

Finance and Effective Infrastructure Council Committee

Harry E. Mitchell Government Center
Third Floor Executive Conference Room
31 East 5th Street, Tempe, Arizona
Friday, June 14, 2013
10:00 AM

Members of the Committee may attend either in person or by telephone conference call.

AGENDA

Members: Vice Mayor Shekerjian, Councilmember Woods

Call to Order

1. Public Appearances – The committee welcomes public comment. According to the Arizona Open Meeting Law, the Committee may only discuss matters listed on the agenda. Matters brought up by the public under public appearances that are not listed on the agenda cannot be discussed by the Committee. A 3-minute limit per person will be in effect.
2. Review Meeting Minutes of: May 10, 2013*
3. Affordable Housing Overview - Larry Schmalz and Craig Hittie*
4. Walkable City Update - Lisa Collins and EPICS*
5. Grease Recycling Program - David McNeil and Lorinda Bush*
6. Future Agenda Items
7. Future Meeting Date: August 9, 2013
8. Announcements

*Background material included

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the agenda. The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. With 72 hours advance notice, special assistance is available at public meetings for sight and/or hearing-impaired persons. Please call (480) 350-2905 (voice) or (480) 350-2750 (TDD) to request an accommodation to participate in a public meeting.

Minutes

Finance and Effective Infrastructure Council Committee

May 10, 2013

Minutes of the Finance and Effective Infrastructure Committee meeting held on April, 12, 2013, at 10:00 a.m., in the 3rd Floor Executive Conference Room, Tempe City Hall, 31 E. 5th Street, Tempe, Arizona.

Committee Members Present:

Vice Mayor Onnie Shekerjian
Councilmember Corey Woods

City Staff Present:

Parrish Spitz, Council Aide
Lisa Collins, Interim Community Development Director
Various City Staff Members

Monica Lamparter, Executive Assistant
Craig Hittie, Neighbor Grants Analyst

Councilmember Onnie Shekerjian called the meeting to order at 10:09 a.m.

Agenda Item 1 – Public Appearances

There were no public appearances.

Agenda Item 2 – Review Meeting Minutes of February 8, 2013 and April 12, 2013

The meeting minutes from February 8, 2013 and April 12, 2013 were accepted.

Agenda Item 3 – Urban Forest*

Lisa Collins, Interim Community Development Director discussed moving forward with the planning activities relating to tree and shade programs similar to those used in the Phoenix, Mesa and Glendale. Staff will work to identify ways to incorporate best practices and current codes into City ordinances. Staff will provide an overview of long-range goals and pinpoint areas for improvement in achieving shade solutions from trees, or engineered shade. Committee members and staff discussed the benefits of involving ASU students through the EPICS (Engineering Programs in Community Service) programs.

Lisa Collins will contact and coordinate with ASU to determine whether or not EPICS is willing to participate in making Tempe a more walkable environment.

Agenda Item 4 – Affordable Housing Overview*

Craig Hittie provided an overview of existing programs, projects in the pipeline, and recently completed projects. Affordable housing projects support the sustainability and development of affordable housing via internally operated programs, and externally through direct funding to agencies and/or developers of affordable housing. Existing projects or programs include: large scale acquisitions of vacant and built-out lots in the Danelle Plaza; homes under construction, or newly completed by habitat for Humanity Central Arizona; contract funded homes to moderate income families; community assisted mortgages; and Housing Improvement Program (HIP) grant funds for facilitating emergency repairs.

Various city staff also discussed homes and vacant lot that are in the pipeline. Apache Villas and Arizona Sun developers are pursuing funding from Low Income Housing Tax Credits (LIHTC). Apache Villas is proposing

development of 76 units; Arizona Sun is seeking to rehabilitate 58 rental units for low income families. The tax credits are awarded by the State.

Recently completed projects include Apache ASL Trails and Encore on Farmer, both financed by several funds. Committee members and various staff members discussed receiving an inventory all affordable housing projects in Tempe. City staff will provide a map of multi-housing projects showing where projects are located, and the types of Tempe's' affordable housing both private and public.

Various staff members and Committee members discussed affordable housing trust fund alternatives and veteran's housing funding options, such as HIPP (Home Improvement Planning Program). The City will provide greater coordination to residents in helping them find solutions and offer ideas to affordable housing solutions and home improvements.

Agenda Item 5 – Future Meeting Date: June 14, 2013

Future Meeting Date: June 14, 2013

Future Agenda Items:

- Current affordable housing inventory
- Grease recycling program

Announcements:

There were no announcements.

The meeting adjourned at 10:58 a.m.

Meeting minutes prepared by: Melanie Stoddard, Executive Assistant to City Manager

Parrish Spisz, City Council Aide



AFFORDABLE HOUSING

A Broad Continuum of Options

WHAT IS AFFORDABLE HOUSING?

Housing provided and maintained through some combination of zoning incentives, cost-effective construction techniques, and government assistance that can be rented or purchased by households who cannot afford market rate housing in the community.



