

MESA HOUSING SERVICES GOVERNING BOARD

September 8, 2022

The Mesa Housing Services Governing Board of the City of Mesa met in the lower-level meeting room of the Council Chambers, 57 East 1st Street, on September 8, 2022, at 7:30 a.m.

BOARDMEMBERS PRESENT

John Giles, Chairperson
Jennifer Duff, Vice Chairperson
Mark Freeman
Francisco Heredia
David Luna
Julie Spilsbury
Kevin Thompson

BOARDMEMBERS ABSENT

None

STAFF PRESENT

Christopher Brady
Holly Moseley
Jim Smith

Chairperson Giles conducted a roll call.

1. Items from citizens present.

There were no items from citizens present.

2. Approval of minutes from the March 31, 2022, meeting.

It was moved by Boardmember Luna, seconded by Vice Chairperson Duff, that the minutes from the March 31, 2022, Mesa Housing Services Governing Board meeting be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Duff-Freeman-Heredia-Luna-Spilsbury-Thompson
NAYS – None

Carried unanimously.

3-a. Hear a presentation and take action on a resolution related to Intergovernmental Agreements with the Town of Gilbert and Maricopa County to allow City of Mesa Housing Veteran Affairs Support Housing Voucher Program (VASH) participants to lease rental units in the Town of Gilbert and Maricopa County Islands.

Community Services Deputy Director Mary Brandon and Housing Supervisor Rosario Beltran-Joshi displayed a PowerPoint presentation. **(See Attachment 1)**

Ms. Brandon stated the majority of the Housing Path to Recovery process falls under three categories, including bridge to success, affordable rental, and independent living. She mentioned with Council approval, the Intergovernmental Agreements (IGAs) will provide veterans with additional housing options in Gilbert and Maricopa County. She noted Mesa will continue to administer the Veteran Affairs Support Housing (VASH) vouchers, continue to inspect units, and provide annual recertifications while participants move to other cities. She recommended the Board adopt the resolution for approval of the IGAs for veterans to have additional housing options. (See Pages 2 through 5 of Attachment 1)

In response to an inquiry from Boardmember Freeman regarding where housing options are available, Ms. Brandon stated that the program is only available in the East Valley to maintain an ease of administration.

In response to a question posed by Chairperson Giles regarding VASH vouchers, Ms. Brandon stated there are approximately 50 VASH vouchers available for distribution; and with the additional housing in the East Valley, veterans will have more options.

Chairperson Giles commented the overhead for administering vouchers is part of the funding which comes from the federal government. He stated Mesa does not subsidize anything that is outside of the community.

Chairperson Giles thanked staff for the presentation.

It was moved by Boardmember Luna, seconded by Boardmember Thompson, that HGB Res. No 22-3 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles-Duff-Freeman-Heredia-Luna-Spilsbury-Thompson

NAYS – None

Carried unanimously.

3-b. Hear a presentation and take action on a resolution related to the Housing Family Self-Sufficiency Program (FSS) and the FSS Action Plan.

Housing Administrator Rosario Beltran-Joshi provided a summary of the Family Self-Sufficiency (FSS) Program. She stated as of June 16, Housing and Urban Development (HUD) requires an updated FSS plan for approval. She explained the FSS program is a voluntary program for Section 8 participants that assists families and individuals in becoming self-sufficient. She stated an FSS escrow account is established for participants, and upon graduation the funds will be used for needs associated with gaining self-sufficiency. (See Page 7 of Attachment 1)

Ms. Beltran-Joshi provided an overview of the FSS changes that were implemented into the action plan. She stated in order for a family to graduate from the program and receive the escrow amount accumulated, the participant must be free of public assistance with the exception of housing. She explained as a result of the changes to the escrow amount, the accumulation amount has increased until a participant's income reaches 80% of the area median income (AMI). She mentioned previously the participant was not able to accumulate

escrow once their income or AMI reached 50%. She recommended the Board adopt a resolution for approval of the FSS Action Plan. (See Pages 8 and 9 of Attachment 1)

In response to multiple inquiries from Vice Chairperson Duff, Ms. Beltran-Joshi explained the five-year contract begins after the participant's household income has increased, rather than immediately after the contract has been signed. She explained a FSS specialist is assigned to participants to coach them on meeting their long and short-term goals, as well as recommend agencies that can assist them in achieving self-sufficiency.

