

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

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** January 20, 2015

**CONTACT PERSON/PHONE:** Verónica R. Soto, AICP, Director/(915) 212-0138

**DISTRICT(S) AFFECTED:** 2, 4, 6, 7, 8

**SUBJECT:**

APPROVE a resolution of no objection for thirteen (13) Housing Authority of the City of El Paso (HACEP) applications to the Texas Department of Housing and Community Affairs (TDHCA) for Low Income Housing Tax Credits (LIHTC) in the 4% Non-Competitive Statewide Pool.

**BACKGROUND / DISCUSSION:**

The 4% Housing Tax Credit program, also referred to as the non-competitive tax credit program, consists of applications that do not compete against one another. These bond-financed developments apply under a non-competitive process, and tax credits are, generally, automatically available in conjunction with tax-exempt bond financing.

HACEP has submitted initial documents to TDHCA for 4% tax credit applications for thirteen (13) separate rehabilitation/reconstruction projects. These requests are to be considered at a board meeting of TDHCA on February 19, 2015. HACEP is implementing a strategy under the HUD Rental Assistance Demonstration (RAD) Program to preserve the affordable housing stock in their inventory. RAD allows for public housing authorities to utilize Section 8-based housing vouchers and rental assistance, providing a more stable stream of funding to ensure that necessary capital investments in existing affordable housing stock can be implemented in a timely manner.

As 4% tax credit program funds are non-competitive, and as successful applications by HACEP to TDHCA will improve the affordable housing stock of the City of El Paso, staff recommends that Council provide a resolution of no objection for all thirteen (13) HACEP applications.

**PRIOR COUNCIL ACTION:**

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

Council approved a Resolution authorizing the Mayor to sign a Certificate of Approval for issuance of Bonds for the HACEP RAD Conversion Program Phase I Project on January 6, 2015

**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? - Not applicable**

**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A - Not applicable.**

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** VR Soto  
(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

**WHEREAS**, the Housing Authority of the City of El Paso, Texas (HACEP) has proposed Developments for affordable rental housing that will be located in the City of El Paso; and

**WHEREAS**, HACEP has submitted Applications to the Texas Department of Housing and Community Affairs (TDHCA) for 2015 4% Housing Tax Credits for the proposed developments described herein.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

1. That in accordance with the requirements of Texas Government Code §2306.67071 and Texas Administrative Code §10.204(4), it is hereby found that:
  - a. Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a); and
  - b. The Governing Body has had sufficient opportunity to obtain a response from HACEP regarding any questions or concerns about the proposed Developments; and
  - c. The Governing Body has held a hearing at which public comment may be made on the proposed Developments in accordance with Texas Government Code, §2306.67071(b); and
  - d. After due consideration of the information provided by HACEP and public comment, the Governing Body does not object to the following proposed Applications:
    - i. Everett Alvarez Apartments, 8247 N Loop, El Paso, TX 79907, Townhome community with 96 units and all will be for low income tenants.
    - ii. J.E. Anderson Apartments, 741 Lafayette, El Paso, TX 79907, Duplex community with 58 units and all will be for low income tenants.
    - iii. Lt. Palmer Baird Memorial Apartments, 4747 Atlas, El Paso, TX 79904, Apartment community with 55 units and all will be for low income tenants.
    - iv. Woodrow Bean Apartments, 1313 N St Vrain, El Paso, TX 79902, Apartment community with 31 units and all will be for low income tenants.



- v. Dwight D. Eisenhower Memorial Apartments, 5628 Eisenhower, El Paso, TX 79924, Duplex community with 194 units and all will be for low income tenants.
- vi. Juan Hart Memorial Apartments, 4861 Atlas, El Paso, TX 79904, Fourplex community with 48 units and all will be for low income tenants.
- vii. Lyndon B Johnson Memorial Apartments, 9000 Roanoke, El Paso, TX 79904, Primarily Duplex community with 126 units and all will be for low income tenants.
- viii. Kennedy Brothers Communities, 400 S Zaragosa, El Paso, TX 79907, Apartment and single family community with 364 units and all will be for low income tenants.
- ix. Rafael Marmolejo Jr. Memorial Apartments, 600 North Carolina, El Paso, TX 79915, Apartment community on two sites with 292 units and all will be for low income tenants.
- x. Aloysius A. Ochoa Apartments, 8820 Old Country Rd. El Paso, TX 79907, Senior Primarily Fourplex community with 70 units and all will be for low income seniors.
- xi. Raymond Telles Manor, Padres Dr and Buena Park Dr, El Paso, TX 79907, Duplex community with 68 units and all will be for low income tenants.
- xii. Harry S. Truman Apartments, 7919 Meraz, El Paso, TX 79907, Townhome community with 90 units and all will be for low income tenants.
- xiii. George Webber Memorial Apartments, 110 Whittier, El Paso, TX 79907, Town home community with 98 units and all will be for low income tenants.

- 2. That for and on behalf of the Governing Body, Richarda Duffy Momsen, City Clerk is hereby authorized, empowered, and directed to certify this resolution to the Texas Department of Housing and Community Affairs.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

*(Signatures on following page)*



**THE CITY OF EL PASO:**

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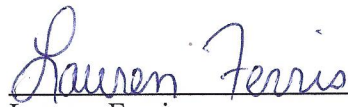
Oscar Leeser  
Mayor

**ATTEST:**

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Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**



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Lauren Ferris  
Assistant City Attorney

**APPROVED AS TO CONTENT:**



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Verónica R. Soto, AICP, Director  
Community and Human Development  
Department



## RESOLUTION

CITY CLERK DEPT.

2014 DEC 16 PM 4:19

**WHEREAS**, the Alamito Public Facilities Corporation, a public facility corporation of the Housing Authority of the City of El Paso, Texas (the "Authority"), is in the process of issuing its Alamito Public Facilities Corporation Multi-Family Housing Revenue Bonds, Series 2014 in the amount of \$125,000,000.00 (the "Bonds") for the HACEPT RAD Conversion Program Phase I Project (the "Project") for the costs of acquisition and rehabilitation of thirteen multifamily residential rental developments; and

**WHEREAS**, a Certificate of Highest Elected Official of the City of El Paso, Texas is required to approve the issuance of the Bonds and this Certificate is solely for the purposes of Section 147(f) of the Internal Revenue Code and the City of El Paso Texas shall have no liabilities for the payment of the obligations nor shall any of its assets be pledged to the payment of the obligations.

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

THAT the Mayor of the City of El Paso, Texas be authorized to sign the Certificate of Approval of the Highest Elected Official attached hereto and made a part hereof.

**SIGNED** this \_\_\_\_\_ day of January 2015.

**CITY OF EL PASO**

\_\_\_\_\_  
Oscar Leaser  
Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Sylvia Borunda Firth  
City Attorney



CITY CLERK DEPT.  
2014 DEC 16 PM 4:19

APPROVAL OF HIGHEST ELECTED OFFICIAL

WHEREAS, a public hearing was held by Alamito Public Facilities Corporation (the "Issuer") on December 10, 2014 (after publication of a Notice of Public Hearing (the "Notice of Public Hearing") in the El Paso Times at least one time with the first publication appearing 15 days prior the date of the Public Hearing) and [members of the public appeared at such public hearing, as shown in the Minutes of the Public Hearing attached hereto as Exhibit A (the "Minutes")]; and

WHEREAS, it is necessary for the undersigned, as the highest elected official of the City of El Paso, Texas, to approve the issuance by Alamito Public Facilities Corporation (the "Issuer"), a public facility corporation of the Housing Authority of the City of El Paso, Texas, of its \$125,000,000 Alamito Public Facilities Corporation Multi-Family Housing Revenue Bonds, Series 2014 (HACEP RAD Conversion Program Phase I Project), hereinafter referred to as the "Bonds", and the financing therewith of a portion of the costs of acquisition and rehabilitation of the certain thirteen multifamily residential rental developments described in the Notice of Public Hearing and in the Minutes (collectively, the "Development"), to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code");

NOW, THEREFORE, the undersigned Mayor of the City of El Paso, Texas, hereby approves the issuance, sale, execution and delivery of the Bonds and the financing of the Development described therein in an amount not to exceed \$125,000,000, and such approval shall be solely for the purposes of Section 147(f) of the Code and the City of El Paso, Texas shall have no liabilities for the payment of the obligations thereunder nor shall any of its assets be pledged to the payment of the obligations thereunder.

