



City of Phoenix

To: General Obligation Bond Executive Committee **Date:** October 10, 2022
From: Diana Yazzie-Devine, Chair, Housing, Human Services & Homelessness Subcommittee
Subject: HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE RECOMMENDATIONS

The Executive Committee charged subcommittees with recommending a rank-ordered list of priorities, including funding levels, for the GO Bond program. The Executive Committee emphasized there is greater need than bond capacity and further instructed subcommittees to only recommend projects that cannot reasonably be deferred to a future bond program.

The Housing, Human Services & Homelessness Subcommittee held three hybrid meetings on August 19, September 9, and September 23, 2022. The Subcommittee was provided detailed information about the prioritized capital needs identified by City staff, which totaled \$61.7 million.

The general public and stakeholders submitted oral and written comments on their priorities, which were considered by the Subcommittee in formulating its recommendations.

After considering the Executive Committee's instructions, information provided by staff, and comments from the public, the Subcommittee identified \$102.1 million in projects for Executive Committee consideration. A rank-ordered list of projects and recommended funding amounts is attached.

I will present at a future Executive Committee meeting the recommendations of the Subcommittee. Vice Chair Suzanne Pfister will attend Executive Committee meetings in my absence as needed.

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee

Rank	Project Name	Total Cost	Other Funds	GO Bond Funds	Ongoing Cost
1	Affordable Housing Property Preservation - Phase 1 Location: Various District: Citywide	33,010,113	0	33,010,113	0
2	Cesar Chavez Senior Center Location: Cesar Chavez Regional Park District: 7, 8	9,707,191	4,000,000	5,707,191	331,705
3	McDowell Senior Center Renovation Location: 1845 East McDowell Road District: 8	1,765,118	0	1,765,118	0
4	Acquisition/Renovation of Property for Shelter Location: Various District: Citywide	22,500,000	0	22,500,000	8,000,000
5	Choice Neighborhoods Housing Development Gap Funding Location: Edison-Eastlake Community District: 8	21,217,878	0	21,217,878	0
6	Innovation in Affordable Housing Program Location: Various District: Citywide	1,000,000	0	1,000,000	0
7	Affordable Housing Development Gap Financing Location: Various District: Citywide	10,000,000	0	10,000,000	0
8	Expansion of The Parsons Center for Health and Wellness Location: 1101 North Central Avenue District: 7	6,886,955	0	6,886,955	0
Housing, Human Services & Homelessness Recommended Total		106,087,255	4,000,000	102,087,255	8,331,705

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Affordable Housing Property Preservation - Phase 1

Rank: 1

Various (District: Citywide)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$33,010,113	\$0	\$33,010,113

SCOPE

Renovate and preserve up to 610 affordable housing units at 4 properties where physical condition assessments have been completed and identified critical needs. Renovations include structural repairs, electrical and mechanical improvements, HVAC replacements, and other updates. Complete Facility Condition Assessments at 16 additional Housing Department properties.

BENEFIT

Mayor and Council approved the Housing Phoenix Plan (HPP) in 2020 that established a goal to create and preserve 50,000 housing units by 2030. The 7th initiative of the HPP is: Expand Efforts to Preserve Existing Housing Stock. This program supports the HPP's mission to preserve affordable housing units in the Housing Department portfolio for low to moderate income families, individuals, seniors, and special populations. All affordable rental properties that benefit from this program are owned by the City and managed by professional management companies. There are no federal funding programs available for on-going maintenance and repairs at these properties. Not funding this program would result in fewer affordable housing units that are suitable for occupancy, higher cost of future repairs and equipment replacements, more frequent disruptions from system outages, and potential safety issues for residents.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	229,120	0	0	0	0	229,120
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	1,704,653	0	1,713,456	0	0	3,418,109
CONSTRUCTION / DEMO	0	14,455,920	0	14,582,400	0	29,038,320
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						324,564
TOTAL PROJECT COST	1,933,773	14,455,920	1,713,456	14,582,400	0	33,010,113

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Cesar Chavez Senior Center

Rank: 2

Cesar Chavez Regional Park (District: 7, 8)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$9,707,191	\$4,000,000	\$5,707,191

SCOPE

Design and construct a new 12,600 square foot multi-purpose senior center adjacent to the Cesar Chavez Community Center.

