

**MINUTES**  
**REGULAR WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS - YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**January 31, 2017**  
**6:00 p.m.**

**CALL TO ORDER**

**Mayor Nicholls** called the Regular City Council Worksession to order at 6:00 p.m.

Councilmembers Present: Shelton, Wright, Knight, Thomas, Craft, and Mayor Nicholls  
Councilmembers Absent: Miller  
Staffmembers Present: City Administrator, Gregory K. Wilkinson  
Neighborhood Services Manager, Rhonda Lee-James  
Assistant City Engineer, Andrew McGarvie  
Director of Public Works, Joel Olea  
Chief of Police, John Lekan  
Director of Community Development, Laurie Lineberry  
Various department heads or their representatives  
Deputy City Attorney, Richard W. Files  
City Clerk, Lynda Bushong

**I. MESA HEIGHTS PROJECT UPDATE**

**Lee-James** stated that it has been about a year since the City pledged the land to develop apartments in the Mesa Heights Neighborhood as a part of the revitalization effort in that community, and introduced **Michael Morrissey**, Executive Director of the Housing Authority of the City of Yuma (HACY), to provide an update on the apartment project.

**Morrissey** stated that the Arizona Avenue properties were conveyed to HACY in January 2016 subject to specific conditions, particularly the requirement to construct affordable rental housing and a community-business center within four years. The property was initially intended for use as part of the City's roadways plan, but was designated as surplus and conveyed to HACY after a Request for Proposal (RFP) resulted in no responses. After HACY received the land – more than three acres located on Arizona Avenue from 20<sup>th</sup> Street to 22<sup>nd</sup> Street – they invited developers to submit a proposal to enter into a long-term lease agreement to develop the property accordingly.

The Arizona Housing Development Corporation (AHDC) along with Gorman and Company (Gorman) responded with the only qualified application, therefore, they were selected for the project. The proposal is to develop 58 units of affordable rental housing, as well as a community-business center with all the provisions required in the RFP by utilizing the Arizona Department of Housing's Low-Income Housing Tax Credit program. AHDC is a local nonprofit that has experience with the revitalization in the Carver Park Neighborhood area, while Gorman has more than 30 years of experience in development, particularly as one of the largest developers of workforce housing in the United States.

The construction of the apartments will jumpstart the revitalization efforts underway in the Mesa Heights Neighborhood and will be a highly visible cornerstone demonstrating to Yuma that Mesa Heights is a neighborhood of choice. The planned investment in this project is upwards of \$13.8 million, the majority of which will come in the form of private equity from the sale of Low Income Housing Tax Credits. The remainder will come from conventional financing and project-based vouchers. The projected timeline includes financial closing by the end of May 2017, with construction beginning in June 2017 and lease-up and occupancy beginning in June or July 2018.

The layout of the property will consist of six residential buildings comprised of 12-unit and five-unit buildings with a community-business center and outdoor play area. Floor plans for the one, two, and three bedroom units range from 705-1,300 square feet which are relatively spacious for affordable housing apartments. The community-business center will include an on-site leasing office, meeting space, a computer lab, and a community kitchen. There has also been talk of including a Gangplank, which is essentially a shared workspace for business training and development. The community center will also include space for the Residential Services Coordinator who will act as a case manager.

Discussion:

**Mayor Nicholls** suggested that the owner of Gangplank in Phoenix should be consulted before the floorplan is locked down to ensure that it fits the model and offered to facilitate that conversation. He asked who will be running the property in perpetuity. **Morrissey** stated that for the time being AHDC is the management company. However, they are still working with investors to gain equity to develop the project and perspective investors may have input as to who they want to manage it.

**Knight** asked if there will be a manager on site. **Morrissey** explained that there will be a full-time Residential Service Coordinator who will help to connect the residents with services in the community that may benefit them, as well as an onsite Property Manager to perform rent calculations and handle tenant issues.

**Shelton** complimented Morrissey on the project, adding that it brings dignity to those who are low income. He asked how residents will be recruited and how prospective residents will be able to inquire about living in the apartment complex. **Morrissey** stated that in addition to the onsite Property Manager and Resident Services Coordinator, contact information will be available on the HACY website. **Shelton** asked if the property will be designated as a crime free zone. **Morrissey** answered that there are very strict rules and regulations that tenants must follow, and they could also incorporate a crime free zone.

**Thomas** asked if this would be considered a starting point or stepping stone for the residents rather than an endpoint. **Morrissey** stated that roughly 20% of residents are involved in a family self-sufficiency program which helps them to strengthen their credit, improve their job skills, and continue their education. Participants also set five-year goals and if they are successful in reaching those goals they earn an escrow that they can use as a down payment on a home. **Thomas** asked if those who successfully complete the program come back to serve as role models. **Morrissey** stated that many of them do participate in some of the credit counseling and financial literacy programs, and some have sat on the HACY Board of Commissioners.

**Craft** asked how the program at the Mesa Heights Apartments will compare to the programs already in place through HACY. **Morrissey** explained that they will be very similar. The job description of a Family Self-Sufficiency Coordinator and a Resident Services Coordinator are very similar and they

will be sharing many of the same resources and programs; however, the Resident Services Coordinator position will be funded through operations rather than with federal dollars. **Craft** asked how this property compares to others already managed by HACY. **Morrissey** stated that this property is larger and will have full-time staff that will have direct access and interaction with the residents, which will help build trust and contribute to the success of the residents.

**Thomas** asked if children will have access to a program similar to Upward Bound. **Morrissey** explained that Upward Bound was a unique program with specific funding that has not been available for some time. However, the SHINE (Sports Helping Influence Neighborhood Excellence) Program is an afterschool sports and character education program that has been successful in this community.

