CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: **Community and Human Development**

AGENDA DATE: **April 21, 2009**

CONTACT PERSON/PHONE: **William Lilly/541-4643**

DISTRICT(S) AFFECTED: **All Districts**

SUBJECT:
APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include $ amount if applicable.

The El Paso City Council is requested to approve submission of a grant application for the Neighborhood Stabilization Program to the Texas Department of Housing and Community Affairs (TDHCA). It is also requested that the City Manager be authorized to sign the grant application including all understandings, certifications, and assurances contained therein, and apply for, accept, reject, alter, or terminate the grant in the amount of $1,648,634 for the purpose of neighborhood restoration efforts; that the City Manager be authorized to sign any related paperwork, including authorize budget transfers and submit any necessary revisions to the operational plan; and that the City Manager be authorized to execute on behalf of the City of El Paso, any grant amendments or corrections to the initial Grant Agreement which increase, decrease or de-obligate program funds provided that no City funds are required, and any documents to request and accept an extension of the award ending date for the grant.

BACKGROUND / DISCUSSION:
Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

One of City Council's strategic goals is to develop and implement comprehensive neighborhood revitalization programs. As a result, the City of El Paso and the Department of Community and Human Development (DCHD) are committed to undertaking revitalization efforts to promote long-term physical stabilization of distressed neighborhoods.

The new NSP was created to stabilize neighborhoods with high foreclosure rates and neighborhoods that are likely to have such rates. In order to promote neighborhood stabilization, the City would utilize NSP funds to purchase, at a discount, tax-foreclosed, mortgage-foreclosed, and abandoned properties in targeted areas within the City of El Paso for demolition and/or acquisition and rehabilitation.

Targeted areas are areas in which more than 51% of the people had incomes with less than 120% of Area Median Income, as defined by HUD, in the year 2000.

PRIOR COUNCIL ACTION:
Has the Council previously considered this item or a closely related one?

On November 18, 2008, City Council approved a resolution amending the 2005-2010 Consolidated Plan to add a Neighborhood Stabilization Program (NSP) component, amending the City's 2008-2009 Annual Action Plan to add NSP-funded activities, and approval of the International Building Code (IBC) definition of "blighted structure", and authorizing the City Manager to take any actions necessary to accomplish the intent of the resolution upon approval by the City Attorney's Office and Director of Community and Human Development.

On June 26, 2007, City Council approved a regulatory Amendment to the 2005-2010 Consolidated Plan. On August 26, 2008, City Council approved an Amendment to its 2005-2010 Consolidated Plan adding a

Neighborhood Revitalization Strategy Area component, allowing DCHD to request official designation of the areas as NRSAs by HUD, after receiving public comment. Final HUD approval of that amendment is imminent. Many other such amendments have been approved by City Council in prior years.

AMOUNT AND SOURCE OF FUNDING:
How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

Activities in the areas identified above will be funded during 2008-2009 with Community Development Block Grant (CDBG) funds specifically designated for NSP activities. TDHCA announced that the County of El Paso, City of El Paso, or nonprofit entity with the support of either jurisdiction, is entitled to apply for $1,648,634 in direct Texas NSP allocation funds. The City is submitting a formal application to TDHCA for this NSP funding. The deadline for receipt of the application is April 27, 2009.

BOARD / COMMISSION ACTION:
Enter appropriate comments or N/A

N/A

**********REQUIRED AUTHORIZATION**********

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the El Paso City Council approves submission of a grant application for the Neighborhood Stabilization Program to the Texas Department of Housing and Community Affairs (TDHCA); and that the City Manager be authorized to sign the grant application including all understandings, certifications, and assurances contained therein, and apply for, accept, reject, alter, or terminate the grant in the amount of $1,648,634 for the purpose of neighborhood restoration efforts; that the City Manager be authorized to sign any related paperwork, including authorize budget transfers and submit any necessary revisions to the operational plan; and that the City Manager be authorized to execute on behalf of the City of El Paso, any grant amendments or corrections to the initial Grant Agreement which increase, decrease or de-obligate program funds provided that no City funds are required, and any documents to request and accept an extension of the award ending date for the grant.

APPROVED this ____ day of _____, 2009.

THE CITY OF EL PASO:

_____
John F. Cook,
Mayor

ATTEST:

_____
Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:

_____
Marie A. Taylor
Assistant City Attorney

APPROVED AS TO CONTENT:

_____
William L. Lilly, Director
Community and Human Development

Document: #47344/MTAY
CHD/09/RESO/TDHCA-NSP Grant