Chairperson Giles thanked staff for the presentation.

It was moved by Boardmember Luna, seconded by Boardmember Spilsbury that HGB Res. No 22-4 be adopted.

Upon tabulation of votes, it showed:

AYES – Giles-Duff-Freeman-Heredia-Luna-Spilsbury-Thompson
NAYS – None

Carried unanimously.

3-c. Hear a presentation and discuss Housing Program updates for Voucher Utilization, Housing Assistant Payments, VASH Vouchers, Emergency Housing Vouchers, and the Housing Solution Program.

Housing Administrator Rosario Beltran-Joshi reviewed the housing program updates for the past three years for utilization and rent payments. She explained utilization is low due to the market; however, the new fair market rents received from HUD for 2023 will be in line with the current market. She stated the Mesa Housing Board (MHB) anticipates that additional landlords will participate thanks to the increase in fair market rents, and more units will be available. She noted the per unit cost represents the average amount of rent paid on behalf of the participants. She commented HUD assigned 191 VASH vouchers to the City of Mesa (COM), of which 74% have been utilized. She pointed out referrals to the MHB come directly from the Department of Veterans Affairs (VA), and vouchers are issued as soon as eligibility is verified. (See Page 11 of Attachment 1)

In response to multiple questions posed by Chairperson Giles, Ms. Beltran-Joshi explained if a veteran needs assistance, the MHB should be notified and will provide community resources and referral services. She commented an intake for veterans will be conducted and as soon as the MHB receives the referral from the VA, the veteran will be contacted within 48 hours to start the eligibility process. She mentioned emergency housing vouchers (EHV) are available to individuals who are or at risk of becoming homeless, experiencing domestic violence, or human trafficking. She noted the same process is used for determining eligibility for EHV and VASH vouchers. She stated there is underutilization for the EHV, but the COM has received enough referrals to fill those vouchers.

In response to multiple questions from Boardmember Spilsbury, Ms. Brandon stated the MHB has a landlord outreach program that provides education, support, and incentives to help retain and recruit landlords in Mesa. She mentioned property owners in Mesa have expressed an

interest in working with the COM and would like to purchase more properties. She discussed fair market rents will begin to reflect the market, which is approximately \$400 higher than last year.

Ms. Beltran-Joshi summarized the housing choice vouchers (HCV) waiting list, which opened on August 17, 2022. She noted the application process is automated and most applications are submitted online. She explained during 2016, 7,000 applications were received within two weeks of the announcement of the open waiting list, which was exhausted in five and a half years. She stated originally the MHB anticipated receiving 10,000 applications; however, in 2022, when the waiting list opened, over 20,000 applications were received. She indicated the MHB is currently conducting a lottery process and selecting 4,000 applicants at random who will be placed on a waiting list to cut down wait times. (See Page 12 of Attachment 1)

Responding to questions posed by Boardmember Spilsbury, Ms. Brandon explained the Fair Housing Agency believes the lottery system is a better method than the date and time system to provide equal opportunities for disabled individuals who may not be able to apply quickly. She mentioned once the 4,000 applicants are selected and sorted, the MHB can assist those who are Mesa's chronically homeless first, followed by Mesa residents, chronically homeless, and finally those from outside Mesa. She noted the MHB is not currently regulated to allow selection by preferences before the lottery method is conducted. She commented the average time to reach the last person on the waiting list is approximately 20 months; however, the wait time can be as long as three years. She pointed out individuals that do not make the lottery will be notified by mail, along with a list of resources for assistance.

In response to multiple questions from Boardmember Heredia, Ms. Brandon stated the previous process in 2016 was by date and time of the submitted application. She remarked the fair market rent is published annually and is included in the payment standard. She explained the payment standard is used to calculate the rent that the voucher holder can seek according to their income and their household composition. She added further calculations are used to determine their portion, which is usually 30% to 40% of their adjusted income. She noted if there is a shortfall of the estimated \$16 million, the MHB can apply for a shortfall to cover the difference since all vouchers are expected to be utilized.