**Mayor Nicholls** expressed appreciation of the layout of the apartment complex, noting that frequently in situations where costs must be kept low, the end result would have been six boxes strung together. The variety in architecture adds to the environment and the quality of life of the residents. He encouraged the maximization of outdoor play space to provide children with an opportunity to master skills other than those associated with computers and other devices. **Morrissey** voiced his agreement, noting that a variance was recently approved which will provide more space by allowing the complex to move closer to Arizona Avenue.

## II. DEVELOPMENT FEE SCHEDULE

**McGarvie** explained that the City's Development Fee Schedule is required by state law to be updated every five years. This process begins with the Land Use Assumptions (LUA) and Infrastructure Improvements Plan (IIP). The LUA describes existing conditions, number of residents, trips generated, and the expected growth utilizing census data, building data, and other inputs. IIP describes the infrastructure that will be needed over the coming decades due to growth as well as estimated costs.

Arizona Revised Statutes § 9-463.05 requires a specific schedule and notification process as follows:

- 60-day public notice for the LUA and IIP public hearing
- Minimum of 30 days and maximum of 60 days between the public hearing and the adoption of the LUA and IIP
- Minimum of 30-day notice before the public hearing on development fees
- Minimum of 30 days and maximum of 60 days between the public hearing and the adoption of the development fees
- New development fees have a 75 day waiting period after adoption before going into effect  
Plats that are recorded prior to the new development fees going into effect will be subject to the previous development fees for a period of 24 months.

Estimated schedule (subject to change):

- January 31<sup>st</sup> – City Council notice
- February 2<sup>nd</sup> – Newspaper and website notice
- April 5<sup>th</sup> – Public Hearing on LUA and IIP
- May 17<sup>th</sup> – Adoption of LUA and IIP
- May 22<sup>nd</sup> – 30 day notice to assess Development Fees
- June 21<sup>st</sup> – Public Hearing on Development Fees
- August 2<sup>nd</sup> – Adoption of Development Fees
- October 16<sup>th</sup> – New Development Fees effective

## Discussion:

**Shelton** asked if any notices will be provided to the public between February 2<sup>nd</sup> and the Public Hearing scheduled for April 5<sup>th</sup>. **McGarvie** stated that notice will be available on the City's website and in the City Clerk's Office. **Mayor Nicholls** added that typically a press release will be issued regarding upcoming public meetings as well as outreach through social media.

### III. REGULAR CITY COUNCIL MEETING AGENDA OF FEBRUARY 1, 2017

Motion Consent Agenda Item B.3 – Cooperative Purchase Agreement: Storm Water Lift Station Repairs (utilizing cooperative agreement for Job Order Contract originated by the Yuma Educational Materials Management Consortium with Yuma Valley Contractors) (Purchasing)

**Knight** asked if the Cooperative Purchase Agreement was being utilized because it is the most cost-effective means of obtaining these services. **Wilkinson** confirmed this is correct, adding that the contractor selected is also a local contractor.

Motion Consent Agenda Item B.4 – Grant Award: Arizona Companion Animal Spay and Neuter Committee (execute the necessary documents to obtain grant funds to support community programs offering spay and neuter surgeries) (Police)

**Knight** asked if the full \$10,000 will be used during the seven-month period covered by this grant. **Wilkinson** stated that it would, adding that the program receives significantly more money than the \$10,000 provided by this grant. **Knight** noted that \$5,000 is set aside for the spaying of feral cats while \$5,000 is for City resident animals and asked if this program is first-come first-served or if it is a co-pay program. **Lekan** explained that the vouchers are issued on a first-come first-served basis, adding that the \$5,000 will not be enough to cover the demand for vouchers. **Mayor Nicholls** asked if matching funds are required for this grant. **Lekan** stated that matching funds are not required. **Wilkinson** added that the \$5,000 for the spaying and neutering of feral cats will be provided to Feline Friends who actually captures the cats, freeing up the City's Animal Control officers.

Regarding Motion Consent Agenda Item B.3, **Shelton** asked if these repairs are being made to the lift station located at 19<sup>th</sup> and McKinley. **Olea** confirmed that they are, stating that this item specifically addresses the lift stations associated with Meadowbrook Subdivision as well as Hacienda Estates.

Introduction of Ordinance O2017-002 – Easement Exchange: Northwest Corner of 16<sup>th</sup> Street and 4<sup>th</sup> Avenue (accept a new utility easement and abandon the prior easement) (Engineering)

**Mayor Nicholls** declared a potential conflict of interest with regard to Ordinance O2017-002 as his firm is involved in the project involving the Easement Exchange.

Public Hearing on O2017-005 – Statutory Compliance Hearing/Amendment: Ordinance O2007-15, 32<sup>nd</sup> Street and Avenue 7 1/3 E (determine compliance with conditions of approval for rezoning and extend time to comply with rezoning conditions) (DCD)

**Knight** asked where the median will be located on 32<sup>nd</sup> Street, noting there does not appear to be enough room for a concrete median. **Lineberry** explained that a median is not required for the rezoning. However, the property owner was required to acknowledge that there may be a median in the future. **Mayor Nicholls** further clarified that this reserves the future right of the City to install a median without objection of the property owner.

#### IV. EXECUTIVE SESSION

There being no further business, **Mayor Nicholls** adjourned the meeting at 6:42 p.m. No Executive Session was held.

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Lynda L. Bushong, City Clerk

APPROVED:

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Douglas J. Nicholls, Mayor