



2019 LOW INCOME HOUSING TAX CREDITS REQUEST FOR MUNICIPAL RESOLUTION

The City of El Paso requires the following information in order to process a request for submittal to the Texas Dept. of Housing and Community Affairs as part of the Low Income Housing Tax Credit request for 2019.

All 9% HTC applicants must fill out Sections A, B, and D. Section C is for 9% HTC applicants seeking City financial support. 4% HTC applicants must fill out sections A, B and D.

- The deadline for 9% Housing Tax Credit Requests for Municipal Resolution is January 28th, 2019 by 5:00 p.m. (MST)

SECTION A: PROPERTY AND CONTACT INFORMATION

1. Applicant/Developer: Housing Authority of the City of El Paso/Paisano Housing Redevelopment Corporation
2. Contact Person: Tom Deloye
3. Applicant Address: 5300 E. Paisano Drive, El Paso, TX 79905
 Phone: 915-849-3813 E-Mail: tdeloye@hacep.org
4. Name of Proposed Development: Sierra Vista
5. Proposed Development Address/Location: 4647 Maxwell St, El Paso, TX 79904
6. Type of Tax Credit requested of TDHCA (ex. 9% Statewide At-Risk or 9% Regional Competitive):
9% Regional Competitive

SECTION B: PROJECT INFORMATION

1. Project Type (rehabilitation, new construction, adaptive reuse, etc.): New Construction
2. Development Type (single family, duplex, high-rise, etc.): multi-family
3. Provide a written narrative explaining why the particular type of tax credit is being requested and how the proposed development meets TDHCA criteria and the City of El Paso adopted Evaluation Criteria for Requests for Local Government Support of LIHTC Proposals. To accomplish this, the narrative should include detailed descriptions of how the proposed development meets each of the criteria for Value Statements 2, 3, 4, and 5 in the City's adopted evaluation criteria (attached to this form). Narrative must be no more than 5 pages, single-spaced, 12 pt. Times New Roman font, 1" margins. Submit as Attachment B-3.
4. Total Cost of Project (as prepared by an Architect, Engineer or Contractor): \$ 17,415,000
5. Cost per square foot: \$ 253
6. Amount of Tax Credits being Requested of TDHCA: \$ 1,500,000
7. Number of Units & Housing mix for proposed development (1, 2 or 3 bedroom) and Number of Affordable Units

Units/bedroom size:	Total Quantity	60% AMI	50% AMI	30%AMI
Efficiency	<u> </u>	<u> </u>	<u> </u>	<u> </u>
1 Bedroom	<u>27</u>	<u>19</u>	<u>5</u>	<u>3</u>
2 Bedroom	<u>36</u>	<u>25</u>	<u>7</u>	<u>4</u>
3 Bedroom	<u>27</u>	<u>19</u>	<u>5</u>	<u>3</u>
4 Bedroom	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals:	<u>90</u>	<u>63</u>	<u>17</u>	<u>10</u>

8. Is the proposed development site properly zoned for proposed development? Yes No

a. Current Zoning: A-2

9. Are the property taxes current for the site? Yes No

If yes, provide a copy of current property tax receipt, or print-out from the Internet Tax Site. Submit as Attachment B-10.

10. Is the property located in a flood zone? Yes No

11. Submit location map showing the project site. Submit as Attachment B-11.

12. Submit project Site Plan. Submit as Attachment B-12.

SECTION C FOR THOSE PROJECTS SEEKING FINANCIAL SUPPORT FROM CITY FUNDS

1. Total amount of funds requested from City HOME/CDBG funds: \$ N/A
Or, total amount of requested fee waiver from the City of El Paso: \$ Fee reduction request. Please see Attached

2. Indicate use of all funds by category and amount (for those requesting HOME/CDBG funds):

Acquisition:	\$ <u>700,000</u>
Design/Soft Costs:	\$ <u>4,430,000</u>
New Construction of Housing Units:	\$ <u>12,285,000</u>
Rehabilitation/Conversion of Housing Units:	\$ _____
Funds from other sources:	\$ _____
Total Project Cost:	\$ <u>17,415,000</u>