AFFORDABLE HOUSING CONTINUUM

Homeless Prevention + Outreach

Homeless Shelters
and Domestic
Violence Shelters

Housing First/SHP

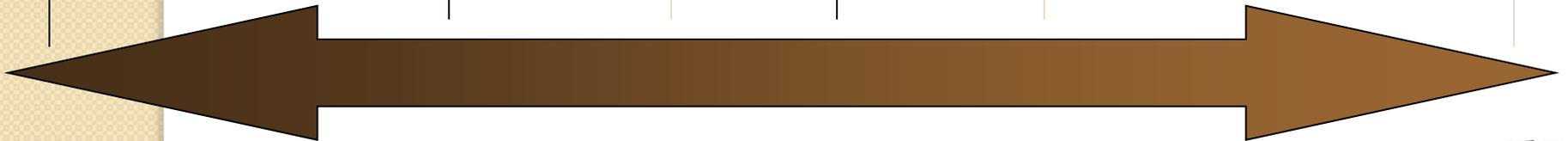
Transitional

Section 8
voucher program

Permanently
Affordable Rental

Homeownership
assistance
for moderate
income families

Homeownership
assistance for
"Workforce Housing"



Affordability Determined By Household Income

CLASSIFICATION	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
Extremely Low (30%)	\$ 13,300	\$ 15,200	\$ 17,100	\$ 18,950	\$ 20,500	\$ 22,000
Very Low (50%)	\$ 22,100	\$ 25,250	\$ 28,400	\$ 31,550	\$ 34,100	\$ 36,600
Lower (60%)	\$ 26,500	\$ 30,300	\$ 34,100	\$ 37,300	\$ 40,900	\$ 43,900
Low (80%)	\$ 35,350	\$ 40,400	\$ 45,450	\$ 50,500	\$ 54,550	\$ 58,600
Median Income (100%)	\$ 44,200	\$ 50,500	\$ 56,800	\$ 62,200	\$ 68,200	\$ 73,200
Above Income (120%)	\$ 53,050	\$ 60,600	\$ 68,150	\$ 74,650	\$ 81,850	\$ 87,850

Affordable Renter

Affordable Owner

Workforce Housing

Figures represent the Area Median Income as determined by HUD annually for the Phx/Scottsdale/Mesa MSA



WHAT DOES THAT MEAN?

Factor's determining affordability

- ◆ Funds Available for Housing [Including Utilities]
= 30-40% of Income
- ◆ Family Size

For 2013 a family of 4 would be considered:

- ◆ **Low Income** at \$37,300 per year [\$1,200/mo]
- ◆ **Moderate Income** at \$ 50,500 per year [\$1,700/mo]
- ◆ **Workforce** at \$ 74,650 per year [\$2,500/mo]



OWNERSHIP vs. RENTAL HOUSING – THE NEED FOR HOUSING CHOICE

- ◆ Not Everybody is Ready for **Homeownership**
Importance Homebuyer Education and Preparedness
- ◆ Need for Affordable **Rental Units** [Section 8]
- ◆ **Diversity** in Housing Stock = Expanded Opportunities
for Affordable + Workforce Housing
- ◆ Period of **Affordability** – HUD Mandates vs. Perpetual



CITY OF TEMPE PROGRAMS

HUD 2012/2013 Funding

Section 8 Rental Assistance

\$9,165,712

HOME Entitlement Grant

\$312,458

Community Development Block Grant

\$1,337,976





CITY OF TEMPE PROGRAMS

HUD Funding Supports:

Section 8 Rental Assistance

Home Rehabilitation [Full, Emergency]

CAMP [Community Assisted Mortgage Program]

FSS [Family Self-Sufficiency]