In Witness Whereof, I have set my hand this \_\_\_\_\_.

**CITY OF EL PASO**

\_\_\_\_\_  
Oscar Leeser  
Mayor

**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

**APPROVED AS TO FORM:**

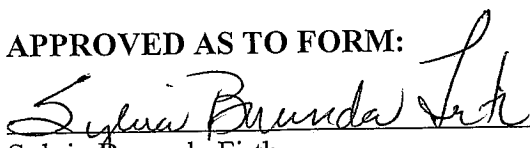
  
\_\_\_\_\_  
Sylvia Borunda Firth  
City Attorney



EXHIBIT A

Minutes of Public Hearing



MINUTES OF PUBLIC HEARING  
Alamito Public Facilities Corporation

Re: \$125,000,000 Alamito Public Facilities Corporation Multi-Family Housing Revenue Bonds, Series 2014 (HACEP RAD Conversion Program Phase I Project)

I, Art Provenghi, Hearing Officer of Alamito Public Facilities Corporation (the "Issuer"), a public facility corporation of The Housing Authority of the City of El Paso (the "Sponsor"), the issuer of the captioned series or bonds (the "Bonds"), called the Public Hearing of the Issuer to order at 10:00 a.m. on Wednesday, December 10, 2014 in the Board Room of the Administrative Offices of the Sponsor, 5300 E. Paisano, Drive, El Paso, Texas 79905.

I announced that I, Art Provenghi, was the Hearing Officer of Alamito Public Facilities Corporation (hereafter called the "Issuer"), a public facility corporation of The Housing Authority of the City of El Paso, Texas, the issuer of \$125,000,000 Alamito Public Facilities Corporation Multi-Family Housing Revenue Bonds, Series 2014 (HACEP RAD Conversion Program Phase I Project) (hereafter called the "Bonds") for El Paso RAD I, LTD. (or a related person or affiliate thereof) (hereafter called the "Borrower", whose sole general and managing partner is Paisano El Paso RAD I, Inc.), which Bonds are proposed to be issued to finance a portion of the costs of acquisition and rehabilitation of the following thirteen multifamily residential rental developments, commonly known as, containing the characteristic, and located as follows (collectively, the "Development"):

- Dwight D. Eisenhower Apartments – containing approximately 194 units and located at 5628 Eisenhower Avenue, El Paso, El Paso County, Texas 79924
- Woodrow Bean Apartments – containing approximately 31 units and located at 1313 North Saint Vrain, El Paso, El Paso County, Texas 79902
- Juan Hart Memorial Apartments – containing approximately 48 units and located at 4861 Atlas Avenue, El Paso, El Paso County, Texas 79901
- Lt. Palmer Baird Memorial Apartments – containing approximately 55 units and located at 4747 Atlas Avenue, El Paso, El Paso County, Texas 79904
- Lyndon B. Johnson Apartments – containing approximately 126 units and located at 9000 Roanoke Drive, El Paso, El Paso County, Texas 79904
- Rafael Marmolejo, Jr., Apartments – containing approximately 292 units and located at 600 North Carolina Drive, El Paso, El Paso County, Texas 79915
- Everett Alvarez Apartments – containing approximately 96 units and located at 8247 North Loop Drive, El Paso, El Paso County, Texas 79907
- Harry S. Truman Apartments – containing approximately 90 units and located at 7619 Meraz Avenue, El Paso, El Paso County, Texas 79907



- J.E. Anderson Apartments – containing approximately 58 units and located at 741 Lafayette Drive, El Paso, El Paso County, Texas 79907
- Kennedy Brothers Communities – containing approximately 364 units and located at 447 South Schutz Road, El Paso, El Paso County, Texas 79907
- George Webber Memorial Apartments – containing approximately 99 units and located at 110 Whittier Drive, El Paso, El Paso County, Texas 79907
- Raymond Telles Manor Apartments – containing approximately 68 units and located at Padres Drive and Buena Park Drive, El Paso, El Paso County, Texas 79907
- Aloysius A. Ochoa, S.J. Apartments – containing approximately 70 units and located at 8820 Old Country Road, El Paso, El Paso County, Texas 79907

which Development will be initially owned by the Borrower, the total cost of which Development will not exceed \$250,000,000 and the total amount of the Development to be financed through the issuance of tax-exempt bonds will not exceed \$125,000,000.

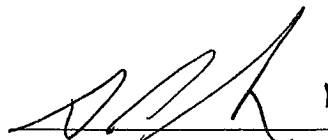
I declared that a Public Hearing, required under Section 147(f) of the Internal Revenue Code of 1986, was open for purposes of discussing the Bonds and the project to be financed, refinanced or acquired with the Bonds (the “Project”) by El Paso RAD I, LTD. (or a related person or affiliate thereof) (hereafter called the “Borrower”, whose sole general and managing partner is Paisano El Paso RAD I, Inc.).

I declared that the required notice of the Public Hearing for the Project was published at least once on November 25, 2014 in the *El Paso Times*, being a newspaper of general circulation in El Paso, Texas, as evidenced by an Affidavit of Publication attached hereto as Exhibit A.

I proceeded to hold the Public Hearing. Comments and discussions with respect to the Bonds and the Project are summarized in Exhibit B, attached hereto.

After sufficient time was given for all present to make their comments with respect to the Bonds and the Project, I declared the Public Hearing closed.

Dated: December 10, 2014.



Art Provenghi, Hearing Officer

Alamito Public Facilities Corporation, a public facility corporation of The Housing Authority of the City of El Paso, Texas



## MEMORANDUM

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**TO:** Mr. Art Provenghi, General Counsel  
Housing Authority of the City of El Paso

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**FROM:** Bill Avila, Partner  
Bracewell & Giuliani LLP

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**DATE:** December 11, 2014

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**RE:** SUMMARY STATEMENT REGARDING  
REQUEST FOR "APPROVAL OF HIGHEST  
ELECTED OFFICIAL"

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### Question Presented

Please describe the legal requirement and procedures related to the "Approval of the Highest Elected Official" in connection with the Housing Authority of the City of El Paso ("HACEP") HACEP's financing of its RAD Conversion Program Phase I Project.

### Answer

The U.S. Department of Housing and Urban Development ("HUD") has established its Rental Assistance Demonstration Program (the "RAD Program"), which provides an opportunity to local housing authorities in the U.S. to convert their public housing stock from public housing to Section 8 multifamily housing in an attempt to address the \$26 Billion backlog of capital improvements across the U.S. In December 2013, HUD approved HACEP's application to convert 6,100 public housing units through the RAD Program.

HACEP is utilizing the 4% "low income housing tax credit ("LIHTC") program" administered by the Texas Department of Housing and Community Affairs ("TDHCA") to generate equity for the financing of the conversion to RAD and, thereby, reduce the amount of debt required to accomplish the financing of RAD conversion program.

The LIHTC program is available, however, if a portion of the financing involves the use of tax-exempt debt. The RAD Conversion Program financing qualifies for tax-exempt financing if certain federal and state law procedural requirements are met. In furtherance of the state law requirements, HACEP filed an application for, and received a "Private Activity Bond Cap Allocation Reservation" from the Texas Bond Review Board ("BRB") for a private activity tax-exempt bond allocation in the amount of \$125,000,000 for thirteen of its existing public housing complexes covering 1581 units, which will enable a subsidiary of HACEP, in this instance



# BRACEWELL & GIULIANI

Memorandum to Art Provenghi

December 11, 2014

Page 2

Alamito Public Facility Corporation, to issue up to \$125,000,000 in tax exempt bonds to finance a portion of the costs of the RAD conversion for those thirteen multifamily housing complexes.

Section 147(f) of the U.S. Internal Revenue Code ("the "Code") provides that obligations of a unit of local government can be treated as "tax-exempt" if issued for a qualified purpose, to finance a qualified facility, and if certain local approval procedures are complied with prior to the issuance of such obligations. The issuance of bonds to finance affordable housing is a qualified purpose. Multifamily housing rental units which are available by persons who are at or below 60% of the area median income are qualified facilities. Section 147(f), however, requires that before the bonds are issued the issuance of such tax exempt bonds must be approved by the highest elected official of the local governmental unit having jurisdiction over the area in which such facility is located after a public hearing following reasonable notice to the public of the public hearing. Section 147(f) provides further that notice is presumed to be reasonable if it is published at least one time in a newspaper of general circulation in the City no less than 14 days before the date of the public hearing.

