Hopi Homes I project



The Hopi Tribal Housing Authority received the Tribal Initiatives award for the Hopi Homes I project, which consisted of housing units up to twenty years old that had fallen into a state of disrepair and was sorely in need of renovation. The Hopi Tribal Housing Authority was successful in securing additional funding through the Department's Low-Income Housing Tax Credit program and coupled with additional financing was able to rehabilitate seven single family homes and twenty units of duplex and triplex homes for families at or below 60 percent of the area median income.

► Arthur Crozier Partner in Housing Award

PATRICIA GARCIA DUARTE

Neighborhood Housing Services of Phoenix



Patricia Garcia Duarte of Neighborhood Housing Services of Phoenix was selected for the Arthur Crozier Partner in Housing Award for her more than 20 years as an advocate on behalf of affordable housing and economic development in Arizona. Some of her accomplishments include implementing and marketing loan programs to low and moderate income families in Arizona and supporting the acquisition and rehabilitation of multi-family developments. Patricia is also an active community member serving on a number of boards and task forces, including Chair of the Arizona Foreclosure Prevention Task Force.

► [see HOUSING HERO AWARDEES \(page 9\)](#)

HOUSING HERO AWARDEES (continued)

► Superior Sustainable Design

FOUNDATION FOR SENIOR LIVING
for the Havasu Hills Apartment Homes



The Foundation for Senior Living received the Superior Sustainable Design award for the Havasu Hills In-Fill project in Lake Havasu City. The project was built using Insulated Concrete Forms (ICF) in place of

conventional wood framed wall systems, which yield significant benefits including reduced heating and cooling costs, exceptional fire ratings and increased safety from wind and termite damage. The Foundation for Senior Living is currently working to expand energy management at the project by adding over 1,700 solar panels to the buildings and car port roofs of the apartment homes.

► Local Initiatives Arizona Housing Alliance



The Arizona Housing Alliance, a state-wide housing advocacy organization that brings together various sectors of the housing industry to raise awareness about the need for affordable housing, was selected for the Local Initiatives

award. Established in early 2008, the Alliance moved quickly to establish a Board of Directors and begin identifying advocacy objectives, establishing relationships and educating the community about the importance of affordable housing.

info View the photo album of the 2009 Governor's Housing Forum

<http://www.2009governorshousingforum.shutterfly.com/>

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

Foreclosure Helpline Surpasses 28,000 Calls

► In response to the foreclosure crisis that was sweeping our state, ADOH established the Arizona Mortgage Foreclosure Helpline in May 2008. Callers are connected to local, specially-trained foreclosure counselors who provide free assistance. To date, the helpline has received over 28,000 calls, with more than 82 percent coming from Maricopa County.

As part of our outreach efforts, ADOH has developed a public service announcement about the Arizona Foreclosure Helpline to be played on local radio stations throughout the state. Homeowners facing foreclosure can call 1-877-448-1211 for free foreclosure counseling.

info If you know of a workshop or training opportunity that would benefit those Arizonans at risk of losing their homes, please send the details to:

Patricia Boland

602 771-1017 + patricia.boland@azhousing.gov

Your Way Home AZ provides assistance to over 40 homebuyers in first five months

➤ ADOH launched the **Your Way Home AZ** program in early May to provide financial assistance to homebuyers who purchase foreclosed homes. The response has been strong, with more than 40 homebuyers purchasing homes in the first five months of the program. Nearly 80 more families are in various stages of purchasing a home and more than 600 have registered for the program.

"We are encouraged by the number of families that have received needed aid to find a home," said ADOH Director Michael Traylor. "We are confident that this is a step in the right direction toward stabilizing our neighborhoods and communities while helping Arizonans in need."

Funding for the **Your Way Home AZ** program was made available through the U.S. Department of Housing and Urban Development Neighborhood Stabilization Program. The state of Arizona and nine other counties and communities received more than \$121 million to help stabilize the state's hardest hit neighborhoods. As part of the Department's continued outreach efforts, ADOH has developed a public service announcement about **Your Way Home AZ** to be played on local radio stations throughout the state.

Those interested in purchasing a foreclosed home can visit www.YourWayHomeAZ.com to determine if they are eligible to participate in the state's program or one of the other nine county and community programs listed on the web site.

info Visit www.yourwayhomeaz.com for detailed information on program availability.

SIGN-UP FOR OUR E-MAIL LISTS

We routinely e-mail information regarding notices of funding availability, changes in policy pertaining to our programs, training opportunities, and legislative updates. If you would like to receive these updates (as well as the **HOUSING MATTERS** newsletter), please visit our web site.

info www.azhousing.gov/Press Room

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Arizona Collaborative Clearinghouse

Reference tool now on-line

➤ A collaboration of the Arizona Department of Housing and the Stardust Center for Affordable Homes and the Family, the Clearinghouse allows registered users access to not only documents, special reports and public education materials, but the success stories and events of interest to those working on affordable housing and community development issues.



Use this site as a reference tool in developing your projects, as a forum for discussion, and for posting your events.

info Register at www.azcollaborative.net

www.azhousing.gov gets a makeover

ADOH web site has new look

➤ ADOH has launched a new look for its website. Each quarter, the feature picture and story on the front page will be changed. If you are interested in having your project featured, visit the Photo Submission tab under the Press Room.

info Problems or comments: webmaster@azhousing.gov