

**** DRAFT ****
MINUTES
Dixie Area Workforce Housing Affordability Committee
Tuesday, November 25, 2008 - 10:00 a.m.
Washington County Administration Building, Commission Chambers
St. George, Utah

Washington County Commissioner Alan Gardner, Chair, opened the meeting and welcomed those in attendance. Representation of the subcommittees was as follows:

Education Outreach	Rick Wixom
Employer Incentives	Dean McNeill
Financial	Not represented today
Land Availability	Not represented today
Land Use Policies	Rick Rosenberg
Permitting & Fees	Gloria Shakespeare
Project Development	Alan Gardner

Others In Attendance:

Ken Sizemore, Five County AOG
Darren Janes, Five County AOG
Kim Ewers, Hometeck Services
Ty Tippets, Color Country Community Housing, Inc.
Carol Sapp, Southern Utah Home Builders Association
Vardell Curtis, Washington County Board of Realtors
Scott Hirschi, Washington County Economic Development
David Bates, St. George City
Elissa Black, Form Tomorrow

Members Not In Attendance:

Jean Arbuckle, Washington City
George Elwell, Ivins City
Kyle Gubler, LaVerkin City

AGENDA:

The agenda for today's meeting was as follows:

Welcome.....	Alan D. Gardner, Chair
Approval of September 16, 2008 Minutes.....	Alan D. Gardner
DAWHAC News & Updates.....	Darren Janes
Homebuyer Education Seminar	
Workforce Housing Presentation to Hurricane City	
Update on Upcoming Workforce Housing Presentations	
Strategic Plan and Implementation - Priority List.....	Darren Janes
Set Next Meeting Date.....	Committee
Adjourn.....	Alan D. Gardner

APPROVAL OF SEPTEMBER 16, 2008 MINUTES

Chairman Gardner presented minutes of the September 16, 2008 meeting for committee consideration and approval.

MOTION WAS MADE BY MAYOR RICK ROSENBERG, SECONDED BY COUNCILWOMAN GLORIA SHAKESPEARE, TO APPROVE MINUTES OF THE SEPTEMBER 16, 2008 MEETING AS PRESENTED. MOTION CARRIED.

DAWHAC NEWS AND UPDATES

Homebuyer Education Seminar Report (11-10-2008): Darren reported that a homebuyer education seminar was conducted on November 10, 2008. Information was geared towards human resource directors and their prospective employees who are in the market for housing. This provided an illustration of resources that DAWHAC has in place as they relate to home buying. The presentation was more specific in regard to the initial steps for getting into a home. Another presenter provided information on resources which are available to assist people in terms of financing options. In terms of marketing for the seminar, a personalized letter was submitted, as well as a flyer, to top businesses in Washington County. Unfortunately the turn out was less than anticipated or hoped for with a total of only 8 individuals in attendance. Perhaps the timing of the seminar was part of the problem or it may be a result of the difficulty with companies actually bringing on new employees. Staff feels that this information is valuable and would like to schedule another seminar towards late spring. Commissioner Gardner agreed that companies are currently trying to keep their current workforce and not necessarily able to bring on new employees. Vardell Curtis suggested that a good forum for this type of presentation might be area Chamber of Commerce meetings (St. George, Hurricane and Wasington). Provision of this information would also feature DAWHAC as an entity that is trying to be of assistance with workforce housing opportunities. Presentations to these groups should be in the 30-35 minute range. Carol Sapp commented that the seminar was very good and provided a lot of beneficial information. It was pointed out that it is difficult to get people to attend a special meeting but as part of another meeting the audience would benefit from this type of presentation.