HACEP published a Notice of Public Hearing in the El Paso Times every day for two consecutive weeks with the first publication appearing on Tuesday, November 25, 2014, and continuing on and including December 8, 2014. HACEP held its public hearing yesterday, which was 15 days after the first publication of the Notice, to comply with the requirements of Section 147(f). It now requests that the Mayor sign the form of a certificate evidencing his consent to the issuance of the Bonds described in the Notice of the Public Hearing.

WTA/scb



# RAD IS AN UNPRECEDENTED OPPORTUNITY TO BRING \$500 MILLION OF INVESTMENT TO EL PASO

REVITALIZE AND TRANSFORM PUBLIC HOUSING



Housing Authority  
of the City of El Paso







We have a **responsibility** to **protect our most vulnerable citizens**: our children, seniors, people with disabilities. That is our **moral obligation**. But there is an economic justification too – we all pay when the basic needs of our citizens are unmet.

– John Lynch  
former New Hampshire Governor



# THE CITY of EL PASO



Housing Authority  
of the City of El Paso

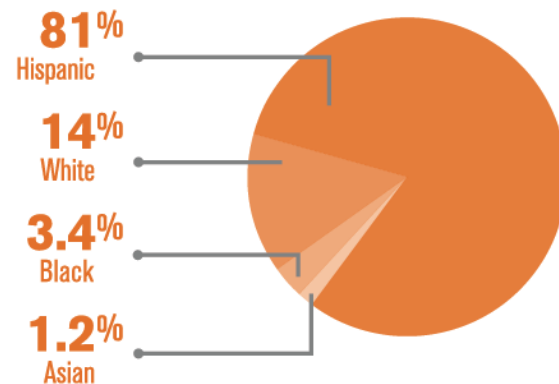


**SAFEST** large U.S. city  
(4 consecutive years)

SUBURBAN POVERTY RATE  
**2<sup>nd</sup> HIGHEST (36.3%)**

WORKFORCE EDUCATION GAP  
**98<sup>th</sup> out of 100**  
largest metro areas

POPULATION of **650,000**



**24.1%** POVERTY RATE



(Family of Four)

**\$44,800**

Median Family Income 2014

80% AMI: **\$40,150**

50% AMI: **\$25,100**

30% AMI: **\$15,050**



# ABOUT HACEP





# ABOUT HACEP



**Housing Authority  
of the City of El Paso**



**LARGEST**



**14<sup>th</sup>  
LARGEST**



**2x SAFER**

than safest large U.S. city – El Paso

**\$91 MILLION ANNUALLY**  
into the **LOCAL ECONOMY**

**\$30 MILLION**  
to **HOUSING CHOICE VOUCHER PROGRAM** landlords

**SAFETY NET** for **VULNERABLE CITIZENS**



# ABOUT HACEP



**Housing Authority  
of the City of El Paso**

**430** EMPLOYEES

**6,100** PUBLIC HOUSING UNITS



**84%** built prior to 1980

**495** Section 8



**New** Construction Units

**2,400** TAX CREDIT &  
NON-SUBSIDIZED UNITS

**5,600** HOUSING CHOICE VOUCHERS,  
including **170 HUD-VASH**



**40,000** low-income  
**EL PASOANS**

**6%** of the City's Population

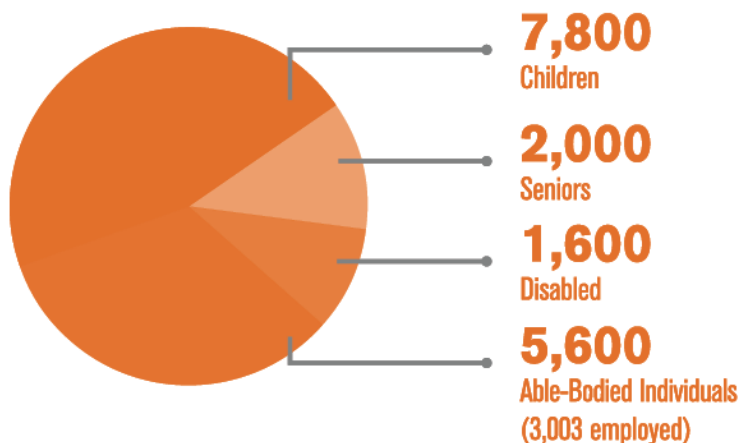


# ABOUT HACEP



**Housing Authority  
of the City of El Paso**

**17,000** INDIVIDUAL PUBLIC  
HOUSING RESIDENTS



**75%** of able-bodied residents live in  
**PUBLIC HOUSING** for less than **5 YEARS.**

**13,500** Families **waiting** for public housing

- **10,800** extremely low income
- **2,300** elderly

**\$16 Million**

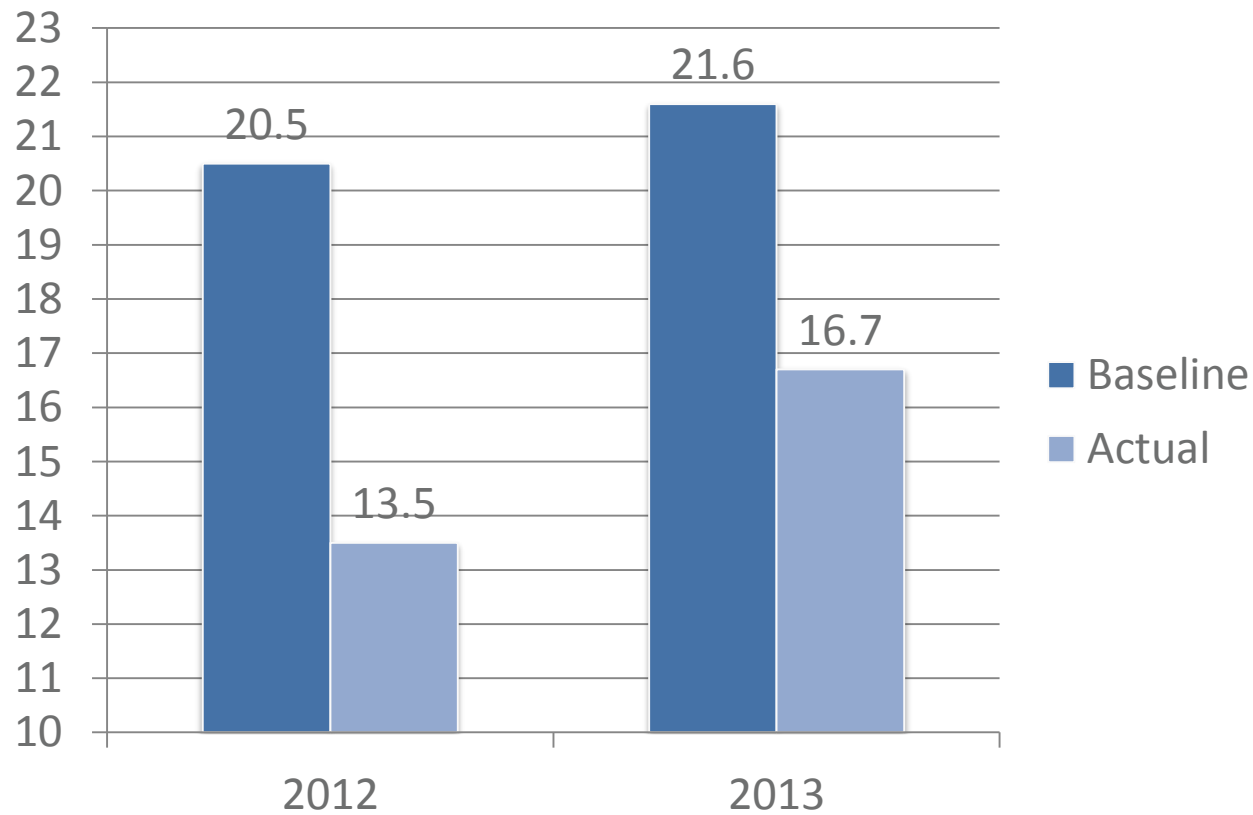
Since 2008, **CONGRESS AND HUD**  
have **underfunded HACEP by \$16 million**