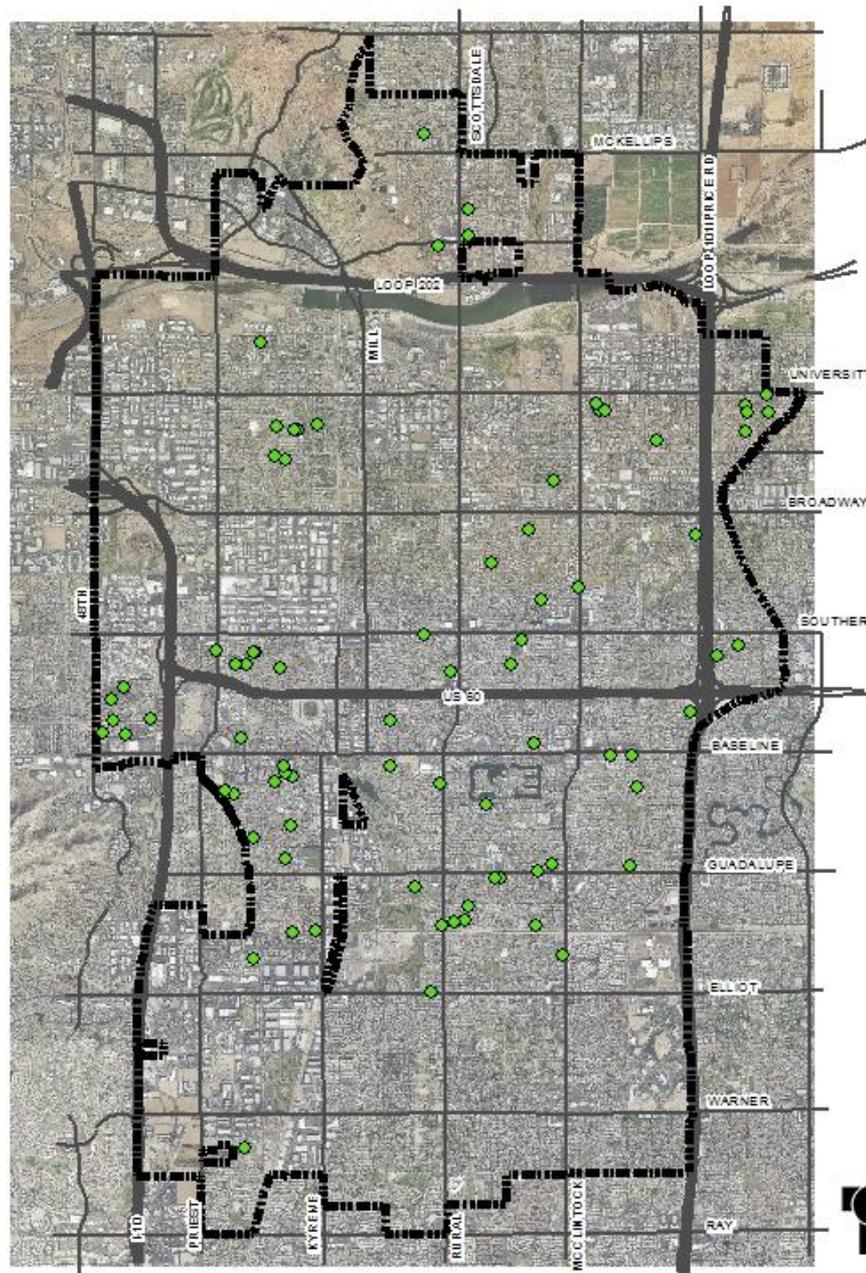
Annual Social Service Funding [15%]

Fair Housing Education and Outreach

Acquisition of units/parcels ripe for development



HOME OWNER



Legend

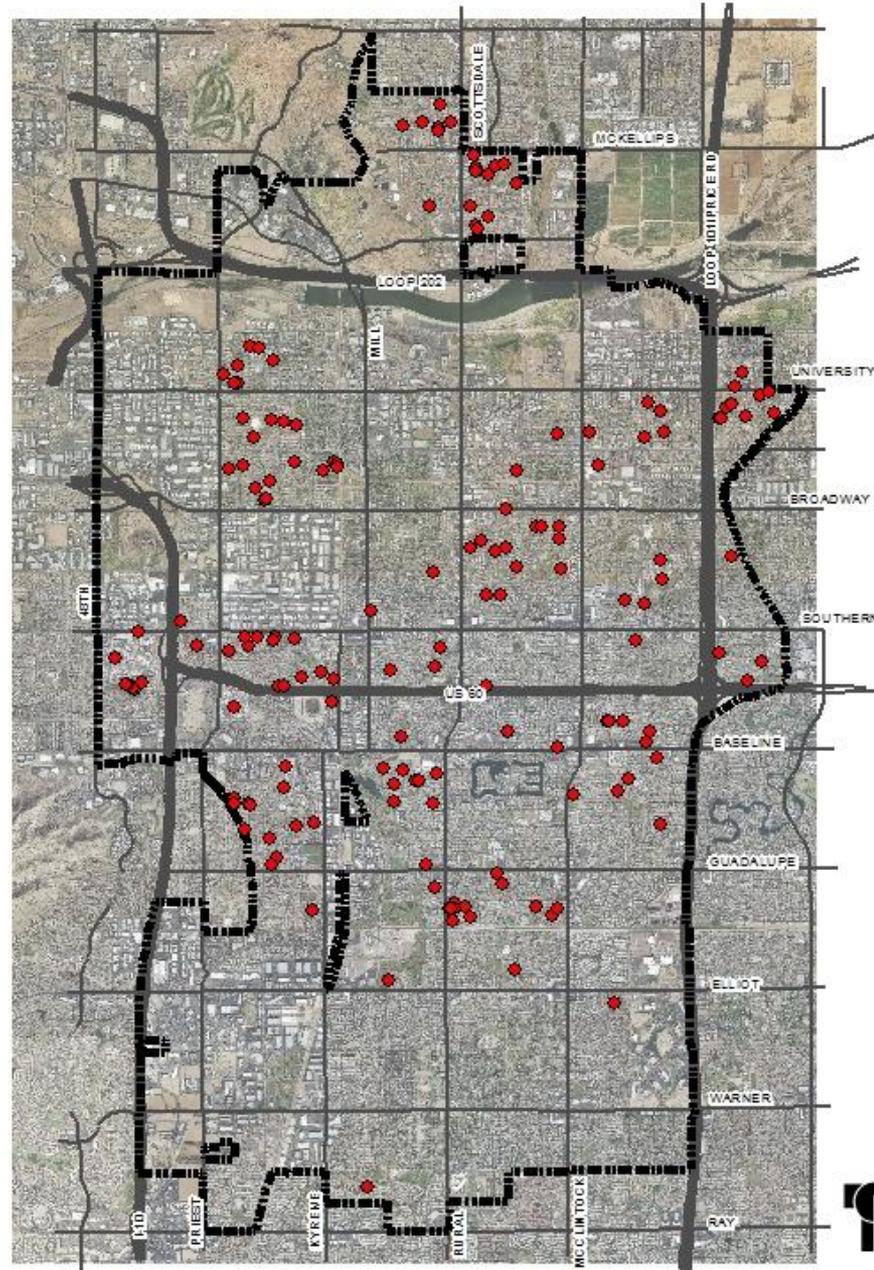
Type

- Home Owner

Source:
City of Tempe, Community Development - Neighborhood Redevelopment & Revitalization
Created: May 09, 2019