BENEFIT

The new Cesar Chavez Senior Center would serve seniors in the immediate area as well as many neighboring zip codes. Human Services currently has membership of more than 1,000 seniors that reside near the location of the proposed Cesar Chavez Senior Center.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	171,840	0	0	0	0	171,840
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	2,644,034	0	0	0	2,644,034
CONSTRUCTION / DEMO	0	0	6,746,733	0	0	6,746,733
EQUIPMENT	0	0	88,958	0	0	88,958
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						55,626
TOTAL PROJECT COST	171,840	2,644,034	6,835,691	0	0	9,707,191

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
2006 Bond / Sale of parcel	171,840	2,644,034	1,184,126	0	0	4,000,000

ON-GOING EXPENSES	ANNUAL COST
STAFF	209,813
CONTRACTUALS	93,531
COMMODITIES	1,200
INTERDEPARTMENTAL	27,161
ON-GOING CAPITAL	0
TOTAL OPERATING	331,705

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

**2023 GO Bond Program
Subcommittee Recommendations to Executive Committee
Project Detail**

McDowell Senior Center Renovation

Rank: 3

1845 East McDowell Road (District: 8)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$1,765,118	\$0	\$1,765,118

SCOPE

Renovate the historic McDowell Senior Center. Modernize HVAC equipment, update the electrical system, replace existing plumbing, update the fire suppression system, and restore the building envelope, interior office and meeting spaces.

BENEFIT

Preserve a historic City-owned and maintained building. Extend the useful life of critical equipment and infrastructure. Improve functionality of the building and visitor experience. Ensure continuity of service by reducing the potential for unplanned closures from equipment failure.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	57,280	0	0	0	0	57,280
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	87,435	0	0	0	87,435
CONSTRUCTION / DEMO	0	0	1,189,900	0	0	1,189,900
EQUIPMENT	0	0	0	60,760	0	60,760
MOVE-IN EXPENSES	0	0	356,970	0	0	356,970
<i>PERCENT FOR ART</i>						12,773
TOTAL PROJECT COST	57,280	87,435	1,546,870	60,760	0	1,765,118
OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Acquisition/Renovation of Property for Shelter

Rank: 4

Various (District: Citywide)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$22,500,000	\$0	\$22,500,000

SCOPE

Acquire and rehabilitate one or more facilities to convert to emergency congregate or non-congregate shelter, adding up to 200 shelter beds per site to the region's homeless service system. The proposed shelters will be closed campus with no walk-up services and will prioritize beds for individuals experiencing homelessness in the immediate area surrounding the shelter and other areas of the city where there are large numbers of unsheltered individuals. The sites have not yet been identified.

BENEFIT

According to the Maricopa Association of Governments 2022 Annual Point in Time count, the number of people experiencing unsheltered homelessness in the region has grown 34% in the last two years. There are now more people experiencing unsheltered homelessness than there are people in shelters. The public will see a decrease in unsheltered individuals in the area immediately surrounding the proposed facility or facilities and an overall decrease in unsheltered individuals experiencing homelessness in the region.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	4,500,000	9,497,500	0	0	0	13,997,500
DESIGN / ENGINEERING	300,000	500,000	0	0	0	800,000
CONSTRUCTION / DEMO	2,450,000	4,500,000	0	0	0	6,950,000
EQUIPMENT	225,000	450,000	0	0	0	675,000
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						77,500
TOTAL PROJECT COST	7,475,000	14,947,500	0	0	0	22,500,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	7,000,000
COMMODITIES	0
INTERDEPARTMENTAL	1,000,000
ON-GOING CAPITAL	0
TOTAL OPERATING	8,000,000

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Choice Neighborhoods Housing Development Gap Funding

Rank: 5

Edison-Eastlake Community (District: 8)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$21,217,878	\$0	\$21,217,878

SCOPE

Cover the increased cost for construction, materials, and labor necessary to complete the final phase (Phase IV) of the Edison-Eastlake redevelopment project. Phase IV consists of 364 new, modern, mixed-income rental housing units (286 affordable and 78 market rate).