Workforce Housing Presentation to Hurricane City (10/16/2008): Darren provided a brief report in regard to the presentation which was made to Hurricane City. There was a good turnout including the mayor, a majority of the city council, several representatives from the planning commission, as well as administrative and support staff. The presentation provided workforce housing information. The receptiveness from those attending was very positive. They were excited to see resources which are in place on the DAWHAC website as well as the groups ability to provide support to their staff. The city council encouraged Darren to schedule time to meet with their planning staff to review the type of resources which are available and to assist with any additional information staff may be developing. Hurricane City is in the process of updating their General Plan which provides the potential to include updated housing related information. As this process moves forward, the planning director will be touching base with Darren to review ordinance related information.

Update on Upcoming Workforce Housing Presentations: A presentation is scheduled for January 21, 2009 with LaVerkin City. Work is progressing with Springdale, Rockville and Virgin to schedule a tri-city meeting. Logistics in pulling these cities/towns together have made this somewhat difficult, but a tentative date of December 17th has been set. The actual presentation takes approximately 10-15 minutes. Commissioner Gardner commented that both St. George City Council and Washington County Commission meetings are televised and would potentially reach

a large audience. It may be good to schedule time on these agendas after the first of the year. Darren indicated that he would continue moving forward to make appointments and provide a progress report at the next meeting.

Ken Sizemore provided an update on some things which impact workforce housing as follows: **1) Neighborhood Stabilization Program (NSP)**-- This is part of the bailout package from the federal government level. Federal dollars are being allocated through the Department of Housing and Urban Development (HUD) via the Community Development Block Grant (CDBG) program to every state. Utah is receiving \$19 million dollars for allocation. Earlier this month the state of Utah held a public hearing in Salt Lake City to solicit public input on how they should spend this money. Prior to this public hearing, he had a long conversation with staff at the Department of Community and Culture about how this program will be implemented. When the program was first announced, each Association of Governments anticipated that funds would be allocated utilizing the same formula used for allocation of regular CDBG dollars for regional implementation. However, this did not occur and the state of Utah will be allocating the entire amount from the state level. They have indicated that through their public hearing and comment process they will be targeting five areas in Utah with this program. One of those five areas is St. George because of the high foreclosure rates exhibited in St. George City proper. At this point, it is uncertain how they will go about this, but comments are being solicited until the end of November. A very strong message was received from state staff that they are seeking an entity who can work statewide, keep administrative costs to a minimum, and work across these five targeted areas. From all indications, this will go to a for profit or a not-for-profit organization who has statewide outreach and will be used for a number of different activities including buying distressed properties or land banking if communities have that desire. Updates will be provided as details are revealed on how this will take place. One thing to note is that their writeup says St. George City proper and surrounding areas. Land banking could include buying homes or raw land which have gone into foreclosure. Examples of an organization which might be selected to administer this program include the Community Development Corporation of Utah, or there are several not-for-profit housing corporations who could reach out statewide. Ty Tippetts indicated that a survey was sent out to all of the non-profit organizations and providers soliciting their input. Land banking in particular provides a good opportunity to tie up land at low prices for affordable housing. He noted that the Community Development Corporation of Utah does a very good job of picking up properties, rehabilitation and selling them back at reasonable prices to eligible families. Members also noted that additional monies are proposed for neighborhood stabilization as part of the second stimulus package proposed at the federal level. Mr. Sizemore indicated that the AOG is looking at capital improvements lists which are submitted on an annual basis to determine which projects are mature and ready to move forward. These will become very important as President-Elect Obama takes office and economic stimulus packages are approved. Infrastructure projects which are designed and ready to go are most likely to receive funding. He encouraged communities to look at their projects and consult with their engineers in terms of which project are ready to proceed. At the regional level, staff is trying to determine what project might be out there which would qualify for this stimulus infrastructure program; and **2) Vision Dixie**-- He reported that Vision Dixie is moving forward under the implementation committee. A meeting was held last week to determine how they are going to report at the Economic Summit which is scheduled for the second week of January. The committee has outlined a number of programs which they will provide reports including Form Tomorrow. This organization is working towards some community projects with some of the smaller communities in Washington County. Information will be provided with the Vision Dixie Report Card the afternoon of the Economic Summit.