REHABBED



Legend

Type

- Rehabbed

Source:
City of Tempe, Community Development - Neighborhood Re-development & Revitalization
Created: May 09, 2019



CITY OF TEMPE PROGRAMS

City In-Lieu Downtown Housing Fees

-Actual: Centerpoint - \$50k per tower

-Proposed

University Square - \$100k on DDA

Lumina - \$200k plus 5% affordable

100 Mill - \$500 per unit

On Mill - \$500 per unit



Proposed City-Wide In-Lieu Fee Program

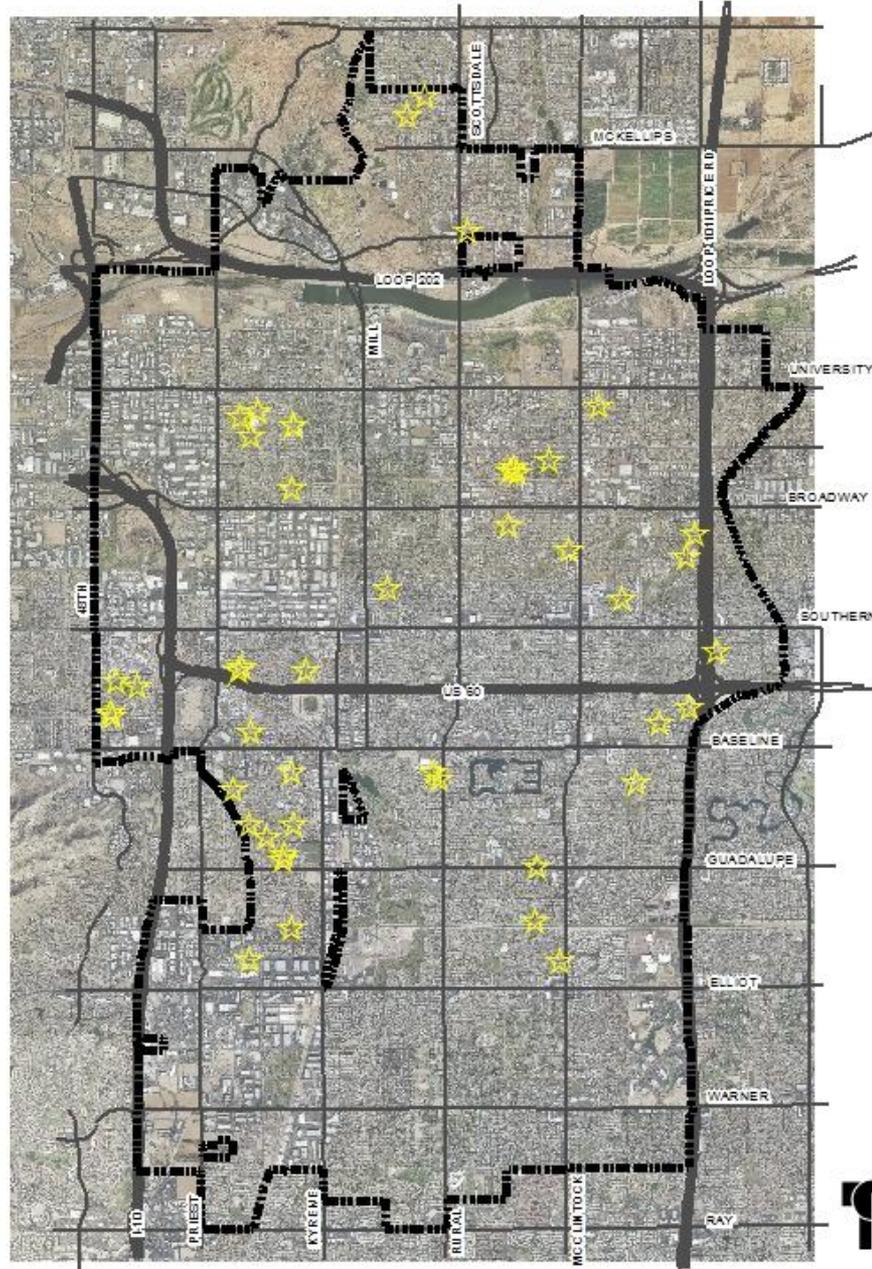


CITY OF TEMPE PARTNERSHIPS

- ◆ Newtown / Land Trust
- ◆ Habitat for Humanity
- ◆ Save the Family-ARM
- ◆ Tempe Comm. Council