**\$45 Million**

HACEP communities require a capital investment of  
**\$80 MILLION OVER THE NEXT FIVE YEARS.**  
**FEDERAL FUNDS** projected at only \$35 million,  
**A SHORTFALL OF \$45 MILLION.**



## Federal Funding Baseline vs. Actual Appropriation



**\$11.9 Million Funding Shortfall in Last Two Years Alone.**





# PUBLIC HOUSING NEEDS A NEW **SUSTAINABLE MODEL**

**THE NUMBERS**  
TELL THE STORY





# EL PASO'S IMPENDING **HOUSING CRISIS**



Housing Authority  
of the City of El Paso



**Machuca:** 49 out of 122 units  
(40%) offline due to asbestos.



**Housing Authority  
of the City of El Paso**





**Tays:** 11 out of 359 units (3%) offline  
due to structural damage and asbestos.



**Housing Authority  
of the City of El Paso**





**Kathy White:** Crumbling walls.



**Housing Authority  
of the City of El Paso**





**Eisenhower:** Rotting ductwork  
behind asbestos walls and ceilings.



**Housing Authority  
of the City of El Paso**





RAD AS A  
SOLUTION TO  
TRANSFORM  
**PUBLIC**  
HOUSING





# What is RAD?



**Housing Authority  
of the City of El Paso**

**SECTION 9**  
PUBLIC HOUSING



**SECTION 8**  
MULTI FAMILY

ADDRESS THE  
**\$26 BILLION**  
BACKLOG in  
capital improvements  
**across the U.S.**

**(RAD)**

The Rental Assistance Demonstration



**60,000** out of **1.3 million**

total **PUBLIC HOUSING UNITS** provided



first come, first served basis

**PUBLIC  
HOUSING  
ASSETS**



**LOCAL  
PHA**

which can then leverage those assets  
to **RAISE SIGNIFICANT CAPITAL.**

**40** yrs. **GUARANTEED**  
**SUSTAINABLE FEDERAL REVENUE**



**PHAs** must use that capital to **REHABILITATE**  
their units to acceptable standards.



# A BETTER, MORE STABLE FUTURE



Housing Authority  
of the City of El Paso

December 2013



CONVERT **6,100** HOUSING UNITS  
through **RAD**.



to **ENGAGE** in **RAD**

**10**%  
of the  
**FEDERAL ALLOTMENT**



# RAD BY THE NUMBERS

RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM

## FEDERAL MODEL

### FEDERAL OWNERSHIP



Limited Capital Improvement



Limited Local Control



Declining Housing Budget



**\$16 MILLION DECLINE**

Over 5 Years in Public Housing Operating Subsidies

## LOCAL MODEL

### EL PASO OWNERSHIP



Access to Private Finance Markets



Local Control



40 Year Funding Commitment

#### RAD REVENUE

**\$50 MILLION EACH YEAR FOR 20 YEARS**

(includes a 1.2% annual operating cost adjustment factor)

### OPPORTUNITY



The Rental Assistance Demonstration (RAD) is a central part of the U.S. Department of Housing and Urban Development's (HUD) strategy to preserve the nation's rapidly aging and deteriorating stock of deeply affordable rental housing.

### OBJECTIVES



Housing Authority of the City of El Paso

9% Low-Income Housing Tax Credits to Improve El Paso

Public/Private Partnerships

Low Risk, U.S. Government-based Financing

Financially Sustainable Communities

## IMPACT/RESULTS



**\$500 MILLION INVESTMENT**  
BROUGHT TO EL PASO

**\$1 BILLION LOCAL IMPACT**

**1,000+ JOBS**



**6,100 REVITALIZED HOUSING UNITS**



**SAFER LIVING CONDITIONS**



**ENERGY EFFICIENT UPGRADES**

ALL OF THESE ADVANTAGES AT

**\$0**

**NO COST TO THE LOCAL TAXPAYER**

RAD is a vital opportunity to avert the pending affordable housing crisis due to the federal government's inability to adequately fund public housing across the United States. The Rental Assistance Demonstration (RAD) is a voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing Public Housing Agencies (PHAs) such as the Housing Authority of the City of El Paso (HACEP) with access to more stable funding to make needed improvements to aging properties.



