

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

DEPARTMENT: Community and Human Development

AGENDA DATE: May 28, 2013

CONTACT PERSON/PHONE: William L. Lilly, Director 541-4241

DISTRICT(S) AFFECTED: 2

SUBJECT:

City Council is asked to approve the conversion of affordable homes for first time homebuyers by TVP Non Profit Corporation to affordable rental housing. Construction on the ten units was completed in March 2010; however, since that time only one single-family detached home has been sold. The remaining nine units – eight duplexes and one single-family detached dwelling – have not been sold and TVP is requesting to convert these units to either affordable rental units or lease-to-purchase homes for First Time Homebuyers. It is also requested that the City Manager of the City of El Paso be authorized to sign any contracts or other documents required to complete the rental conversion.

BACKGROUND / DISCUSSION:

The City of El Paso Housing Programs Division issued a Request for Proposals for non-profit Community Housing Development Organizations (CHDOs) to develop affordable housing. TVP was awarded the project for the acquisition and construction of ten affordable homes for First Time Homebuyers. The funding consisted of a \$600,000 Forgivable Deferred Payment Loan from the City's HOME Investment Partnership funding that was set aside to assist CHDO's in developing affordable housing. TVP obtained the additional funding amount of a \$600,000 construction loan thru partnering with El Paso Affordable Housing Credit Union.

Since the construction completion in March 2010, only one home has been sold, despite TVP's and the City's extensive publicity and outreach. In situations such as this, where Homebuyer units have not been sold to an eligible homebuyer, HUD allows the units to be converted to rental (or lease-to-purchase) units as long as they comply with all HOME funding requirements for the period of affordability applicable to such rental units. Therefore, since the original assistance for each unit was \$60,000 each, the affordability period for the rental conversion will be twenty (20) years.

PRIOR COUNCIL ACTION:

City Council approved funding commitment for the development of ten (10) First Time Homebuyer homes to TVP Non-Profit Corporation.

AMOUNT AND SOURCE OF FUNDING:

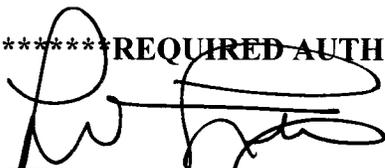
No Additional Funding is Requested

BOARD / COMMISSION ACTION:

N/A

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

DEPARTMENT HEAD:



William L. Lilly

RESOLUTION

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

That the City Council of the City of El Paso hereby approves the conversion of affordable first time homebuyer homes by TVP Non Profit Corporation to affordable rental housing or affordable lease-to-purchase homes for first time homebuyers; and that the City Manager of the City of El Paso be authorized to sign any contract amendments or other documents required to complete the rental conversion.

ADOPTED this 28th day of May 2013.

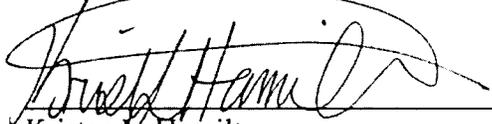
THE CITY OF EL PASO

John F. Cook,
Mayor

ATTEST:

Richarda Duffy Momsen,
City Clerk

APPROVED AS TO FORM:



Kristen L. Hamilton
Assistant City Attorney

APPROVED AS TO CONTENT:



William L. Lilly, Director
Community and Human Development