COMMUNITY LAND TRUST



Legend

Type

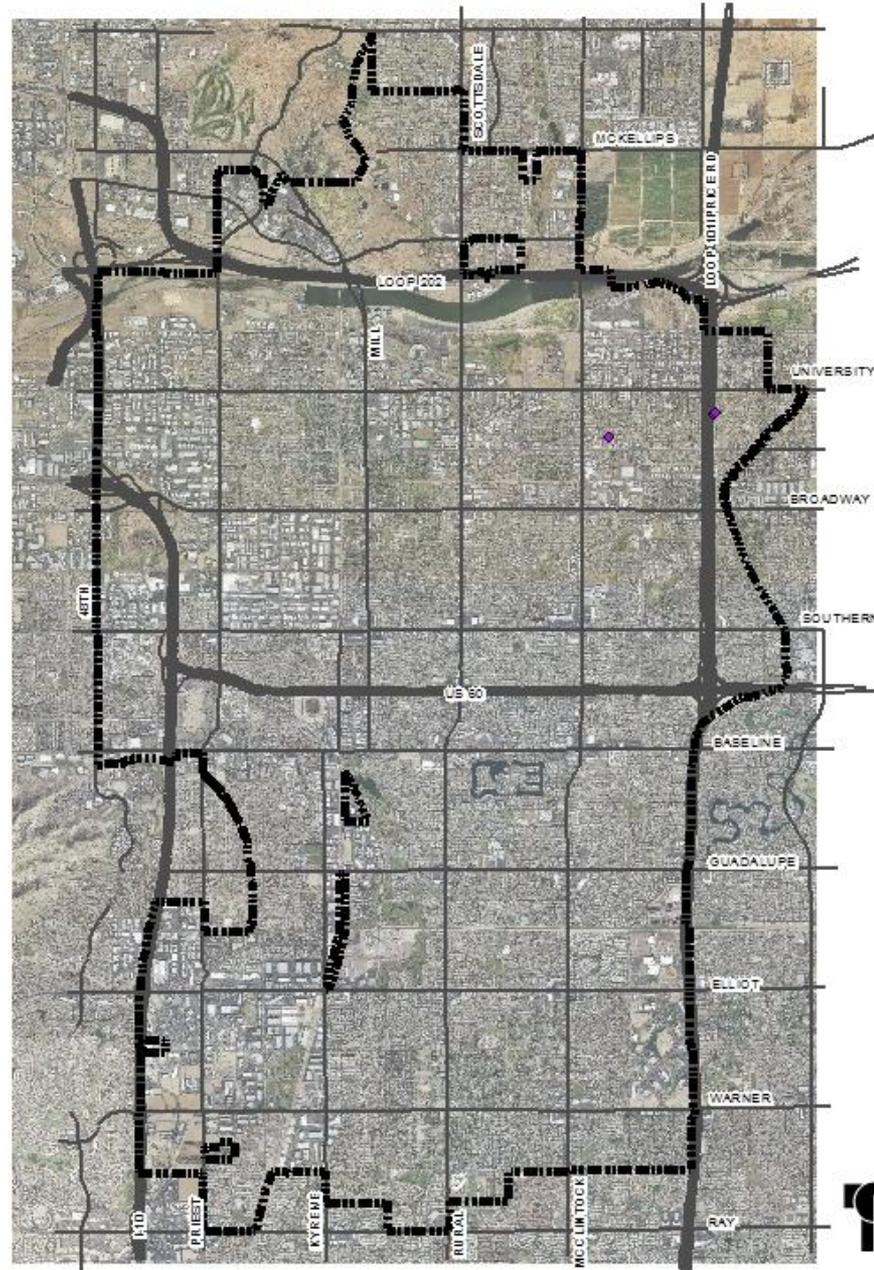
★ Community Land Trust



Source:
City of Tempe, Community Development - Neighborhood Re-development & Revitalization
Created: May 09, 2019



HABITAT FOR HUMANITY



Legend

Type

- ◆ Habitat for Humanity

Source:
City of Tempe, Community Development - Neighborhood Re-development & Revitalization
Created: May 09, 2019