STRATEGIC PLAN AND IMPLEMENTATION PRIORITY LIST - FINAL REVIEW

Darren indicated that discussion at the last meeting focused on adoption of the Strategic Plan. The original document was created by this committee and has been in draft format for some time. It is now important to create a clear direction of what this committee is attempting to accomplish. This will be formally established through the Strategic Plan with goals and how those goals can be implemented. He reviewed the Strategic Plan with modifications which have been made. He also proposed that the group review the Implementation Priority List. It is proposed that this information be fine tuned for the next meeting for consideration of adoption. From that point, the plan could be revisited any time that the committee deemed necessary. Hopefully this could be addressed on an annual basis to reevaluate the goals and implementation tools which have been adopted. As success is achieved, the group could add goals. He solicited input from members in regard to the best way to move forward with review of the plan.

Councilman Doug McNeil pointed out that events have overtaken the introduction and this may need to be revisited in terms of reference to property values over the period of 2004 to 2005 as there has been a 36% reduction in these values this year. It could be that available financing is more of a target than whether there are homes available in the proper price ranges. It could also be that employment would be more of the target. He questioned if this is looking at a 5 to 10 year program or something right now. If it is addressing something right now, this would not be on target. Darren was in agreement that the introduction is basically the shell that was in place prior to his assuming the Ombudsman duties at the Association of Governments. His understanding is that the introduction paints the picture of the importance of this committee and the reason why it all came about. This is certainly something that can be modified using more up to date information. Mayor Rosenberg explained that this was the Strategic Plan which was developed in 2005-06 and would likely need to be updated with more current data. A more detailed and concise introduction would be more appropriate including why the group was formed, progress to date and where the group would like to go in the future. As you get into the plan, there will also be a shift in the top five priorities which were previously developed. He pointed out that the Strategic Plan will change as the environment around it changes. This document should focus on where the Committee would like to go from here forward. Goals and priorities will follow the short introduction. It also appears that there will be new assignments resulting from the goals and priorities.

Darren mentioned that it is his assumption that the mission statement and definition of workforce housing would remain the same. It was the consensus of members that these should remain in tact. He asked for input on possible revisions to the goals included in the plan. Mayor Rosenberg commented that the Ombudsman is in place, there are examples of quality based design standards which have been completed, and followup will be required to see if any communities have adopted these standards into their ordinance structure. He suggested that the group review the priority list and then come back to the goals. The top five goals may include adoption of these standards but it will likely be down the list of priorities. Darren explained that his instruction from the last meeting was to add more pertinent implementation priorities which are reflective of the current conditions. Initially there were 100 plus priorities which were identified and ranked by this committee. He reviewed these priorities looking at the most important ones (in terms of ranking) to determine which would be applicable today. A total of 10 additional items have been added to this list. The thought is that this group can prioritize one through 12, then take those into the Strategic Plan and drop the remaining items which have been accomplished. The group also needs to determine which items would need to be revisited in the future. Previously items were ranked by Brad DeMond with a summary provided as a place to begin. Items were rated based on input from this committee as well as input from the public. The existing list has been modified to reflect the most

important ranked items. Rick Rosenberg indicated that a summary of the groups priorities needs to be outlined for further group discussion on the top priorities. Several of the items on the list appear to be similar in nature and could likely be combined. Darren suggested that the group review the implementation priority list to determine the common thread, drop the bottom 10 and present the list at the next meeting as a final list.

Carol Sapp commented that because things have changed today it does not necessarily mean that it will be the same in five years. She pointed out that the group needs to reemphasize to the players that the group is in the process of revising the list and solicit input from those who have yet to respond. Others would like to participate in this process and should be afforded that opportunity. It was suggested that the priority lists be reduced to approximately 18 items which could likely be accomplished by combining items which are of a similar nature. Mayor Rosenberg reviewed those items he felt were closely related as follows: **1) # 6, #7 and # 19--** These are basically educational training type programs being accomplished as core functions of the Ombudsman. These should be a high priority to keep the Ombudsman service functioning to educate the public, home buyers, HR directors and to develop an inventory; **2) #22, and # 23--** Tax abatement dealing with employer assisted housing and employer education. Things which can be done to provide incentives for employers with employer assisted housing.