3. Relocation of Tenants (for rehabilitation and/or reconstruction developments):

How many of the existing dwelling units are occupied? N/A Vacant? N/A

If completely vacant, how long has the property been vacant? N/A

Are any of the units owner-occupied? N/A

Will Temporary or permanent relocation be required? N/A

4. Section 3 Agreement (for those requesting HOME/CDBG funds): If the project construction amount totals more than \$200,000, the owner/contractor agrees to exceed the Section 3 requirements by: (1) awarding at least 20% of the total dollar amount of all covered construction contracts to Section 3 businesses; and (2) offering 50% of new employment opportunities to Section 3 businesses. Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods. The HOME and CDBG funds administered by the City necessitate following Section 3 provisions.

Do you agree to exceed the Section 3 requirements noted above? Yes No

5. Submit the following financial documents (for those requesting HOME/CDBG funds):

a. Applicant's financial statement or most recent audit. Submit as Attachment C-5.a.

b. Applicant's Current Income Tax Return. Submit as Attachment C-5.b.

6. Submit the following Relocation documents (when applicable):

- a. Copy of Relocation Plan. Submit as Attachment C-6.a.
- b. Proof of approval of Relocation Plan by HUD. Submit as Attachment C-6.b.
- c. List of all households to be displaced, list must include date of issuance of General Information Notices and date of issuance of Relocation Notices for all households. Submit as Attachment C-6.c.

Please note: Phase I Environmental Assessment must be submitted to Community & Human Development for review prior to execution of any HOME or CDBG funding agreements.

SECTION D. CERTIFICATIONS


RETURN COMPLETED 9% HTC REQUESTS FOR MUNICIPAL RESOLUTION WITH ALL ATTACHMENTS NO LATER THAN JANUARY 28th, 2019 BY 5:00 PM (MST)

**TO: Mark Weber, Interim Community Development Planning Manager
Community and Human Development Department
801 Texas Avenue – Third Floor
El Paso, Texas 79901
(915) 212-0138 or (915) 212-1682**

4% HTC REQUESTS FOR MUNICIPAL RESOLUTION WILL BE ACCEPTED ON A ROLLING BASIS THROUGHOUT THE YEAR

Person authorized to sign on behalf of proposed development:

I/we declare that I/we have examined this request and, to the best of my/our knowledge and belief, the information contained therein is true, correct, and complete.

Signature (required):  _____
Printed Name/Title: _____

Date: 1/28/19

FOR STAFF USE ONLY: Received by: _____ Date: _____
Review for Completeness by: _____

SIERRA VISTA
ATTACHMENT B-3

Introduction

The Housing Authority of the City of El Paso (“**HACEP**”), in conjunction with its affiliated entities including Paisano Housing Redevelopment Corporation (“**PHRC**”) are submitting this application to construct the Sierra West apartments (“Sierra West”) using 9% low income housing tax credits through the 9% Regional Competitive Set Aside funding pool administered by the Texas Department of Housing and Community Affairs (“**TDHCA**”). HACEP is seeking tax credits for this and other projects during the Calendar Year 2019 application in the 9% Regional Competitive Set Aside for this year’s tax credit cycle.

Sierra West will be a new apartment development that will house a diverse group of residents. HACEP is proposing to utilize 9% tax credits and other financing sources to construct and relocate residences to Sierra West. This project, if approved to proceed, would be part of HACEP’s conversion of its public housing units as part of the federal Rental Assistance Demonstration project (“**RAD**”). As the City of El Paso is aware, HACEP is in the midst of a portfolio-wide RAD conversion of virtually all of its public housing units. The RAD program allows HACEP to utilize private and public financing, at no cost to local taxpayers, to renovate, rehabilitation and/or reconstruct public housing apartments. After a property undergoes a “RAD conversion,” the residents transition from one federally-subsidized housing program (public housing) to a more streamlined and efficient program (project based rental assistance), which is a seamless transition from the resident’s perspective but which benefits HACEP and the community. After a RAD conversion is complete, the residents enjoy a more modern, more energy-efficient, more secure, and more aesthetically-pleasing residential property. HACEP benefits as well, not only from the apartment’s cash flow, but HACEP obtains a newer apartment that is easier to maintain and lease. The community benefits as well, as the newly-constructed or renovated property adds to and enhances the surrounding neighborhood.

