

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION**

Date: June 23, 2011

SUBJECT: Owner Occupied Housing Rehabilitation Guidelines (HRG's)

SUBMITTING DEPARTMENT: Community Development Department

PREPARED BY: Ruth Mayday, Planner, for Richard T. Parker, Community Development Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: A) Resolution No. 1752, and B) Owner Occupied Housing Rehabilitation Guidelines (HRG's)

SUMMARY/BACKGROUND: The Town of Prescott Valley receives federal funding through the Arizona Department of Housing (ADOH) for its Owner Occupied Housing Rehabilitation program. From time to time, staff updates these guidelines to comply with changes in state and federal requirements.

Proposed changes to the Housing Rehabilitation Guidelines (HRG's) are as follows:

- 1) New language that will allow for increases in the project limit (\$25,000 for rehabilitation and \$35,000 for mobile home replacement) to accommodate special project needs. Currently, staff must get Town Council approval to increase the project limits for all projects. With this change, the Community Development Director can administratively approve the increases on a case-by-case basis. Any such increase must be approved by ADOH prior to commencement of work. (P. 12)
- 2) Federal guidelines now require that the OOH program replace existing inefficient appliances and mechanical systems with EnergyStar rated appliances and mechanical systems. Our guidelines presently require energy efficiency upgrades where practical. This change will specify EnergyStar rated substitutions. (P.3)
- 3) Federal guidelines now require all programs to include a home ownership component which includes household budgeting, making timely payments of mortgages and taxes, and consequences of not doing so. (P. 4)
- 4) Inclusion of Community Development staff and reporting structure for the Owner Occupied Housing Rehabilitation program. (P. 11)
- 5) Further clarifies repayment schedule.

Other minor changes have also been made to better clarify the purpose and intent of the program and to clean up language referring to NACOG's previous involvement in the program.

OPTIONS ANALYSIS: Town Council may approve the updated Housing Rehabilitation Guidelines, table the item and direct staff to make modifications to the Guidelines prior to approval, or decline approval.

ACTION OPTION: Motion to Authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1752 adopting the 2011 Housing Rehabilitation Guidelines, **OR** Motion not to approve Resolution No. 1752. **VOTE.**

RECOMMENDATION: Approval of these changes will better clarify the guidelines for program management, and maintain the Town's eligibility to apply for and receive continuing funding for this program. Therefore, staff recommends adopting these changes to the HRG's.

FISCAL ANALYSIS: In 2011, the Town received \$300,000 in rehabilitation funds and \$30,000 in administrative funds to manage this program. The \$300,000 finds its way directly into the local economy, employing un-and underemployed construction workers while benefiting the neediest in our community. An additional \$30,000 is allocated to offset costs related to managing the program.

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____