Darren stated that one thing to keep in mind is that there are goals which are broad as well as the implementation tools to achieve those goals. Mayor Rosenberg commented that focus can be placed on the top five goals and the others would still be there for discussion on an annual or other specified basis. Focusing on the top five goals would provide clear direction on where to expend funding as well as efforts. It was suggested that a new goal list is provided to the entire distribution list for review and input. Darren agreed and noted that he had misunderstood the scope of what the group had asked of him at the previous meeting. The future presentation will include information determined from this process. It was noted that some of the goals will carry over, but it will take some additional time to finalize the Strategic Plan.

OTHER BUSINESS

Ty Tippetts commented that at a recent "Housing Matters Conference" a presentation was made on tax credits. It was stated that even though housing prices have dropped, many individuals are not able to secure loans because of credit issues. Previous credit ratings which would secure a loan are relatively different in today's credit market and require a higher credit score. The individual who provided this course did an excellent job in providing information which was tailored to providers to assist in helping them to understand the importance of home buyers education. Even if homes are available, they may be out of reach for many individuals. Color Country Community Housing (CCCHI) has contacted this presenter to request that this course be made available in St. George. An e-mail with the date of this presentation and an invitation to participate will be provided to DAWHAC members. Commissioner Gardner suggested that CCCHI contact Stan Everett with the local television station to request coverage of this presentation. Carol Sapp commented that she would be happy to make contact with Stan to request coverage of this event.

Ty Tippetts reported that one thing which came out of the Neighborhood Stabilization Program is the Housing Recovery Act of 2008 which has been signed into law by President Bush. This provides the individual state housing authorities who administer low-income tax credits the ability to designate project by project, areas with the "develop area designation". This is referring to low-income housing tax credits. He explained that typically an area will get tax credits up to 100 percent. Up until approximately two years ago, Washington County was in a DBA area which

provided another 3% increase in tax credits. This made it very feasible in Washington County to be able to make these types of projects possible. As of January 1st this designation will be lost for the entire state with the exception of Wasatch County. Even with the availability of houses on the market, there are still a segment of the population who are unable to get into apartments. Sometime during the February/March time frame, the state of Utah will be soliciting public information and support. If this group is able to band together to demonstrate public support, the state of Utah may designate specific projects or perhaps different counties as DBA areas. Because of problems in the existing credit crisis where banks and lending institutions have taken losses, there is no reason for them to purchase low-income housing tax credits. One year ago tax credits were selling for \$.96 but this may drop to \$.65. This would make it virtually impossible to complete a low-income tax credit project in Washington County.

Carol Sapp reported that she has been working with Congressman Matheson to get the FHA limits increased in Washington County. The low rate for Washington County has a detrimental affect. This request has been denied once but it is hoped that a subsequent request supported by the National Homebuilders Association will prove more successful. Ty Tippetts indicated that CCCHI is very supportive of this effort.

Ty Tippetts invited committee members to the open house for the Red Hawk Apartment Complex located in Springdale. The open house is scheduled for Friday, December 5th at 1:00 p.m. Congressman Matheson and representatives of the congressional delegation are scheduled to participate in this event. This is a 24-unit apartment complex with rents as low as \$310.00 per month. Rick Wixom expressed Springdale Towns enthusiasm in this project and the number of individuals who will be able to reside close to their places of employment. The first two buildings are on line and six leases have been signed to date. It is anticipated that all of the apartments will be leased by the end of January.

Ken Sizemore reported that the down payment assistance program, provided through CDBG funds from St. George City, is going very well. The program is being utilized by individuals who are income eligible. However, some individuals are having difficulty meeting qualifications for this program.

