



## BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: February 19, 2019

**Title:** Amendment No. 1 to the Performance Deed of Trust for the Affordable Housing Bond Program, Sonora Rental Housing Project

### **Introduction/Background:**

Expanding the pool of tenants from single, homeless women to single, homeless individuals (of any gender) through an amendment to the Performance Deed of Trust will increase the pool of qualified tenants, reduce vacancies and provide equal housing opportunity to homeless persons of any gender at the Pima Community Land Trust (PCCLT) Sonora Rental Housing Project.

### **Discussion:**

In 2016, the PCCLT received \$100,000 in 2004 GO Bond funds to rehab a fourplex which they had previously acquired. The PCCLT also entered into a service and referral agreement for qualified tenants with Cenpatico. In 2017, the rehab was complete and all units were leased. Since that time, high turnover and vacancy rates resulted in lost rental income and property damage. A larger pool of tenants including persons of any gender will increase referrals, occupancy rates and provide for equal housing opportunities for prospective tenants. Cenpatico recommended this change. The PCCLT reviewed the proposed change with the Pima County Housing Commission for their consideration at their meeting on 12/17/18. The Commission voted unanimously to approve this request.

### **Conclusion:**

Expanding the definition of qualified households will reduce turnover, increase referrals, stabilize occupancy and promote equal housing opportunity throughout the 30 year Affordability Period provided by Amendment One to the Performance Deed of Trust.

### **Recommendation:**

Staff recommends approval of the amended Performance Deed of Trust.

### **Fiscal Impact:**

None.

### **Board of Supervisor District:**

☐ 1      ☐ 2      ☐ 3      ☐ 4      ☒ 5      ☐ All

Department: Community Develop. Neighborhood Conservation Telephone: 724-6745

Contact: Martha Martin Telephone: 724-2463

Department Director Signature/Date: Margaret Tr. Kne 01/29/2019

Deputy County Administrator Signature/Date: Dunn 1/30/2019

County Administrator Signature/Date: C. Deliberty 1/31/19

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When Recorded, Please Return To:

Housing Reinvestment Program  
Community and Economic Development  
Pima County  
2797 East Ajo Way  
Tucson, AZ 85713-6223

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**FIRST MODIFICATION OF PERFORMANCE DEED OF TRUST**  
**AFFORDABLE HOUSING BOND PROGRAM**

This First Modification of Performance Deed of Trust ("First Modification") is made and entered into as of the 15th day of January, 2019, by and between Pima County Community Land Trust, an Arizona non-profit corporation ("Trustor"), having an address at 17 N. Linda Avenue, Tucson, AZ 85745-2819 and Pima County, a political subdivision of the State of Arizona, having an address of 2797 East Ajo Way, Tucson, AZ 85713-6223 ("Beneficiary").

Preliminary Statements

- A. Trustor executed and delivered to Beneficiary a certain Performance Deed of Trust – Affordable Housing Bond Program dated November 18, 2016 and recorded December 30, 2016 in the office of the Pima County, Arizona, Recorder at Sequence No. 20163650034 (the "Original Deed of Trust").
- B. The Original Deed of Trust secured, **for a minimum of thirty (30) years from and after August 24, 2017**, the affordability of four (4) studio apartment units for certain qualified households pursuant to Pima County Contract No. CT-CD-17\*201 "The Sonora Rental Housing Project."
- C. The Original Deed of Trust defined a qualified household as a single woman who meets both of the following: Homeless or at risk of becoming homeless; and with household income at or below 80% Area Median Income ("AMI") as defined by the U.S. Department of Housing and Urban Development at the time of initial occupancy.
- D. Trustor and Beneficiary wish to amend the Original Deed of Trust to expand the definition of qualified households to any gender.
- E. Said change meets the requirements of the Fair Housing Act, 42 U.S.C. §3601 *et seq.*, and is in the best interests of the residents of Pima County and, particularly, those low-income homeless or at risk of becoming homes individuals seeking a safe and affordable residence.

## Modification

The following modifications are made to the Original Deed of Trust:

1. **Paragraph 1.6 – Project** is amended to change “single homeless women” to “individuals who are homeless or at risk of becoming homeless”.
2. **Paragraph 1.8.3 – Qualified Household** is amended to change “single woman” to “individual”.
3. **EXHIBIT B – BOND CONTRACT** is amended as follows:
  - 3.1. **Recital E** is amended to change “single women” to “individuals”.
  - 3.2. **Paragraph 2.7** is amended to change “women” to “individuals”.
  - 3.3. **Paragraph 2.7.1** is amended to change “single woman” to “individuals”.
4. Effect of Modification. Except as expressly modified by this First Modification, the Original Deed of Trust, shall remain unchanged and in full force and effect.