In response to a question posed by Boardmember Freeman, Ms. Brandon stated the residency requirement indicates that participants must reside in the COM for one year.

Chairperson Giles stated due to federal dollars, the COM does not dictate who can apply for vouchers and Mesa cannot mandate that applicants remain in Mesa. He commented the COM is just administering the vouchers.

In response to multiple questions from Boardmember Thompson, Ms. Brandon stated the MHB does not screen for medical or mental disabilities; the only requirement is income eligibility. She mentioned applicants who have criminal backgrounds or are registered sex offenders are disqualified from the program. She commented each landlord has their own lease criteria to follow when considering applicants for their units. She explained the voucher is between the COM and the participant; the lease is between the landlord and the tenant; and the housing assistance payment (HAP) contract is between the MHB and the landlord and specifies that if the tenant adheres to the lease and fulfills family responsibilities, the assistance will be provided. She noted if a landlord denies an applicant, the voucher is issued for a certain amount of time to allow the applicant time to locate a landlord who will accept them.

Ms. Brandon reviewed the additional voucher opportunities that have been allocated, including 24 HCV, and 108 EHV. She explained HUD will review all jurisdictions in the country for utilization; and if anyone is under 50%, some vouchers will be returned and re-allocated. She mentioned the MHB is over 50%, and there is an opportunity to receive more EHV. She said the Stability Voucher (SV) program is new, and further information will be provided at a later date. (See Page 13 of Attachment 1)

In response to a question from Chairperson Giles regarding the SV program, Ms. Brandon explained the criteria is the same for the SV and EHV; however, the MHB staff is reviewing the possibility of using the SV to secure those that are at risk of becoming homeless. She commented the vouchers do not come from the waiting list, but rather are issued in response to referrals.

In response to an inquiry posed by Boardmember Freeman regarding funding, Ms. Brandon mentioned Mesa is working with other East Valley cities on a Notice of Funding Availability (NOFA) for a caseworker to assist in this process.

Ms. Brandon mentioned the Housing Solutions program is the recruitment process for landlords. She reported the Housing Solutions program is in the process of hiring a new employee and an update will be provided at the next meeting. (See Page 14 of Attachment 1)

Chairperson Giles thanked staff for the presentation.

3-d. Hear a presentation and discuss Emergency Rental/Utility Assistance Program (ERAP).

Community Services Deputy Director Mary Brandon explained over \$51 million has been distributed to Mesa residents for rent and utility assistance. She advised the drop in Quarter 3 is due to a shift in priorities to assist those that fall within a low income of 50% or less of the area medium income (AMI). She commented the MHB is seeking to assist first time applicants or those recently needing assistance. She indicated funding is available through the end of the calendar year and an Intergovernmental Agreement (IGA) from Maricopa County for that additional funding through December will be presented at a future Council meeting. (See Page 16 of Attachment 1)

Ms. Brandon announced that Sunday, September 11, 2022, is National Service Day throughout the Country and the MHB was contacted by Just Serve to offer their assistance. She mentioned with the efforts of Mesa residents and Just Serve, 68 baskets of household items were donated to the VA. (See Page 17 of Attachment 1)

In response to a question posed by Chairperson Giles, Ms. Brandon stated MesaCAN, who partners with a New Leaf, provides rental and utilities assistance.

In response to a question from Chairperson Giles, Deputy City Manager Natalie Lewis commented individuals at risk of eviction should call 480-644-5440.

In response to additional questions from Chairperson Giles, Business Services Department Director Ed Quedens stated an active marketing campaign is in place for seniors who are 60 years old, full-time Mesa residents, and have limited incomes. He commented the maximum income for a family of two is \$3,025 a month, and residents can apply through the website, which will offer a \$9 discount per month on water service. He mentioned another program is the

Mesa Utility Assistance Fund, which Mesa partners with MesaCAN, and has \$125,000 available for the fiscal year. He added MesaCAN verifies the eligibility, reviews the customer's information, and provides notification when to apply the discount.

City Manager Christopher Brady added Mesa has allocated \$20 million out of the American Rescue Plan Act (ARPA) funds to assist electric utility customers.