# PREPARING FOR **RAD'S** SUCCESS

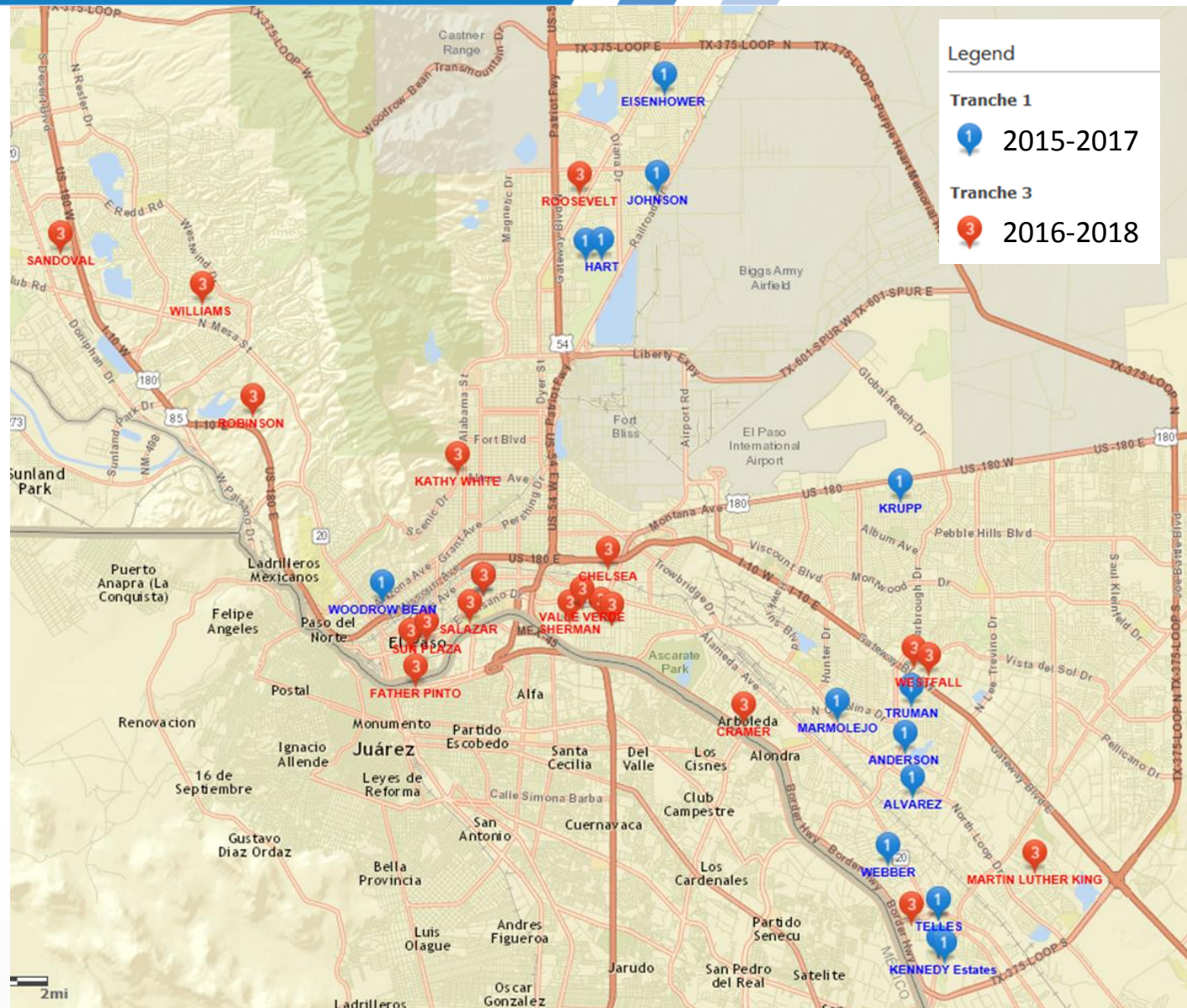




# Public Housing Map



Housing Authority  
of the City of El Paso

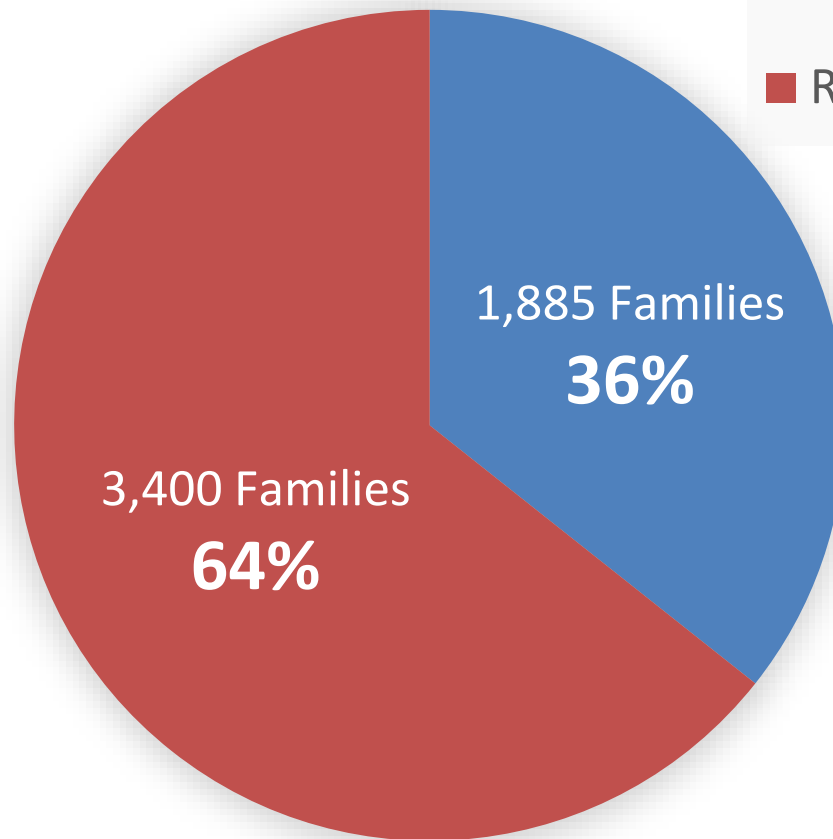




# Construction Phases



**Housing Authority  
of the City of El Paso**



■ RAD Phase I: 2015-2017

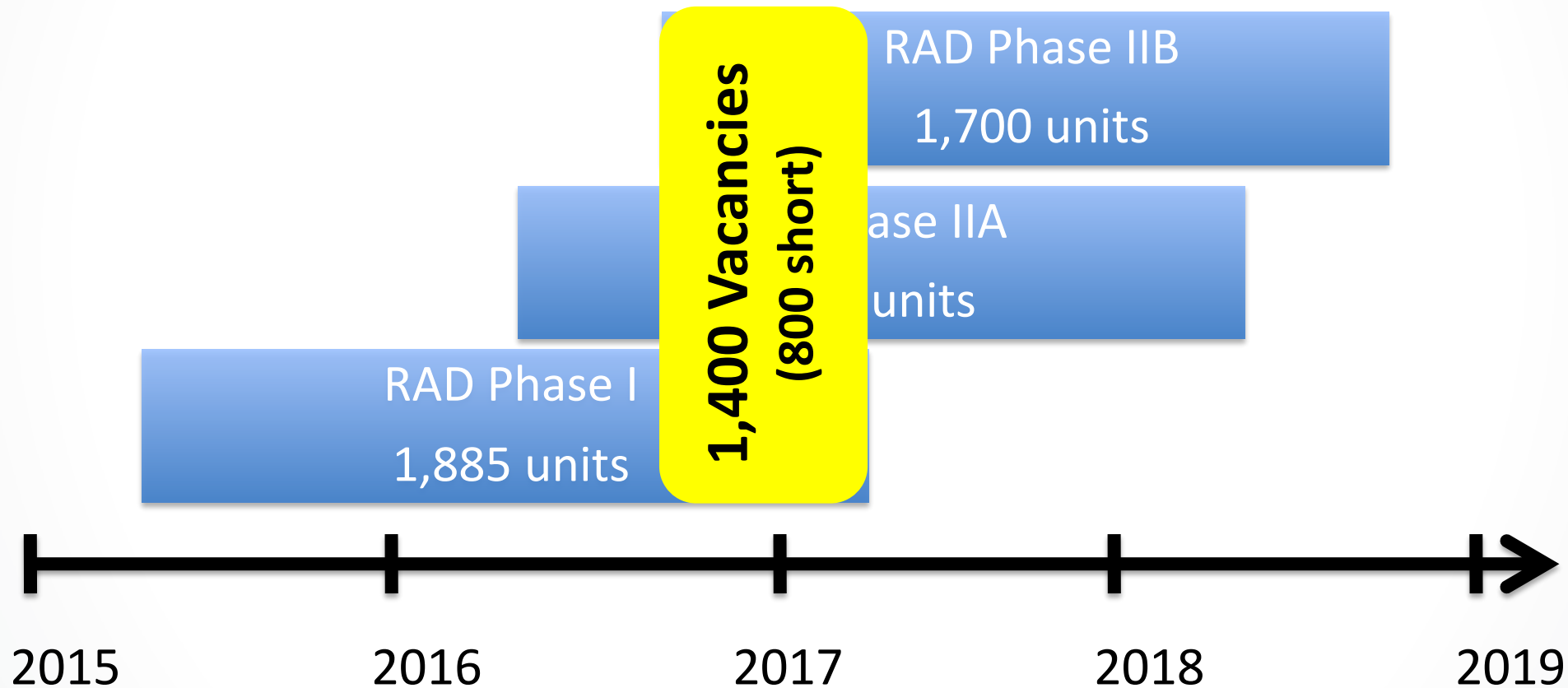
■ RAD Phase II A&B: 2016-2018



# Construction Timeline



Housing Authority  
of the City of El Paso





# RAD Phase I Construction Start Months



## 2015

### APRIL

Eisenhower, Kennedy Bros.

### MAY

Marmolejo

### JUNE

Krupp, Ochoa, Tays (Part 1)

### JULY

Alvarez

### AUGUST

Johnson

### SEPTEMBER

Bean

### NOVEMBER

Kennedy Estates

## 2016

### JANUARY

Truman

### APRIL

Webber

### AUGUST

Hart

### SEPTEMBER

Baird, Telles

### OCTOBER

Anderson

## 2017

To Be Determined

## 2018

To Be Determined



## RAD Phase II Communities (2016-2018)



**Housing Authority  
of the City of El Paso**

- |                |                                 |
|----------------|---------------------------------|
| 1. Baines      | 12. Robinson                    |
| 2. Chelsea     | 13. Roosevelt                   |
| 3. Cramer      | 14. Salazar                     |
| 4. DeWetter    | 15. Sandoval                    |
| 5. Fr. Pinto   | 16. Sherman                     |
| 6. Graham      | 17. Sun Plaza                   |
| 7. Guillen     | 18. Tays (Part II and Part III) |
| 8. Kathy White | 19. Valle Verde                 |
| 9. King        | 20. Westfall                    |
| 10. Pooley     | 21. Williams                    |
| 11. Rio Grande |                                 |



Work performed in each site will vary based on each property's age and design. Generally speaking, the following work will apply to all properties:

- Permanently remove all asbestos (if present).
- Kitchen and bathroom upgrades.
- Replace decaying ventilation shafts and ducts behind the walls.
- Replace outdated electrical, plumbing, and lighting systems and fixtures.
- Replace appliances with new Energy Star certified appliances.
- Install more energy efficient insulation, windows, and doors (where necessary).
- New landscaping and playgrounds.
- Install new property signs.
- Resurface parking lots.
- Improve common area lighting.