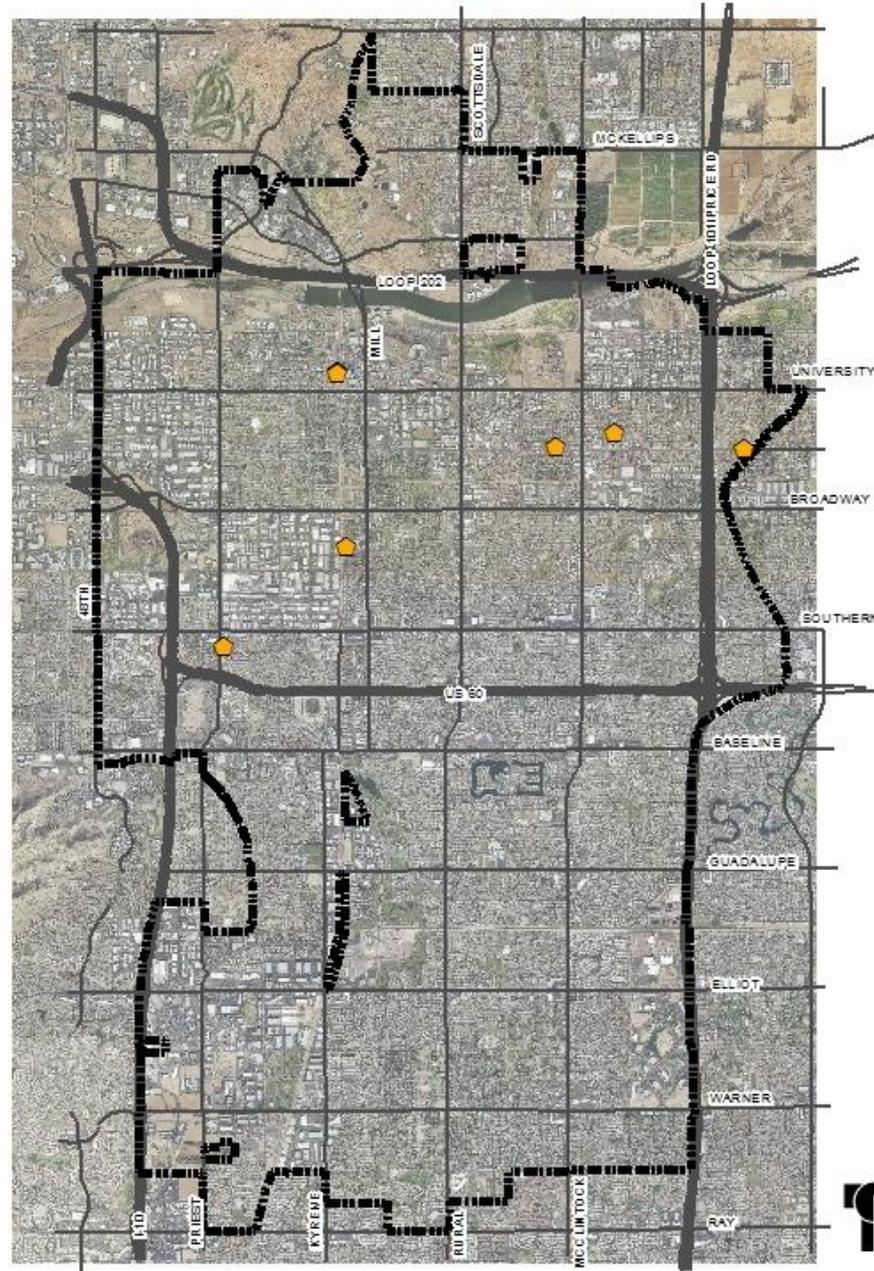


CITY OF TEMPE AFFORDABLE HOUSING INITIATIVES

- ◆ Housing Trust Fund-Secure Dedicated Funding Source Affordable Housing Section
- ◆ In-Lieu Fee Program
- ◆ TOD Density Bonus Program
- ◆ Affordable Housing Strategy
- ◆ Ad-Hoc Affordable Housing Creation
 - ◆ Apache ASL Trails
 - ◆ Encore on Farmer
 - ◆ Gracie's Village
 - ◆ Apache Villas
 - ◆ Arizona Sun



MULTI FAMILY RENTAL



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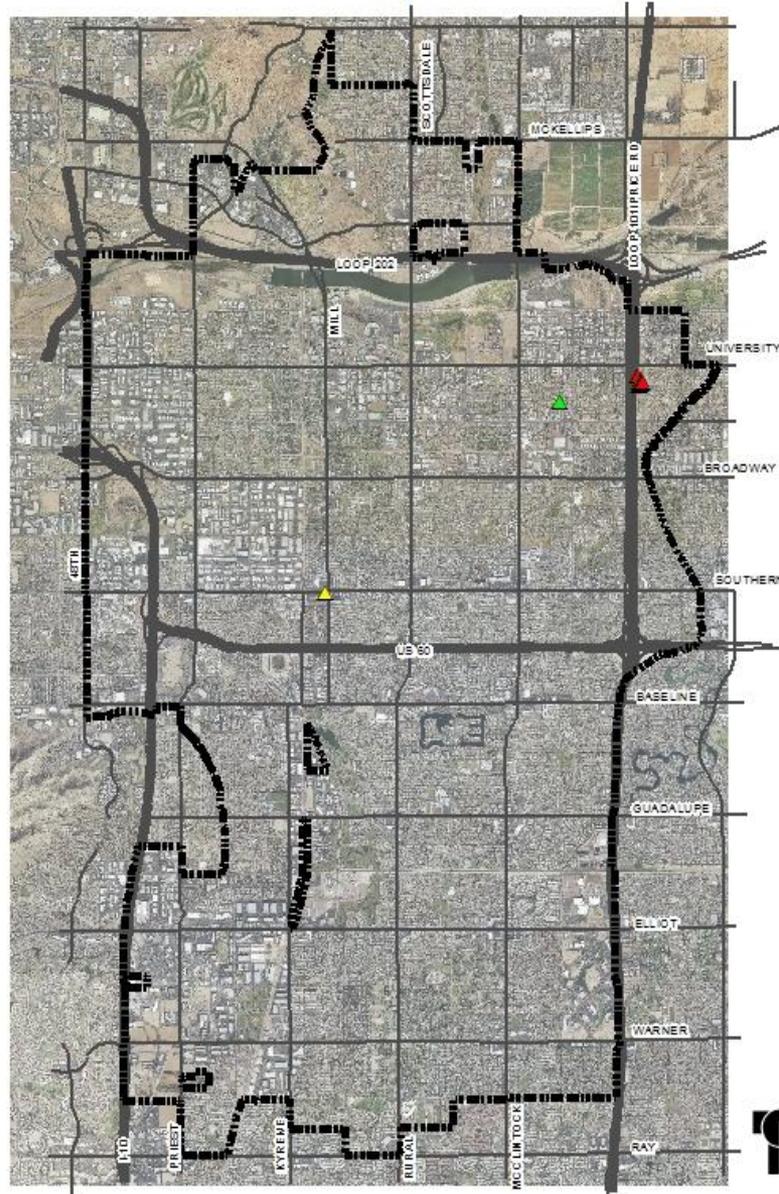
Type