Value Statement 2

Sierra West supports breaking the cycle of poverty and supporting upward mobility of residents by either directly providing or facilitating availability of social services. It provides a basis and guide to aid all involved parties, and provides residents with affordable housing opportunities. With the help of various parties, El Paso will connect neighborhoods and develop a foundation which will help it move towards an exciting future. With Paisano Housing Redevelopment Corporation, a non-profit public facility corporation under HACEP (“**PHRC**”), as part of the development team, Sierra West addresses the plan’s endeavors, which emphasizes housing in El Paso. Sierra West complies with the overall goals to maintain sustainable and an efficient housing supply, preserve and revitalize El Paso’s neighborhoods, transformation of neighborhoods into walkable and connected communities. Sierra West will expand affordable housing opportunities by utilizing new tools, technologies, and partnerships.

Sierra West will be located in an area in which the development will be considered infill. This will grant greater educational opportunities to residents to access museums, cultural affairs, civic buildings, and educational experiences.

The development welcomes non-traditional households, promoting mixed populations and embracing diversity. As traditional households evolve, so will the financial capacities. These factors are playing an unprecedented role in determining housing needs, and availability to a wide array of choices is essential. Sierra West provides the neighborhood quality and affordable housing. It will serve different populations without making any social economic distinctions. As part of this effort, special needs populations, in particular veterans and homeless, are served and ADA units are built.

It encourages green practices and conserves environmental resources, reducing the cost of infrastructure. As part of the design, it will incorporate the applicable criteria necessary to bring energy efficient housing. It also promotes infill developments, preserving existing neighborhoods. By utilizing available land, incorporation of neighborhoods is endorsed, deterring the need to move to the outskirts of town.

The development also has “front door” access to El Paso’s public transportation. Residents will have availability to all major travel corridors and the newly added Rapid Transportation System. Another component of making transit more accessible is the incorporation of bicycle parking that will be separate from regular automobile parking. Through this amenity, residents will be able to capitalize on the network of city streets. Making this alternative form of transportation more attractive, and dependency on automobiles unwarranted. Neighborhood amenities are also accessible. Overall the development promotes the concept of live and work closer together, and this is especially valuable for family members who are care providers.

Sierra West also aids in the effort to stimulate and enhance economic development in the surrounding area. The construction of this development will not only revitalize an historic neighborhood, but protect them as well. Additionally, through collaboration between the City of El Paso, Workforce Solutions Borderplex, and HACEP, a diverse workforce is incorporated into the process. As a result of this, a number of programs, including Section 3, will be utilized to help this development come to life. Through the Family Self-Sufficiency (FSS) Program administered by HACEP, home ownership is also encouraged. FSS utilizes resources to assist head of households set goals and develop an action plan. Over a period of time, residents achieve economic security, saving a significant amount to buy and sustain a house. HACEP’s FSS Program is the leading home ownership placement program in the El Paso area, with significant history over several years of transitioning low-income residents from subsidized affordable housing to the American dream of home ownership.

Value Statement 3

Sierra West is a housing development which will apply for tax credit financing under the 9% Regional Competitive Set-Aside, and the development is part the RAD initiative. Due to the redevelopment and relocation of Sierra West, TDHCA will consider the development New Construction.

This type of development meets the TDHCA criteria of promoting the edification of high quality housing. Unit sizes and features have been enhanced with no additional charge to the residents. These amenities will enhance the overall quality of life for the residents, and incorporate Green

Building elements. Over 20% of the low income units are 50% or less of the AMGI, and at least 10% of the rents are at 30% or less of the AMGI.

Sierra West is committed to serve and support Texans most in need. It will provide a combination of supportive services along with adequate space for these. These services may include, but not limited to GED preparation classes, annual health fair, Notary services, and/or providing a full-time residents service coordinator. These services may be modified as resident needs change. In conjunction to these services, the development is including a set of units specifically with residents with special needs. These units are over and above the mandated handicap and visually and hearing impaired units.