BENEFIT

Mayor and Council approved the Housing Phoenix Plan (HPP) in 2020 that established a goal to create and preserve 50,000 housing units by 2030. The 3rd Initiative of the HPP is: Redevelop City-Owned Land with Mixed-income Housing. The Edison-Eastlake Community redevelopment project replaces 577 obsolete public housing units with over 1,000 new mixed income units. The City was awarded a \$30 million Choice Neighborhoods Grant from the U.S. Department of Housing and Urban Development in 2018 to transform and revitalize the Edison-Eastlake Community. No additional federal grant funds are available to complete Phase IV of the redevelopment project. Without additional funding, 286 affordable and 78 market rate new rental housing units would not be completed, and community revitalization would be delayed.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	6,873,600	6,994,800	7,139,400	0	0	21,007,800
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						210,078
TOTAL PROJECT COST	6,873,600	6,994,800	7,139,400	0	0	21,217,878

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Innovation in Affordable Housing Program

Rank: 6

Various (District: Citywide)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$1,000,000	\$0	\$1,000,000

SCOPE

Create preapproved designs for Accessory Dwelling Units, Duplexes, Single Family/Tiny Home, and other forms of infill identified in the Housing Phoenix Plan, potentially saving on project costs and time to help develop more affordable units and meet the City's Housing Phoenix Goal of 50,000 new homes by 2030.

BENEFIT

Phoenix is in the middle of a housing and homelessness crisis with imminent risk of ongoing displacement without substantial action. This project seeks to help the City reach its affordable and total unit goals.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	1,000,000	0	0	0	0	1,000,000
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						0
TOTAL PROJECT COST	1,000,000	0	0	0	0	1,000,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Affordable Housing Development Gap Financing

Rank: 7

Various (District: Citywide)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$10,000,000	\$0	\$10,000,000

SCOPE

Provide gap financing to create and preserve affordable housing by providing funding to developers.

BENEFIT

The benefit of this project is the creation and preservation of affordable housing. The consequence would be the lack of additional affordable housing units.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	0	0	0	0	0	0
CONSTRUCTION / DEMO	4,950,495	4,950,495	0	0	0	9,900,990
EQUIPMENT	0	0	0	0	0	0
MOVE-IN EXPENSES	0	0	0	0	0	0
<i>PERCENT FOR ART</i>						99,010
TOTAL PROJECT COST	4,950,495	4,950,495	0	0	0	10,000,000

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0

HOUSING, HUMAN SERVICES & HOMELESSNESS SUBCOMMITTEE

2023 GO Bond Program Subcommittee Recommendations to Executive Committee Project Detail

Expansion of The Parsons Center for Health and Wellness

Rank: 8

1101 North Central Avenue (District: 7)

TOTAL PROJECT COST	OTHER FUNDING	GO BOND FUNDING
\$6,886,955	\$0	\$6,886,955

SCOPE

Expand The Parsons Center for Health and Wellness to create new space for HIV/AIDS treatment and prevention services. Improve existing infrastructure to ensure building operations continue to function without interruption.

BENEFIT

Increase the availability of HIV/STI testing, treatment and prevention. Provide workforce development, youth outreach and support, and culturally responsive primary care, mental health care, case management, nutrition services and education/outreach for the LGBTQ community. This project would increase HIV testing and prevention services by 20-25%, and would also increase support services for people living with HIV/AIDS by 15%.

COST ELEMENTS	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
STUDY	0	0	0	0	0	0
REAL PROPERTY	0	0	0	0	0	0
DESIGN / ENGINEERING	830,560	0	0	0	0	830,560
CONSTRUCTION / DEMO	0	4,896,360	0	0	0	4,896,360
EQUIPMENT	0	1,049,220	0	0	0	1,049,220
MOVE-IN EXPENSES	0	0	53,546	0	0	53,546
<i>PERCENT FOR ART</i>						57,269
TOTAL PROJECT COST	830,560	5,945,580	53,546	0	0	6,886,955

OTHER FUNDING	2024-25	2025-26	2026-27	2027-28	2028-29	5-YR TOTAL
N/A	0	0	0	0	0	0

ON-GOING EXPENSES	ANNUAL COST
STAFF	0
CONTRACTUALS	0
COMMODITIES	0
INTERDEPARTMENTAL	0
ON-GOING CAPITAL	0
TOTAL OPERATING	0