- Multi Family Rental

Source:
City of Tempe, Community Development - Neighborhood Redevelopment & Revitalization
Created: May 28, 2019



CITY OWNED



Legend

Type

- ▲ Danelle Plaza
- ▲ Share Living Home
- ▲ Vacant Parcel

Source:
City of Tempe, Community Development - Neighborhood Redevelopment & Revitalization
Created: May 28, 2013

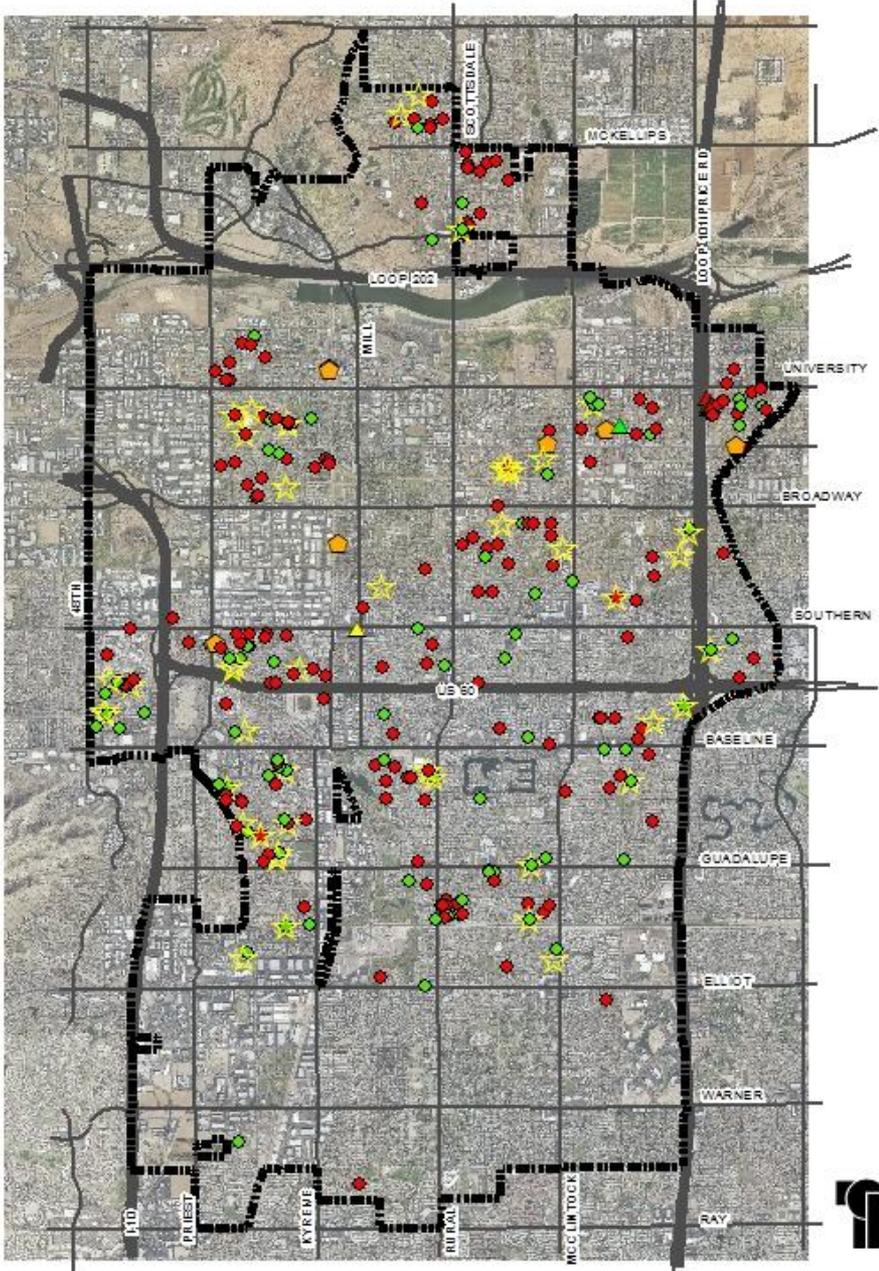


AFFORDABLE HOUSING

Legend

Type

- ★ Community Land Trust
- Home Owner
- ◆ Habitat for Humanity
- Multi Family Rental
- Rehabbed
- ▲ City Owned - Danelle Plaza
- ▲ City Owned - Share Living Home
- ▲ City Owned - Vacant Parcel