Mr. Quedens remarked the funds will be available through August of 2023 and possibly longer. He mentioned on October 1, Mesa will resume utility disconnects for delinquent customers.

Ms. Brandon stated Department of Economic Security (DES) has the Emergency Rental/Utility Assistance Program (ERAP) dollars that can assist residents with utilities only.

Chairperson Giles remarked although the COVID relief money is coming to an end, Mesa has resources available.

Chairperson Giles thanked staff for the presentation.

4. Adjournment.

Without objection, the Mesa Housing Services Governing Board meeting adjourned at 8:21 a.m.

ATTEST:



HOLLY MOSELEY, CITY CLERK





JOHN GILES, CHAIRMAN

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Mesa Housing Services Governing Board meeting of Mesa, Arizona, held on the 8th day of September 2022. I further certify that the meeting was duly called and held and that a quorum was present.



HOLLY MOSELEY, CITY CLERK

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(Attachment – 1)



Housing Services Governing Board

September 8, 2022

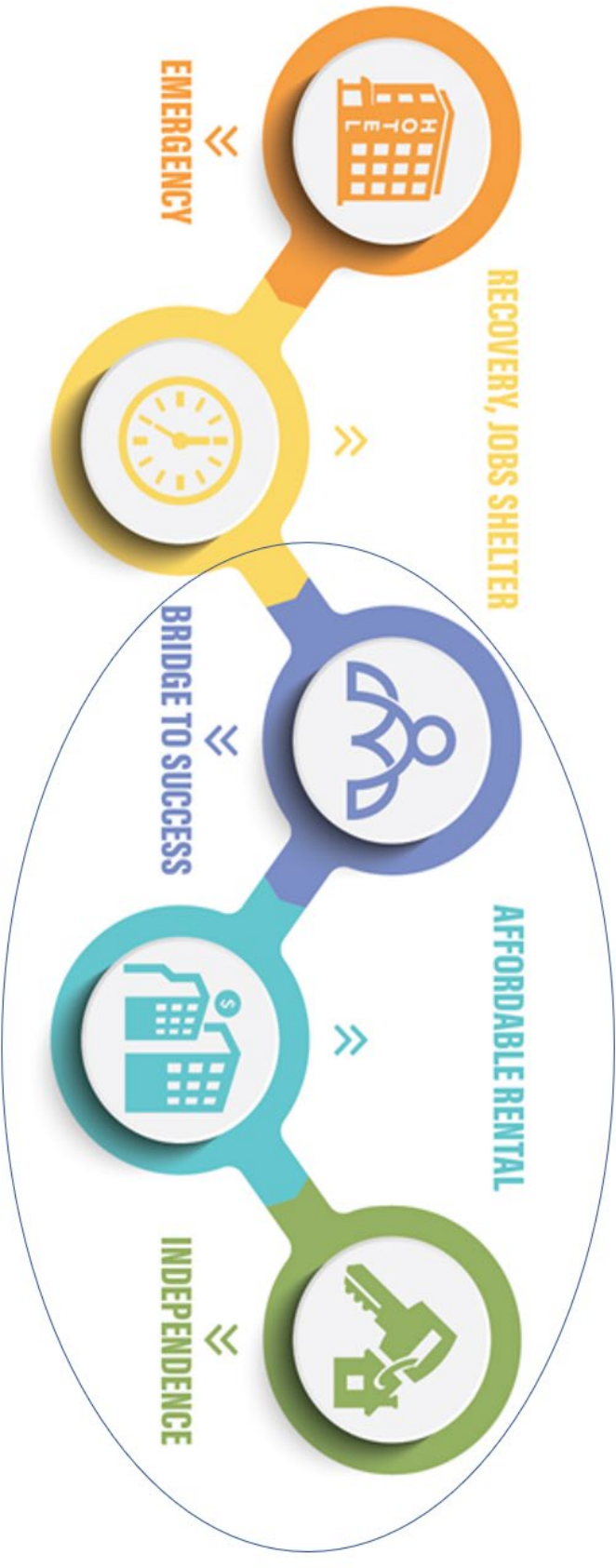
Mary Brandon, Deputy Director

Rosario Beltran-Joshi, Housing Administrator

HOUSING SERVICES GOVERNING BOARD



Housing Path to Recovery



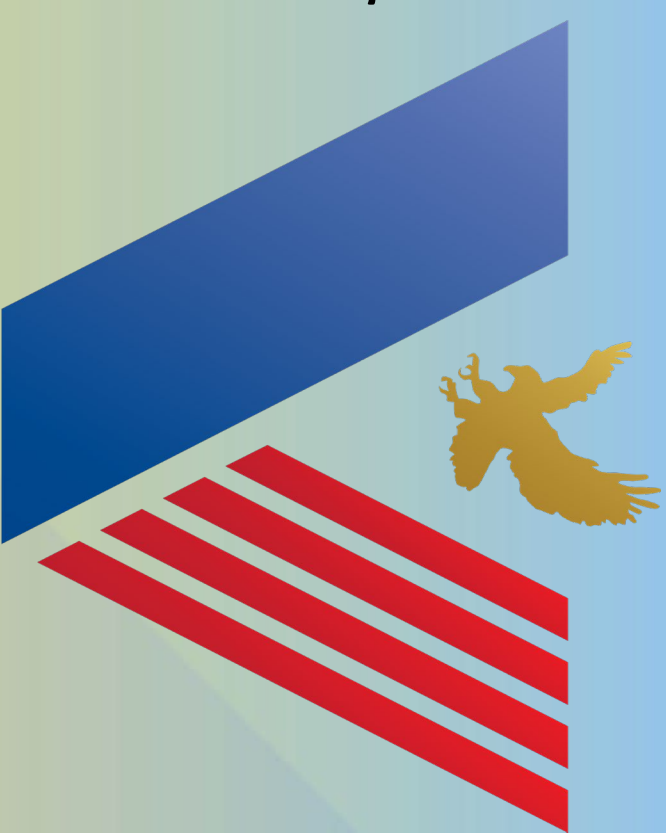


Intergovernmental Agreement for additional housing options for VASH participants



HOUSING Options for VASH program participants:

- Additional housing options for Veterans
- Mesa Housing administer the VASH voucher
- Community Partnership
 - Town of Gilbert
 - Maricopa County





Approve the renewals of the VASH IGAs

Staff is recommending that the Board adopt a resolution regarding the approval of the IGAs renewals.



Family Self-Sufficiency (FSS) Action Plan

HOUSING SERVICES GOVERNING BOARD



FSS Program:

Assist participants in their goal to become financially independent

Participant enters a contract outlining individual training and services plan

FSS escrow account is established

Graduation of the FSS Program



5 Action Plan Changes:

5-year contract begins after the Household Income has increased.

Contract Termination the Forfeited Escrow funds stay with the program

Graduation of the program they must be free of welfare assistance to receive escrow funds.

Escrow amount will continue to increase, when their income is up to 80% of Area Median Income.



Approve the FSS Action Plan

Staff is recommending that the Board adopt a resolution regarding the approval of the FSS Action Plan.



Housing Voucher Programs Updates





Program Updates:

Voucher Utilization

- 2020 – 99.7%
- 2021 – 96.1%
- **2022 – 93.3%**

Housing Assistance Payments

- 2020 - \$14.4M
- 2021 - \$15.4M
- **2022 - \$16.7M***

VASH Vouchers

- 2020 - 146
- 2021 - 156
- **2022 - 142**

Emergency Housing Vouchers

- 61 leased
- 18 searching

*forecast

Per unit cost

July 2021 - \$769
July 2022 - \$852



Housing Choice Voucher Waiting List

2022 – Aug 17-30

20,110	6,054 30% Mesa Residents	7,356 37% Chronic Homeless	6,215 31% Disabled
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2016 – Dec 6-19

7,000	2,302 33% Mesa Residents	1,161 17% Chronic Homeless
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Additional Voucher Opportunities



Housing Choice Vouchers (HCV)



Emergency Housing Vouchers (EHV)



Stability Voucher Program (SVs)



Housing Solutions Program:



Contacts



Incentives



Education



Marketing

Expand affordable housing opportunities for housing voucher program individuals and families. Provide education, support, and incentives to retain and recruit landlords that will provide rental opportunities in Mesa.

