

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

DEPARTMENT: Community and Human Development

AGENDA DATE: July 28, 2009

CONTACT PERSON/PHONE: William Lilly/541-4643

DISTRICT(S) AFFECTED: Districts 8

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 authorize a commitment of a loan to the Housing Authority of the City of El Paso (HACEP) in an amount up to \$500,000, subject to approval of a grant award to HACEP from the U.S. Department of Housing and Urban Development of a Capital Fund Recovery Competition Grant. The Capital Fund Recovery Competition Grant is the competitive section of the American Recovery and Reinvestment Act (ARRA) for public housing authorities.

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?

The Housing Authority of the City of El Paso (HACEP) is submitting a grant application to the U.S. Department of Housing and Urban Development in the amount of \$9,118,000 to fund the "Paisano Green Communities Development". The location is directly west of the County Coliseum. The Paisano Green Communities Redevelopment consists of the redevelopment an existing 46-unit, vacant HACEP property into a 64-unit development with 44 substantially rehabilitated units and 20 new units serving very low income families and seniors. The Project will consist of nineteen one-bedroom units (nine rehabilitated and 10 new units) and 45 two-bedroom units (thirty-five rehabilitated and 10 new units). Adding 64 households to the neighborhood will have a considerable beneficial impact on the neighborhood's stability and long-term viability.

The primary financing for the development would come from a HUD award of \$9,118,000 under the Capital Funds Recovery Competition (CFRC). This grant is the competitive section of the American Recovery and Reinvestment Act (ARRA) NOFA for public housing authorities. There are several categories of development and modernization for funding under the CFRC, but the most funded category entails the "Creation of Energy Efficient, Green Communities." Funding under this category is competitively awarded; projects must incorporate a wide variety of energy efficient design and construction specifications, and will be awarded additional points for other "green" features.

The Green Communities Criteria Checklist is similar to and purposefully aligned with the better-known LEED® for Homes Green Building Standard™, but was designed specifically with affordable housing in mind, and contains detailed information that addresses aspects of design, development and operations, such as:

- Integrated Design
- Site, Location and Neighborhood Fabric
- Site Improvements
- Water Conservation
- Energy Efficiency
- Materials Beneficial to the Environment
- Healthy Living Environment
- Operations and Maintenance

HACEP has developed a preliminary site plan and scope of work that addresses every one of the mandatory and optional items on the Green Communities Criteria Checklist. These include the installation of photovoltaic (solar) panels, the use of Energy Star appliances and fixtures. Additional features include roofing and paving materials that reduce the heat-island effect and the use of recycled water for irrigation.

The amount of funds for which housing authorities can apply is limited by a formula based on the number and type of units to be built, as well as the CFRC grant's requirement that recipients leverage the grant funds with other funding. HACEP intends to leverage \$1,000,000 from a grant of \$500,000 of non-federal HACEP funds and a loan of \$500,000 from the City of El Paso.

A summary of the sources and uses follows:

CFRC Grant	\$ 9,118,000
HACEP Grant	500,000
City Funds	500,000
<hr/> Total Sources	<hr/> \$10,118,000
Residential Construction Costs	\$ 8,500,000
Construction Cost Contingency	803,000
Soft Costs	815,000
<hr/> Total Uses	<hr/> \$10,118,000

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

No

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?

A loan, the terms to be negotiated, will come from either the CDBG Revolving Loan fund or from HOME Grant funds.

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:

1. That City Council approve a funding commitment to the Housing Authority of the City of El Paso (HACEP) for a loan not to exceed \$500,000 for the following project:

Project: "Paisano Green Communities Development"
Developer: Housing Authority of City of El Paso (HACEP)
Description: Redevelopment of an existing HACEP property for additional housing available to qualified low-income families and seniors (64 units)
Location: Directly west of the El Paso County Coliseum
Source: Unencumbered CDBG RLF or HOME Funds: \$500,000 maximum
Loan Terms: All loan terms, including repayment and interest terms, to be negotiated and submitted to City Council for approval of the final award.

2. That the funding commitment is subject to HACEP receiving an award from the U.S. Department of Housing and Urban Development (HUD) to fund the "Paisano Green Communities Development" under the Capital Funds Recovery Competition (CFRC), a competitive section of the American Recovery and Reinvestment Act (ARRA) NOFA for public housing authorities, and is subject to City Council approval of the terms and conditions for the loan award.

APPROVED this _____ day of _____, 2009.

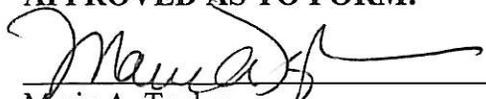
THE CITY OF EL PASO

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