Source: City of Tempe, Community Development - Neighborhood Re-development & Revitalization
 Created: May 09, 2019





THE FUTURE OF AFFORDABLE HOUSING IN TEMPE

Land Cost / Construction Cost Escalation

Per Unit Subsidy

Unit vs. Buyer Subsidy

Concentration vs. Dispersion of Affordable Housing
Jobs / Housing Balance

The role of Density in Affordable Housing

New Models for Achieving Affordability

Finance and Effective Infrastructure Council Committee Meeting

June 14, 2013

Executive Summary: Tree and Shade Programs/Walkable City

Issue

What steps can Tempe take to spotlight the benefits of Trees and Shade and create a more "Walkable City"?

Background:

Tree and Shade Programs are becoming more common in the Phoenix Metropolitan Area. Several Cities including Phoenix, Mesa and Glendale have developed programs that identify the benefit of trees and shade and demonstrate ways to incorporate standards into city ordinances. The tree and shade programs not only promote the use of trees for shade, the programs also recognize the realities that trees cannot be planted in some places because of space restrictions and the use of engineered shade is promoted as a useful alternative. The programs identify a myriad of benefits including reduction of the heat island, improved air quality, energy efficient planning and in some cases noise mitigation or the perception of noise mitigation.

Tree and shade programs involve many departments of City organizations including Community Development, Public Works, Community Services and Community Relations. Community Outreach plays a significant role in gaining community support and participation for a success program ranging from individual residential lots to major developments and city streets to city parks.

Potential solutions:

In addition to researching other cities for best practices. The Community Development department is poised to develop standards as part of the "character areas/hub areas" that will be presented to the City Council. In addition, the Community Development staff will be assisted by the Arizona State University, EPICS team this Fall 2013 as part of their course work.

Presenting:

Lisa Collins, Interim Community Development Director

Finance and Effective Infrastructure Council Committee Meeting

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Executive Summary: Commercial Grease Collection and Holiday Residential Grease Recycling Programs

Issue

Fats, oils and grease from both commercial and residential sources clog plumbing systems and contribute to blockages in the City's wastewater collection infrastructure.

Background

Fats, Oils and Grease (collectively known as "FOG"), from both commercial and residential users of the City's municipal sewer system, are a nemesis to municipal sewer infrastructure and plumbing systems alike. Without a convenient opportunity for turkey grease disposal, however, residential customers can find themselves without alternatives to dumping grease down the drain during the holiday season. Over the last several years, Tempe's Public Works Department has explored opportunities to keep both commercial and residential FOG out of the City's sewer system.

Proposed Residential Solutions

Tempe's Fire, Public Works, and Community Relations Departments are launching a partnership with *Rev Biodiesel*, the Valley's only cooking grease-to-biodiesel recycling facility, to provide a convenient opportunity to recycle used cooking oil into renewable diesel fuel. Similar programs in Gilbert and Mesa over the last several years have resulted in the diversion of thousands of pounds of cooking oil per year away from drains and sewers in each of those communities, creating more sustainable sewer infrastructure and reducing greenhouse gas emissions by displacing the consumption of fossil fuels.

At no cost to the City of Tempe, *Rev Biodiesel* will be placing receptacles at four City locations beginning the week before Thanksgiving until two weeks after New Year:

- Fire Station 2 at 1450 E. Apache Blvd.
- Fire Station 3 at 5440 S. McClintock Drive
- Fire Station 4 at 300 E. Elliot Road
- Household Products Collection Center at 1320 E. University Drive

Residents will be able to pour fryer grease directly into receptacles provided, or simply place containers of grease on a spill-proof surface. *Rev Biodiesel* will regularly collect deposited grease, provide all spill containment, ensure that locations are kept clean, and provide signage to direct residents on placement and disposal procedures. Community Relations, along with Fire and Public Works, will launch an aggressive marketing campaign to inform residents of this program beginning in early fall.

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Additionally, Tempe's Public Works Department will be making "Fat Trappers" for the collection and disposal of pan grease available to interested residents at the Household Products Collection Center. These sink-side containers provide residents with a convenient way to divert pan or grill grease away from municipal sewers and into the solid waste stream.

Commercial Solution (Update)

Tempe is currently the only City in the Valley developing a partner program with its restaurant community for the collection of waste grease from downtown restaurant grease traps and interceptors to better sustain municipal sewer infrastructure and to explore the use of waste grease for renewable biogas production. The Tempe Grease Cooperative will result in better FOG service for participating restaurants at a lower cost of service, while also diverting more FOG from commercial sewer flows, which will result in more sustainable sewer infrastructure. Staff is currently in the final stages of procurement to provide this service to its restaurants, and hopes to have the program fully implemented by Sept. 23, 2013 – 130 years from the date the first patent for "grease trap" technology was issued in San Francisco in 1883.

Presenting:

David McNeil, Environmental Services Manager