# HACEP Revitalization

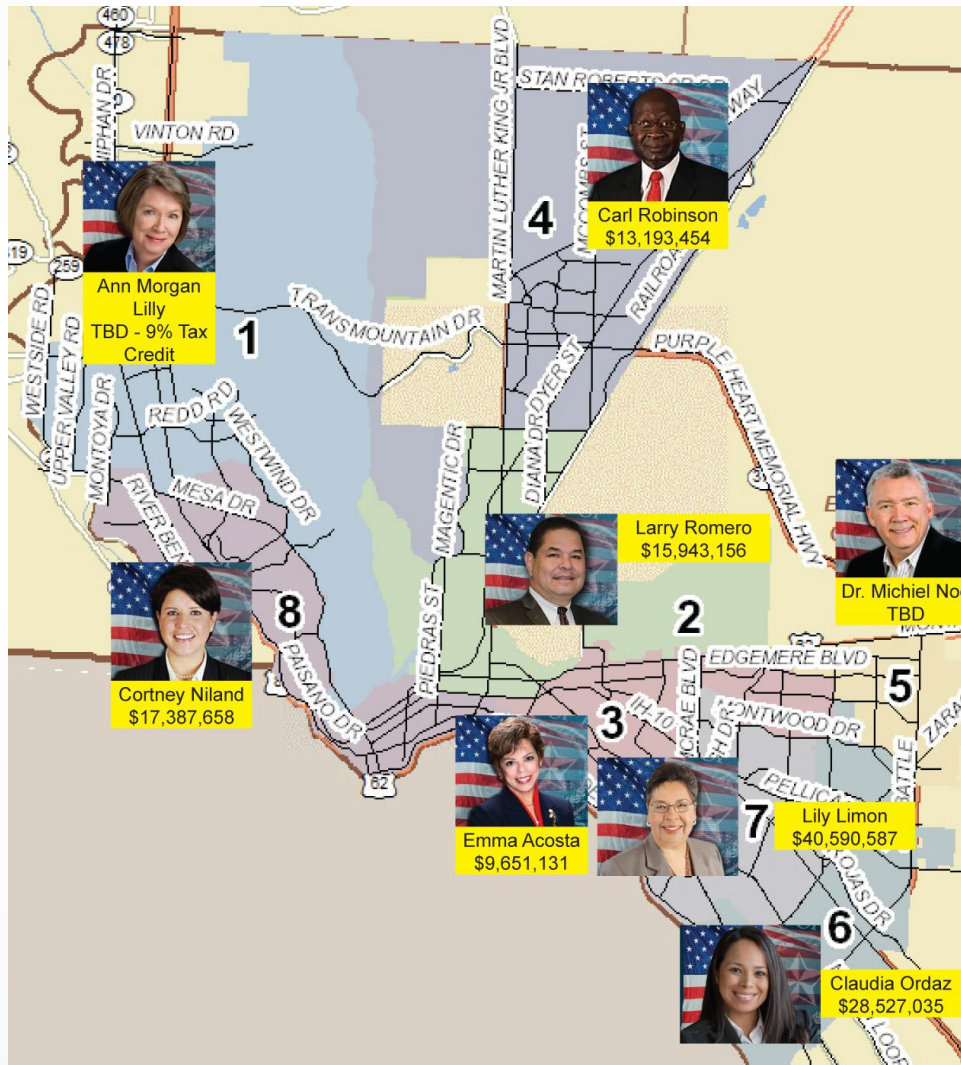


**Housing Authority  
of the City of El Paso**





# ANTICIPATED CONSTRUCTION INVESTMENT 2015-2017



**RAD PHASE I = 1,591 renovated  
units and 294 new units**

**Dist. 1: TBD (9% Tax Credit)**

**Dist. 2: \$15,943,156**

**Dist. 3: \$9,651,131**

**Dist. 4: \$13,193,454**

**Dist. 5: TBD**

**Dist. 6: \$28,527,035**

**Dist. 7: \$40,590,587**

**Dist. 8: \$17,387,658**

**TOTAL: \$125,293,021\***

**\*Hard costs only**



## HACEP Must Move 180 Families Every 60 Days for Five Years.

- Creating and managing vacancies for construction and relocation is one of the greatest challenges to our RAD efforts.
- On average, families will be temporarily reloated for 6 months.







Other Property(ies)

Group 1

Property >100 units

Renovation of  
Group 1 Units

Group 2

Group 4

Group 3





Group 1

Property >100 units

Group 2

Group 3

Group 1

Group 4





Other Property(ies)

Group 1

Property <100 units

Renovation of All Units





Group 1

Property <100 units

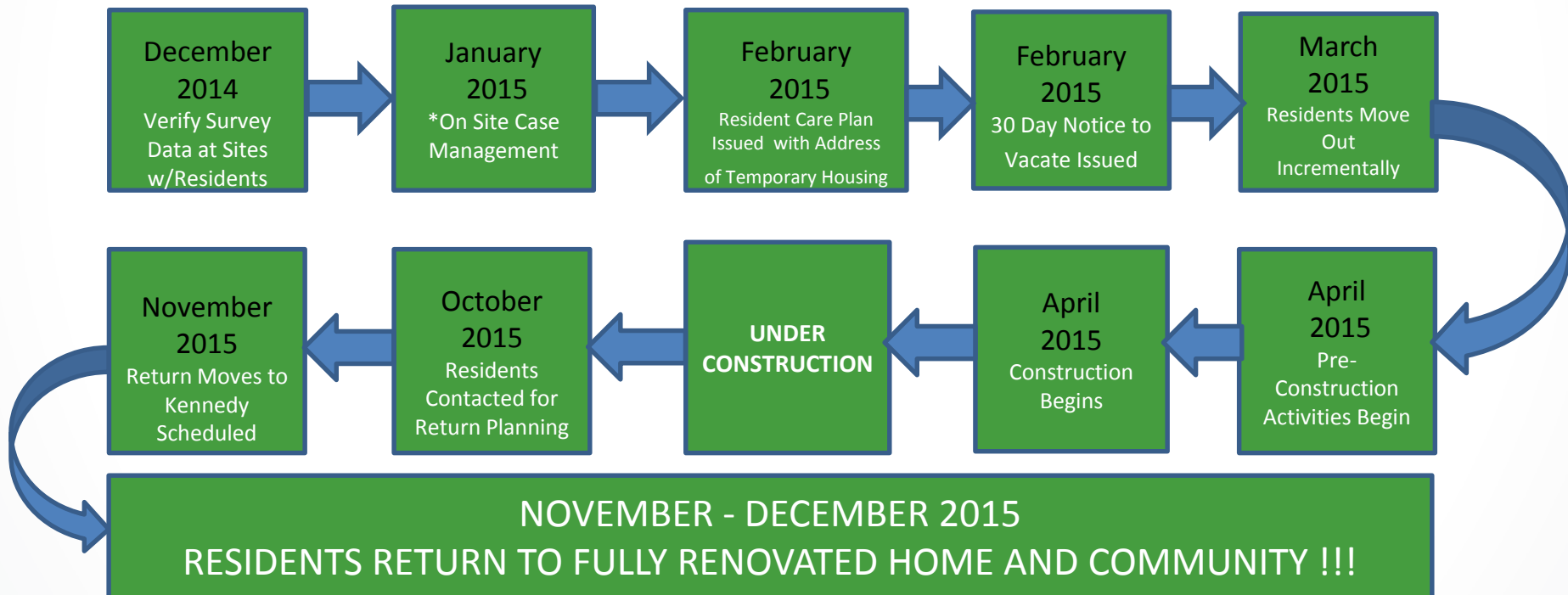
Group 1





## RELOCATION PROCESS

Example for Kennedy Bros. (Phase I of 3)  
Renovation: April 2015 – November 2015



\*Case Management consists of assessing households needs to include reasonable accommodation, medical needs, family composition, etc. to determine temporary housing.



# Resident Engagement Sessions



**Housing Authority  
of the City of El Paso**





# RAD Communications



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[Home](#) | [About Us](#) | [Rental Assistance Demonstration \(RAD\) Project](#)

## Rental Assistance Demonstration (RAD) Project



If you are a resident of public housing and have a questions about how RAD will impact you and your family, please contact the RAD Hotline at (915) 849-3888 or send us your question through our [Contact Us Form](#).

The Housing Authority of the City of El Paso (HACEP) is participating in a new program offered by the Department of Housing and Urban Development (HUD) called the Rental Assistance Demonstration (RAD). RAD seeks to preserve public housing by providing public housing agencies (PHAs) with access to more stable funding to make needed improvements to properties.

RAD is a central part of HUD's strategy to preserve the nation's rapidly aging and deteriorating stock of deeply affordable rental housing.

- HUD gives ownership of city's public housing to HACEP.
- Allows HACEP to use proven financing to rehab and replace housing to meet citizen-driven demand.
- Allows HACEP to utilize LIHTC (low-income housing tax credits) to secure access to public housing.
- Aligns with citizen feedback and goals from Plan El Paso 2012.