SIGNATURES FOLLOW ON NEXT PAGES

The Pima County Community Land Trust

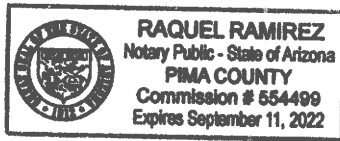
MMAJ  
Signature

1-15-19  
Date

Maggie Arnado-Teller  
Print Name

Executive Director  
Its

State of Arizona )  
                                  ) ss.  
County of Pima )



Acknowledged before me this 15 day of January, 20 19 by Raquel Ramirez  
\_\_\_\_\_.

RB

Notary Public

My Commission Expires: 9/11/2022

**BENEFICIARY: Pima County, a body politic and corporate of the State of Arizona:**

\_\_\_\_\_  
Chair, Board of Supervisors

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Date

State of Arizona     )

) ss.

County of Pima     )

Acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_  
as Chair of the Board of Supervisors of Pima County, a body politic and corporate of the State of  
Arizona, on behalf of the County.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

APPROVED AS TO CONTENT:

*Margaret M. Kish*

\_\_\_\_\_  
Margaret Kish, Director, Community Development and  
Neighborhood Conservation

*01/29/2019*

\_\_\_\_\_  
Date



November 21, 2013

Marcos Ysmael, Housing Program Manager  
Pima County CDNC  
801 W. Congress St.  
Tucson, AZ 85745

Re: Pima County GO Bond Contract  
CT-CD-17-201

Dear Marcos:

The Pima County Community Land Trust (PCCLT) received a \$100,000 award per County Contract CT-CD-17-201 dated January 1, 2017 - December 31, 2018. Funds were for rehab of our Sonora Rental Housing Project at 1408 W. Sonora Street, Units 1-4. The project was completed and fully occupied September 2017. Language in PCCLT's application as well as in the County contract and Performance Deed of trust referenced the target resident population as "single low-income women in transition".

PCCLT subsequently collaborated with Cenpatico to provide housing units for seriously mentally ill (SMI) women. However, this population has proven to be challenging to serve, in that there are multiple acts of property destruction followed by long periods of vacancy. Complications within Cenpatico's behavioral provider network results in limited resident referrals. PCCLT believes the inclusion of opportunity for both male and female clients would result in a more stable occupancy rate.

The County Contract will expire December 31, 2018 but is inclusive of a 30 yr. Performance Deed of Trust. Therefore, PCCLT requests that the language in the Performance Deed of Trust be amended to serve "single low-income **individuals** in transition, homeless or at risk of becoming homeless" as opposed to "single low-income **women** in transition, homeless or at risk of becoming homeless". In addition to allowing PCCLT to serve a broader client base, the change allows for greater inclusion and program diversity. We respectfully request your approval of the language change amendment as noted.

Sincerely,

A handwritten signature in black ink, appearing to read "mmas", is written over a horizontal line.

Maggie Amado-Tellez  
Executive Director  
Pima County Community Land Trust

PIMA COUNTY COMMUNITY LAND TRUST  
17 N. Linda Ave.  
Tucson, AZ 85745  
(520) 603-0587

**Martha Martin**

*See date on letter  
(2013-a typo)*

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**From:** Gigi Aldridge <gigialdrige@pcclt.org>  
**Sent:** Wednesday, November 21, 2018 1:53 PM  
**To:** Marcos Ysmael  
**Cc:** Martha Martin; Maggie Amado-Tellez  
**Subject:** Contract CT-CD-17-201 Amendment request  
**Attachments:** ~\$nora GO Bond language change request.pdf

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This message and sender come from outside Pima County. If you did not expect this message, proceed with caution. Verify the sender's identity before performing any action, such as clicking on a link or opening an attachment.

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Good Afternoon Marcos,

Please see the attached letter requesting an Amendment to our contract CT-CD-17-201. PCCLT requests a few minutes time at the December 17<sup>th</sup> Pima County Housing Commission meeting to present our request. Let us know if you need any further information or if we need to take additional steps to get the Amendment accomplished as quickly as possible.

Thank you,

Gigi Aldridge  
Project Developer  
Pima County Community Land Trust  
17 N. Linda Ave.  
Tucson, AZ 85745  
[gigialdrige@pcclt.org](mailto:gigialdrige@pcclt.org)  
520.979.6149

December 17, 2018

To whom it may concern,

Thank you for taking the time to read my letter. I apologize for not being there personally.

The reason for my letter today, is to respectfully encourage the powers that be; to open up housing to any qualified individual.

We currently have two vacancies at the 4-plex. One has been vacant for 3 months, and the other for 2 months.

I strongly feel that opening up to any individual will allow a bigger referral pool. At this time for the above mentioned vacancies we have had zero referrals. Which is very concerning.