Residents are given an opportunity through gathering points/areas for inclusiveness and afforded an opportunity to access public services because the development is with-in steps to public transportation and is also conveniently located near various community assets. Schools, medical facility, outdoor public recreation, religious institution, post office, convenience store, civic offices, and restaurants to name of few. Sierra West will include barrier free access by residents to the immediate neighborhood and commercial/public services. The community will feature gathering points/areas to bring together the residents with neighborhood residents. And the resident's quality of life amenities/walkability is excellent with its location.

The community is engaged and has provided vital support to Sierra West. The City of El Paso, will discuss and consider passing a resolution of local support and commitment for the tax credit property. We anticipate backing for this development continues with the support of various community organizations such as Project Bravo and the YWCA. The development meets the goals, objectives, and the overall criteria set forth by TDHCA.

Value Statement 4

HACEP has a statutory mandate to serve low-income families in El Paso. This means that HACEP has been, and will remain, the leading provider of affordable housing in El Paso. HACEP has a longstanding commitment to and partnership with the City of El Paso. It's local presence and long-term accountability dates to almost 80 years of continuous service.

Prior to the initiation of the RAD conversion, HACEP received about \$10 million a year in Capital Funds from the US Department of Housing and Urban Development (HUD) for the Rehabilitation/Modernization of approximately 6,000 public housing units. Once RAD is completed, although Capital Funds will cease to be provided under that name, the concept of funding long-term care and maintenance of HACEP's housing will remain as part of the cash-flow structure of HACEP's properties.

In 2005, HACEP was awarded from HUD a HOPE VI Revitalization grant in the amount of \$20 million for the revitalization of Alamito Apartments, a development comprised 349 public housing units. HACEP obtained 4% tax credits for the 76 elderly units of the Alamito Terrace complex (General Partner – Alamito Terrace GP, LLC) and received \$3,358,396 in tax credit equity contributions, and for 142 multi-family units of the Alamito Gardens complex (General Partner – Alamito Gardens GP, LLC) receiving \$7,129,987 in tax credit equity contributions.

As a result of President Obama's American Recovery and Reinvestment Act (ARRA) HACEP was awarded \$12.7 million in Capital Funds from HUD for the rehabilitation of public housing properties. HACEP successfully met the shortened obligation and expenses deadlines of this grant. HACEP replaced the roofs of over 50% of the total public housing units. Additionally, HACEP applied for a competitive ARRA grant for the development of a Green Community and was successful in receiving a grant for \$8.3 million. The Paisano Green Community was completed in June 2012.

Earlier, HACEP partnered with a third-party developer to obtain housing tax credits. HACEP, the Hunt Companies, and Investment Builders, Inc. (IBI), broke ground on 'Eastside Crossings,' a mixed-income, mixed-finance apartment community. The property features 188 units of conventional public housing, affordable housing, and market rate units. The development features units built to LEED Silver energy efficiency standards. Construction of the \$22 million community was completed in fall 2014.

In 2014, the Texas Department of Housing and Community Affairs awarded HACEP \$2.2 million in housing tax credits for the Haymon Krupp and Tays development. Construction began in 2015, and was completed at the end of 2016. Additionally, in July 2015 HACEP was awarded approximately \$2.5 million in housing tax credits for the reconstruction of Thomas Westfall Memorial Apartments, which was to top application in the At-Risk set aside, and Sherman Plaza. Construction was completed in 2017. In July 2016 HACEP was awarded \$3 million in housing tax credits for the reconstruction of two new developments, which were named Commissioners Corner and Gonzalez Apartments and totaling 338 units. Commissioner's Corner and Gonzalez Place will soon have residents moving in. And in July 2017 HACEP was awarded \$3 million in housing tax credits for the reconstruction of two new developments, which are named The Blue Flame Building and Medano Heights respectively. These developments each receive full support from the City of El Paso.