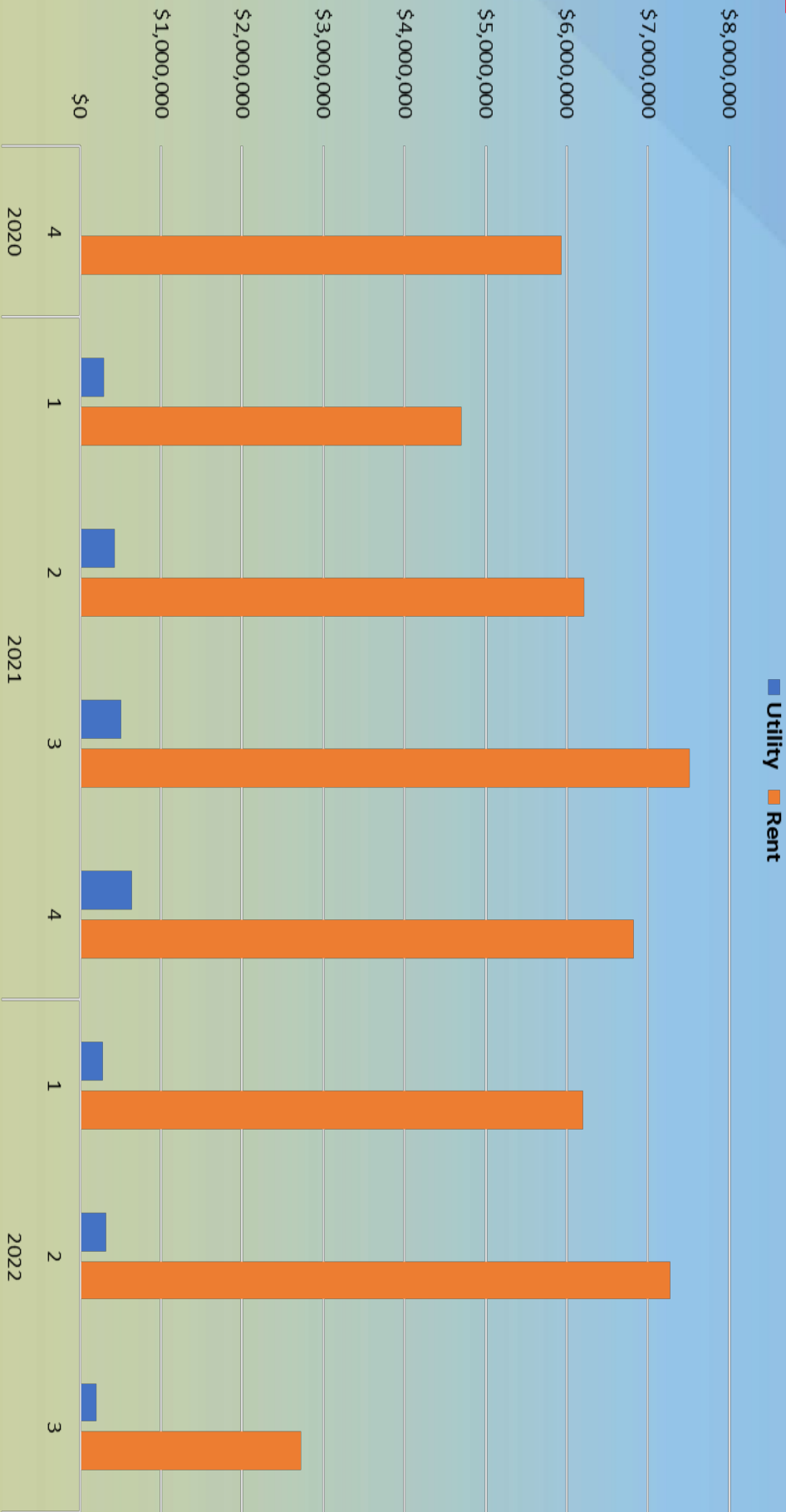


Emergency Rental/Utility Assistance Program (ERAP) Updates





Rent & Utility Assistance



**Rental &
Utility
Assistance
Programs**

\$51M
Since July
2020



9/11 National Service Day





Thank you for your Support

mesa.a.n