Thank you for your consideration,

Shelley Hansen  
Nizhoni Properties  
Property Manager





**arizona  
complete health.**  
*Complete Care Plan*

333 E. Wetmore Road  
Suite 600  
Tucson, AZ 85705

December 17, 2018

Maggie Amando-Tellez  
Executive Director  
Pima County Community Land Trust  
17 N. Linda Avenue  
Tucson, Arizona 85745

Dear Ms. Amando-Tellez,

Arizona Complete Health, formerly known as Cenpatco Integrated Care, is committed to the housing partnership with the Pima County Land Trust. Arizona Complete Health provided funding for the SONORA Project to serve female members determined Seriously Mentally Ill (SMI) who qualified for Medicaid funded housing provided by our funder the Arizona Health Care Cost Containment System Administration (AHCCCS). Arizona Complete Health serves both men and woman determined Seriously Mentally Ill (SMI) and is in support of this project expanding to serve male members who qualify moving forward.

If we can be of further assistance, please contact me at 480-209-5868 or [llead@azcompletehealth.com](mailto:llead@azcompletehealth.com).

Respectfully,

*Leon W. Lead-Signed Electronically*

Leon W. Lead  
Manager of program Initiatives  
Arizona Complete Health - Complete Care Plan  
480-209-5868  
[llead@azcompletehealth.com](mailto:llead@azcompletehealth.com)

1-888-788-4408  
711 (TTY/TDY)

**AZCompleteHealth.com**

**Pima County Housing Commission**  
Pima County Housing Center  
801 West Congress Street, Tucson, AZ 85745  
Monday, December 17, 2018  
3:00 P.M.

**DRAFT Meeting Summary**

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**Members Present**

Frank Thomson, Chair  
Jon Miles, Vice-Chair  
David Godlewski  
Ken Anderson  
Henry Boice  
Scott Place

**Members Absent**

Kathleen Buske  
Nicole Brulé-Fisher  
Tim Escobedo  
Sharayah Jimenez

**Staff and Guests Present**

Marcos Ysmael  
Mayra Armenta  
Brian Swanton  
Daniella Zepeda  
Gigi Aldridge  
Mark Holden  
Sally Schween

**Welcome and Call to Order**

Frank Thomson, Chair, called the meeting to order.

**Roll Call of the Commission**

Quorum satisfied.

**Pledge of Allegiance**

All in attendance stood and recited the Pledge.

**Approval of Minutes**

**Motion made by Commissioner Jon Miles** to approve the minutes for the meeting on October 15, 2018.

**Motion seconded by Commissioner Ken Anderson. Motion carried unanimously.**

**Call to the Audience:**

Call to the Audience by **Chair Frank Thomson**. Brooke Nowak from TMM Family Services thanked the Commissioners and Pima County for their support and funding.

**Announcements**

**Marcos Ysmael**, Pima County Housing Program Manager, reported on four county notices: Safety and Justice funding for 150 new permanent supportive housing units for adult re-entry; Pima County intent to convert up to 50 tenant-based section 8 housing choice vouchers to project –based vouchers; Notice of Availability of \$1 million in HUD Home Investment Partnership Program funds for affordable housing; and a 2019 Financial Literacy class schedule.

**Development Services Updates**

**Mark Holden**, Principal Planer, Pima County Development Services, provided a synopsis of several innovative changes to Pima County Development Services zoning and land use requirements including:

implementation of pre-1976 rehabilitation requirements, mixed use housing and economic developments, and food access.

### **Staff Reports**

**Marcos Ysmael** reported that TMM Family Services Senior and Veteran Housing units are completed. Pima County is gathering the final reports and will be issuing a final draw. The Foundation for Senior Living Renovation at the Marist College is 100% complete and the New Construction of the Mid-Rise is 99% complete. Both received Certificates of Occupancy.

### **Discussion and possible action**

As requested by the Commissioners at their last meeting on October 15, 2018 **Marcos Ysmael** invited local developers to discuss their development challenges. They mentioned three main issues: labor shortages, high construction costs and excessive time to close government funding.

**Gigi Aldridge**, Pima County Community Land Trust Project Developer requested approval from the Commissioners to change the clientele served by a bond funded project (Casa Sonora) from women only to gender neutral in order to expand the pool of potential residents. After discussion, **Commissioner Ken Anderson called for the question and Chairman Frank Thomson called for vote. All voted in favor of the change.** Staff will work with the county attorney to amend the contract.

For the next meeting agenda, **Commissioner Ken Anderson** wants discussion about ways to join forces with lobbyists to create language for a bill regarding the state tax credit program.

### **Next Meeting**

Next meeting shall be Monday, March 18, 2019.

### **Adjournment**

**Commissioner Chair Frank Thomas** moved to adjourn. Motion seconded by **Commissioner Ken Anderson**. Meeting adjourned at 4:35 p.m.

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