In summary, HACEP continues to be engaged with the implementation of its RAD program. Our RAD experience, years now in the making since 2014, and with a projected \$1.3 billion in planned construction projects through its completion, is second to none in the State of Texas and nationally. This represents rehabilitation and new construction of over 2,624 (thru 12/31/18) affordable housing units. We possess a strong development team, as well as continue to operate our properties to provide affordable housing for low and very-low income households in El Paso. HACEP enjoys a strong partnership with The City of El Paso and together with its local staffs build the market in affordable housing in El Paso. The HACEP team has more than 5 years' experience with financing, building, operating and managing affordable housing in El Paso. As well HACEP continues in its historic commitment to affordable housing with our holding, managing and operating affordable housing development for at least 10 years in El Paso. As stated earlier, our history includes 80 continuous years of affordable housing in El Paso.

Value Statement 5

Since the adoption of the first City Plan of El Paso in 1925, this document has become the cornerstone in making El Paso the city it is today. It has stayed true to its purpose of promoting

the convenience of its population, improve health, provide different recreational options, and beautify El Paso as a whole. El Paso may be the 19th largest city in the nation, but more importantly, it continues to rank as one of the safest cities in the nation. It's not only the home to Fort Bliss, but it also has become the retirement place of choice for many troops. These factors, along with historic advantages and economic diversity, play a factor to the City's success.

Sierra West meets the City's smart growth initiative as set out in Plan El Paso and established sound business practices to ensure the Mission, Vision, and Values of the City of El Paso are preserved. Sierra West conserves environmental resources, spurs economic investment, and reduces the need for infrastructure and services. Although the development is a relocation and redevelopment, it is considered an infill. Its strategic location provides a housing option, which has activities within walking distance, proximity to neighborhood services, and public transportation alleviating the dependency on automobiles. Sierra West will bring stability to its neighborhood not only by building affordable housing, which include ADA and VHI units, but through different resident programs. The development encourages the participation of community associations, JWRC Resident Council plays a vital role in addressing the needs of the residents. Supportive Services, which are tailored to the community, will be available to the residents as well. Residents are encouraged to participate in the Annual Art Contest and the "HOT" Summer Program, which is a day proclaimed by the Mayor. The applicant/developer also sponsors the Family Self Sufficiency program, to promote home ownership.

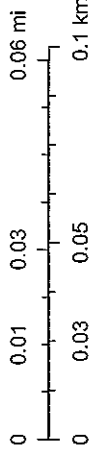
The project will promote a healthy, productive, and safe community. It will partake in various health fairs. Additionally, the developer, in collaboration with the US VA has hosted the Community Health Summit and has been recognized by Paso Del Norte for being Smoke Free. The development will promote and provide a safe and healthy environment to our four legged residents. As an outreach to Vets and other special needs residents is made, service animals are welcomed. Energy efficiency initiatives will be incorporated into the design of this development, thus reducing operational costs and energy consumption. Sierra West will comply with environmental regulatory requirements. With the help of various local, state, and federal agencies, the rehabilitation of these units will ensure the development meets all necessary codes. Through pest control, Sierra West will be treated for "unwelcomed" guests assisting in hosting a healthy community and surrounding areas. Recovering from an extreme weather event can be achieved through many ways, but our strongest ally is education. Though the help of the resident councils and by hosting health fairs, thus instructing the residents will help minimize the damage families will endure. Achieving individual resiliency for El Paso residents.

In summary, the planned Sierra West project meets City smart growth initiative as set out in Plan El Paso. For example, the project is planned in a central downtown location and will develop an existing vacant and underutilized property. This development will infuse residents to a key area of downtown that will bolster the downtown population density. The City of El Paso is much more than brick and mortar, its foundation is its people, and with the help of various parties, Sierra West will help the City of El Paso connect neighborhoods and develop a society which will help it move towards an exciting future.

Viewer Map



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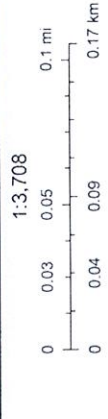


January 4, 2019

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TX Orthomagery Program, USDA FSA, DigitalGlobe, GeoEye

Viewer Map



TX Orthomagnery Program. USDA FSA. DigitalGlobe. GeoEye
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January 29, 2019

*Sierra Vista
4547 Maxwell*