By opening up access to 9% and 4% federal housing tax credits and to private capital (tax credit equity, debt), HUD is allowing HACEP to redevelop properties to preserve and create public housing units and other affordable apartments (e.g., Section 8 New Construction, tax credit) that are necessary to support El Paso's low-income population with safe, decent, and affordable housing.

Here is some detailed information about how RAD will benefit El Paso and our residents:

### RAD Updates for Public Housing Residents (Updated October 1, 2014)

- Presentation: RAD Updates for Residents - English
- Presentation: RAD Updates for Residents - Spanish
- Handout: RAD Updates for Residents - English
- Handout: RAD Updates for Residents - Spanish

### Helpful RAD Resources

- Top 10 FAQs About RAD
- HUD's RAD Overview for Residents
- RAD FAQs for Current HACEP Residents
- HACEP - Factsheet
- RAD Video Presentation to Public Housing Residents
- RAD PowerPoint Presentation

### Upcoming Events

#### HACEP Closed for Columbus Day

October 13, 2014  
5300 East Palisano Drive  
El Paso, TX 79905

#### HACEP Closed on Veterans Day

November 11, 2014  
5300 East Palisano Drive  
El Paso, TX 79905

#### More Events >

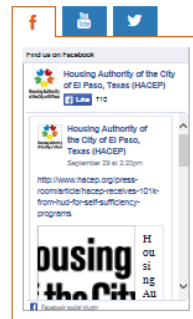
### Housing Authority of the city of El Paso

5300 East Palisano Drive  
El Paso, TX 79905  
United States

Monday-Friday, 8 a.m. – 5 p.m.

(915) 849-3742

[Full List of Contacts >](#)



RAD subpage on new HACEP website: [www.haceprad.org](http://www.haceprad.org)



# RAD Communications



## Feature RAD as lead story in monthly bilingual newsletter.



DECEMBER 2014

### RAD Phase I Communities and Anticipated Construction Schedules\*

- |                                         |                                        |
|-----------------------------------------|----------------------------------------|
| 1. Alvarez: July 2015-Jan. 2016         | 10. Krupp: June 2015-Dec. 2016         |
| 2. Anderson: Sept. 2016-March 2017      | 11. Marmolejo: July 2015-Sept. 2016    |
| 3. Baird: Aug. 2016-Jan. 2017           | 12. Ochoa: June 2015-Nov. 2015         |
| 4. Bean: Sept. 2015-Feb. 2016           | 13. Tays (Part I): June 2015-Dec. 2016 |
| 5. Eisenhower: April 2015-Sept. 2016    | 14. Telles: Sept. 2016-Feb. 2017       |
| 6. Hart: July 2016-Dec. 2016            | 15. Truman: Jan. 2016-July 2016        |
| 7. Johnson: Aug. 2015-Nov. 2016         | 16. Webber: March 2016-Sept. 2016      |
| 8. Kennedy Bros.: April 2015-Nov. 2016  |                                        |
| 9. Kennedy Estates: Nov. 2015-Dec. 2016 |                                        |

\*Subject to change at anytime.

The Housing Authority of the City of El Paso (HACEP), together with our development partners, is getting closer to finalizing the construction schedules associated with the public housing properties in the first phase of our renovation efforts through our conversion from Section 9 Public Housing to Section 8 Project Based Rental Assistance through the Rental Assistance Demonstration (RAD) Program.

The list above is current as of November 19, 2014, but is still subject to change. You may notice that all of the construction start dates were pushed back by one month, which gives everyone more time to prepare for their moves and for HACEP to finalize all of the details that are specific to each unique property. Due to the significance of this renovation project, HACEP has to make sure no one is living in each unit during construction. Therefore, every

family living one of the properties listed above will either be temporarily relocated to another public housing unit, offered a Housing Choice (Section 8) Voucher (for those who qualify), or placed in a tax credit unit (for those who qualify).

HACEP has a team of resident relocation technicians who will personally meet with residents to present important information of their new permanent or temporary address. Information on the transfer of utility services (water, electric, gas) will be provided along with details on how to transfer tenant-related services such as TV, internet, phone, and mail. HACEP is working directly with the El Paso and Ysleta Independent School Districts to minimize any classroom disruption for our families with children, and the relocation technicians will also provide helpful details on this important aspect.

Most of HACEP's other public housing properties will be renovated through RAD Phase II beginning in 2016 or early 2017. HACEP will provide additional details once they become available.

The properties listed below will also be converted in RAD Phase I, but will not experience renovation since they are relatively new properties:

- Alamito
- Eastside Crossings
- Paisano Green

For the most current information, please contact your property manager. You may also visit HACEP online using a special page we created for the RAD project at [www.HACEP.org](http://www.HACEP.org) or by calling the RAD Hotline at (915) 849-3888 Monday through Friday from 8 a.m. to 5 p.m.



NOVEMBER 2014

### PHASE I RESIDENTS PREPARE FOR RAD RENOVATIONS, EXPRESS CONCERNS AND EXCITEMENT OF CHANGES

HACEP is the largest public housing authority in the United States to participate in the Rental Assistance Demonstration (RAD) program. RAD will allow HACEP to renovate and rebuild 6,100 public units over the next five years to the highest quality standards and prevent the additional loss of units due to deterioration. After renovation, the units will be substantially upgraded and more energy efficient.

There are two phases for the RAD project. Phase I occurs 2015 through 2017. Phase II begins in 2017 and will end in 2019. As the months approach for the RAD conversion, residents in Phase I are beginning to feel excited, but they also have legitimate concerns about what will happen to their property and how the renovation efforts will affect their lives.

"Many residents have been living in their units for 18 years and have seen their trees and plants flourish with time," said Angelica Carranza, a resident of the Truman Community.

"I don't mind the move, but I just want my kids to stay in their home school," said Shivan Dominguez, a resident at Kennedy.

Despite the concerns of their gardens and schools, other residents are excited for the improvements that will come as a result of the RAD renovations.

"There will always be an obstacle. The important thing is that HACEP and the residents do the best they can. I am sure the

#### RAD Phase I Communities and Construction Starts

- |                                |                               |
|--------------------------------|-------------------------------|
| 1. Anderson - Aug. 2016        | 2. Alvarez - July 2015        |
| 3. Baird - July 2016           | 4. Bean - Aug. 2015           |
| 5. Eisenhower - March 2015     | 6. Hart - June 2016           |
| 7. Johnson - June 2015         | 8. Kennedy Bros. - March 2015 |
| 9. Kennedy Estates - Oct. 2015 | 10. Krupp - 2015              |
| 11. Marmolejo - April 2015     | 12. Ochoa - May 2015          |
| 13. Tays - 2015                | 14. Telles - Aug. 2016        |
| 15. Truman - Dec. 2015         | 16. Webber - Feb. 2016        |

RAD project will be a success for everyone," said Chris Lara, a resident of Truman.

"I know it's for the betterment of the Housing Authority because I went through the HOPE VI program. Everything looked nice," said Raul Torres, a resident of Kennedy.

In order to create vacancies to renovate and to move residents to accommodate the construction schedule, HACEP has closed the public housing waiting list and is no longer leasing units to families from the wait list. In addition, income-qualified families living in public housing now have the opportunity to live in privately-owned apartments by moving out of Public Housing and in to the Housing Choice Voucher (HCV) Program.

"My kids are already looking for houses every time we go out driving," said Teta Sanchez, a resident of Kennedy.

HACEP's efforts require the partnership and patience and understanding among the 20,000 residents who currently live in Public Housing, but it is a short-term inconvenience that will ensure HACEP's mission for future generations.

"El Paso is being recognized at a national level because of RAD and that is why we need to do our best so all of us can say the pilot project was a victory," Lara said.

"We feel comfortable that HACEP is being honest and not hiding," Julie Romero said.

"We are glad HACEP is being transparent with the residents," said Sanchez.

If you have questions about RAD and how it will impact you, please contact your property manager. Additional information is available on the HACEP website at [www.HACEP.org](http://www.HACEP.org) and operators are standing by to answer your questions through the RAD Hotline at (915) 849-3888.