Scott Hirschi reported that things from an economic development standpoint are very slow, businesses are not aggressive at all and very reluctant to make any commitments. Several companies have been investigating the area, but do not appear to be very serious at this point. This in part may be timing issues as well as the fact that things would have to change with these businesses in order to make a commitment to expand or relocate. Once there is some stability in the economy it will be easier for companies to make these types of decisions. He expressed his appreciation at being able to comment on the Strategic Plan for this committee and emphasized that this plan has not been touched for a two year period. Conditions have changed tremendously and it should also be noted that the plan was never completed. It was his encouragement for the group to not be limited in any way in regard to what is contained in the plan to date. In respect, the group has to tackle this as almost starting over. The comments about the introduction were very appropriate. As members go through the plan as it is currently constituted, it appears that there are a number of things which need to be changed. For one, the subcommittees have never been formally dismissed or released and this needs to happen because none are functioning at present. The DAWHAC committee needs to release and disband all seven of the subcommittees. These could be revisited in the future as appropriate on an as needed basis. In regard to goals, it would be important for members of DAWHAC to give some thought to establishing three primary goals

for today as it relates to workforce housing and submit those to Darren. At that point, Darren could establish commonality of those three goals submitted by the seven members. This may enable the establishment of five major goals. There would likely be a great deal on continuity between the goals submitted. The implementation tools would then need to be built behind those goals. Goals contained in the original document for the most part are not reflective of today's market which has changed dramatically. DAWHAC has completely different challenges today as opposed to when the original plan was written. This speaks to the importance of the document being dynamic in nature. The original plan seems completely inadequate to meet today's goals. His encouragement is that rather than concentrating on the 23 implementation tools, the group provide and create individual goals which address the need in Washington County today to adjust to workforce housing. As stated previously, it appears that the biggest challenge today with workforce housing is not pricing but more financing required to purchase a home.

Gloria Shakespeare commented that St. George City would like to see an inventory of workforce housing taken across the county to determine what is already available. A lot of the downtown area in St. George consists of rental housing as is also the case with the Dixie Downs area. St. George City is of the belief that there is a surplus of workforce housing available for home buyers. Because the market has changed so drastically, instead of looking to build more workforce housing it would be a great benefit to inventory current levels of workforce housing. Additionally, it appears that financing is a big issue in getting people into the existing housing.

Mayor Rosenberg agreed with Scott Hirschi that it may be a good exercise to write down three goals and see what direction that takes. Once Darren has received the goals he would be able to formulate a draft list of goals. The group could then discuss the implementation tool in conjunction with these goals. Scott Hirschi indicated that for example stabilization of existing neighborhoods would be a goal and an action would be to take an inventory of what is there. Once a goal is determined it would be beneficial to identify desired outputs. Tools or actions would be built under the goal. The actions would provide direction to stabilize these areas. It was suggested that Darren provide an e-mail soliciting three goals from members and those in attendance today. After the group has established goals, the tool box could then be a topic of discussion. Scott Hirschi stated that this group should be looking for what they would like to accomplish through established goals. It is great to solicit input from everyone, but ultimately this plan needs to be owned by DAWHAC. Darren agreed and also noted that it is very difficult for one individual to undertake this entire effort. Support at the city, town and county level is very important in order to accomplish any goals that will be established. In summary, the implementation list will be put on the back burner and this group will proceed to establish goals.

SET NEXT MEETING DATE

Ken Sizemore commented that an agenda item for next meeting will be required to discuss fund-raising. This process is budgeted and financed through June 2009. This group needs to think about continued funding for this effort as well as efforts of the Ombudsman. Mayor Rosenberg asked if the intent is to go back to soliciting bank funding for the upcoming program area. Total funding required to continue this effort for another fiscal year is in the neighborhood of \$20,000.

The next meeting is scheduled for Wednesday, January 7, 2009 at 10:00 a.m. Chairman Gardner thanked everyone for participating.

Meeting adjourned at 11:30 a.m.