OCTOBER 2014

### HACEP HOSTS RAD SUMMIT TO JWRC TO EXPLAIN BENEFITS AND IMPACT TO PUBLIC HOUSING RESIDENTS

HACEP is the largest public housing authority in the country to engage in the Rental Assistance Demonstration Program (RAD). As a result, there are many questions that surface on a weekly basis that requires the coordination among a variety of stakeholders including HUD, HACEP staff, and most importantly, our residents.

To clarify some of the concerns and provide current information, HACEP hosted a RAD Summit on September 6 to the jurisdiction Wide Resident Council (JWRC) and fellow officers of the Resident Councils. It is important for HACEP to provide effective communication with our residents and clarify all resident questions and concerns. HACEP strives to keep you informed regarding any changes as soon as that information becomes available.

The residents at the RAD Summit were given a full understanding of the construction schedule and work, utility services, conversion to RAD, moving instructions, among other items. All of this information is available on the HACEP website at [www.hacep.org](http://www.hacep.org) and operators are standing by to answer your questions through the RAD Hotline at (915) 849-3888.

#### Construction Updates

Through RAD, HACEP will renovate and rebuild all public housing communities in two construction phases. Renovation and/or reconstruction of properties in RAD Phase I will occur 2015-2017. Renovation and/or reconstruction of properties in RAD Phase II will occur 2017-2019. Here is the current breakdown:



General Carlos, Chief Executive Officer of HACEP, (left) and Thomas Yslaguer, Director of Public Housing, (right), spent three hours updating officers of the JWRC and Resident Councils on the Rental Assistance Demonstration program (RAD) on Saturday, September 6, 2014. After the presentation, all questions were answered and handouts were delivered to the residents. This information is also available at [www.hacep.org](http://www.hacep.org).

#### RAD Phase I Communities

- |                  |                     |
|------------------|---------------------|
| 1. Anderson      | 2. Alvarez          |
| 3. Baird         | 4. Bean             |
| 5. Bean          | 6. Eisenhower       |
| 7. Hart          | 8. Johnson          |
| 9. Kennedy Bros. | 10. Kennedy Estates |
| 11. Krupp        | 12. Marmolejo       |
| 13. Ochoa        | 14. Tays            |
| 15. Telles       | 16. Truman          |
| 17. Webber       | 18. Westfall        |

#### No Renovation/Reconstruction

- |                                   |                     |
|-----------------------------------|---------------------|
| 1. Alamito                        | 2. Paisano Green    |
| 3. Morhead                        | 4. Montwood Heights |
| 5. DeWetter Replacement (8 units) |                     |

#### RAD Phase II Communities

- |                 |                     |
|-----------------|---------------------|
| 1. Chelsea      | 2. Cramer           |
| 3. DeWetter     | 4. Fr. Pinto        |
| 5. Graham       | 6. Guillen          |
| 7. Kathy White  | 8. Pooley           |
| 9. Rio Grande   | 10. Robinson        |
| 11. Roosevelt   | 12. Salazar         |
| 13. Sandvol     | 14. Sherman         |
| 15. Sun Plaza   | 16. Tays (Phase II) |
| 17. Valle Verde | 18. Williams        |

Continued on next page...

The Housing Authority of the City of El Paso  
5300 E. Paisano Drive, El Paso, Texas 79905

Main Office: 915-849-3742 / Fax: 915-849-3737  
RAD Hotline: 915-849-3888  
Office Hours: 8 a.m. - 5 p.m. / Monday through Friday  
Closed on all Federal holidays.

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# RAD Communications



Flyers, Posters, Pull Up Banners for public housing sites.

  
Housing Authority  
of the City of El Paso

## Get Ready!

**EXCITING CHANGES** are coming to your property soon.

**What does this mean for you?**

- Refrigerated air
- New appliances like ENERGY STAR oven ranges, dishwashers and refrigerators
- Better access for people with disabilities
- Updated electrical systems
- Updated plumbing systems
- Resurfaced parking lots
- Improved common area lighting
- Upgraded landscaping and playgrounds

Please contact your property manager for the details that are specific to your community. You can also visit us online or call for more information.

**(915)849-3888 · HACEPrad.org**

**BUILDING HOME TOGETHER**

  
Housing Authority  
of the City of El Paso

## ¡Prepárense!

**MUY PRONTO** habrá grandes cambios en su propiedad.

**¿Qué significa esto para usted?**

- Aire de refrigeración
- Electrodomésticos ahorradores de energía; como estufa, lavaplatos y refrigerador ENERGY STAR
- Mejor acceso para personas con discapacidades
- Sistemas eléctricos actualizados
- Sistemas de plomería actualizados
- Estacionamientos recién pavimentados
- Mejor iluminación en las áreas comunes
- Renovación de parques y áreas de juegos

Comuníquese con el gerente de su propiedad para más detalles referentes a su comunidad. También puede visitar nuestra página o llamarnos para más información.

**(915)849-3888 · HACEPrad.org**

**JUNTOS CONSTRUYENDO HOGARES**

  
Housing Authority  
of the City of El Paso

## ¡Prepárense! Get Ready!

**BUILDING HOME TOGETHER**

**EXCITING CHANGES** will transform HACEP's communities soon.  
Inquire at the front desk, visit us online or call for more information.

**JUNTOS CONSTRUYENDO HOGARES**

**MUY PRONTO** habrá grandes cambios en las comunidades de HACEP.  
Pida informes en recepción, visite nuestra página o llámenos para más información.

**(915) 849-3888  
HACEPrad.org**



# HACEP & HUD Leadership Communications



Meetings with HUD Secretaries and HUD Staff together with HACEP Commissioners and HACEP Staff and Partners.





# TDHCA 9% TAX CREDIT POOLS

STATEWIDE AT-RISK

**\$9 MILLION**  
IN TEXAS

## 2015 APPLICATIONS

1. MEDANO (WESTSIDE)  
198 UNITS
2. TAYS - PHASE II (CHAMIZAL)  
139 UNITS
3. WESTFALL (EASTSIDE)  
198 UNITS

- Applicants are limited to \$3 million in 9% tax credit funding per year; if HACEP wins the maximum in the Statewide At-Risk pool, HACEP will withdraw its application in the Regional Competitive pool to maximize the tax credit investment of affordable housing in El Paso.
- HACEP only has four years to complete the renovation of 6,100 existing public housing units and construct approximately 400 new affordable and mixed-income housing units due to the requirements of the Rental Assistance Demonstration (RAD) Program.
- RAD is not a decision of City Council. However, the support it lends to 9 percent tax credit applications is a decision of City Council.
- HACEP is the only entity that can redevelop existing public housing (infill development) in the City, which is directly aligned with the City's strategic plan (Plan El Paso 2012, Goals 6.1-6.4.)
- There is no cost to El Paso taxpayers for the allocation of 9% tax credits as it is a form of equity that does not have to be repaid.

REGIONAL COMPETITIVE

**\$2.5 MILLION**  
FOR EL PASO

## 2015 APPLICATIONS

1. SHERMAN - PHASE I (MCA)  
198 UNITS
2. TAYS - PHASE III (CHAMIZAL)  
139 UNITS

- If HACEP does not win in the Statewide At-Risk 9% tax credit pool, then it must win in the Regional Competitive pool. This is why HACEP will again apply to both pools.
- Only HACEP kept its promise to the City to not compete in the 2013 9% tax credit competition following the City's request to help support the Artspace application.
- HACEP will revitalize areas of the community necessary for vibrant growth in existing communities.
- If Sherman wins in the Regional Competitive pool, this property will be redeveloped into a mixed-income, mixed-finance property to support the explosion of development at the Medical Center of the Americas.
- HACEP can only rebuild Tays through separate 9% tax credits due to its size. This is why we are competing for more tax credits after we received the first in 2014 to rebuild 81 of the 359 total units.







**WE CAN DO IT.**

**AFTER ALL...**

**WE'VE DONE IT BEFORE!**



# Eastside Crossings



**Housing Authority  
of the City of El Paso**





# Paisano Transformation



**Housing Authority  
of the City of El Paso**

2010



2012





# Alamito Transformation



**Housing Authority  
of the City of El Paso**

2005



2010





# THANK YOU



for supporting HACEP  
in this critical opportunity to  
revitalize local public housing  
while bringing **\$500 million**  
of investment to El Paso!

**Gerald Cichon – Chief Executive Officer**

asaenz@hacep.org | (915) 849-3702 | [www.hacep.org](http://www.hacep.org)