

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

CITY CLERK DEPT.  
2018 FEB 27 AM 10:51

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** March 6, 2018 (Consent)

**CONTACT PERSON:** Nicole M. Ferrini, Director, 212-0138,  
[ferrininm@elpasotexas.gov](mailto:ferrininm@elpasotexas.gov)  
Hector Treviño, Housing Programs Specialist, 212-0139,  
[trevinohm@elpasotexas.gov](mailto:trevinohm@elpasotexas.gov)

**DISTRICT:** 6

**SUBJECT:**

That the Mayor of the City of El Paso, Texas be authorized to sign a resolution of no objection for a 2018 4% Non-Competitive, Low Income Housing Tax Credit (LIHTC) application submitted by the Housing Authority of the City of El Paso (HACEP) to the Texas Department of Housing and Community Affairs (TDHCA) for the Martin Luther King Memorial Apartments, 9101 Butternut Street.

**BACKGROUND / DISCUSSION:**

On December 8, 2015, Council adopted a process whereby requests for resolutions of no objection for 4% Low Income Housing Tax Credits (LIHTC) are to be approved. 4% LIHTCs are non-competitive in nature and allow for the rehabilitation, reconstruction or new construction of affordable housing units.

HACEP submitted a request for a resolution of no objection for the proposed new construction development of Martin Luther King Memorial Apartments, 9101 Butternut St., El Paso, Texas 79907. For the project, HACEP is requesting \$957,882 in 4%, non-competitive, housing tax credits from TDHCA to support the construction of 152 affordable rental units.

**PRIOR COUNCIL ACTION:**

Dec. 8, 2015 – Council approved a process to issue resolutions of no objection for all 4% Low Income Housing Tax Credit applications.

**AMOUNT AND SOURCE OF FUNDING:**

NA

**BOARD / COMMISSION ACTION:**

NA

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

**DEPARTMENT HEAD:**

Nicole M. Ferrini, Director

*Information copy to appropriate Deputy City Manager*

## RESOLUTION

**WHEREAS**, Housing Authority of the City of El Paso (HACEP) has proposed a development for affordable rental housing of 152 units that will be located at 9101 Butternut St., El Paso, Texas 79907, in the City of El Paso; and

**WHEREAS**, HACEP has submitted an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2018, 4% Tax-Exempt Bond Housing Tax Credits for Martin Luther King Memorial Apartments.

**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:
  - i. Notice has been provided to the Governing Body in accordance with Texas Government Code, §2306.67071(a); and
  - ii. The Governing Body has had sufficient opportunity to obtain a response from HACEP regarding any questions or concerns about the proposed Development; and
  - iii. The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Texas Government Code, §2306.67071(b); and
  - iv. After due consideration of the information provided by HACEP and public comment, the Governing Body **does not object** to the proposed Application.
2. That for and on behalf of the Governing Body, Laura D. Prine, City Clerk, is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**THE CITY OF EL PASO**

\_\_\_\_\_  
Dee Margo  
Mayor


*(Signatures Continue on Following Page)*

**ATTEST:**

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Laura D. Prine  
City Clerk


**APPROVED AS TO FORM:**



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Omar De La Rosa  
Assistant City Attorney

**APPROVED AS TO CONTENT:**



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Nicole M. Ferrini  
Director, Community and Human  
Development Department



Texas Department of Housing and Community Affairs  
Multifamily Finance Division  
Notification of Submission of Affordable Housing Applications

January 26, 2018

The Honorable Dee Margo  
Mayor, City of El Paso  
300 N. Campbell  
El Paso, TX 79901



**Re: Notification of Affordable Rental Housing Application(s) Proposed in Your City**

Dear Mayor Margo:

The Texas Department of Housing and Community Affairs (the "Department") has received one or more application(s), for the Housing Tax Credit Program, for the development of affordable rental housing in the community you represent. A development summary for each application submitted, as well as relevant dates relating to the application(s) is included with this correspondence.

This notification is made in accordance with Tex. Gov't Code §2306.1114 to ensure that you are informed of the housing activity in your district and so that you may provide input on the proposed application(s) should you so choose. The Department greatly appreciates receiving views concerning the need for affordable housing within the local districts and how the proposed development(s) may address that need. Your comments will be carefully considered by the Department's Governing Board when making a decision to award Housing Tax Credit funds to an application.

The Department's mission is to administer all of its assigned programs efficiently, transparently, and lawfully and to invest its resources strategically to develop high quality affordable housing which allows Texas communities to thrive. The Housing Tax Credit Program is just part of a wide variety of housing finance programs administered by the Department. Through its rental housing finance programs, the Department encourages new construction, reconstruction or rehabilitation of high quality multifamily rental housing, primarily through partnerships between public-private developers and owners. These developments benefit Texans in your district by providing qualified individuals and families with safe, decent and quality affordable housing.

Please mail any comments you may have to TDHCA, Multifamily Finance Division, Attention: Teresa Morales, Multifamily Division Manager, P.O. Box 13941, Austin, Texas 78711-3941 or submit by facsimile at (512) 475-1895. If you have any questions or need additional information, please contact Teresa at (512) 475-3344 or by email at [teresa.morales@tdhca.state.tx.us](mailto:teresa.morales@tdhca.state.tx.us).

Sincerely,

*Marni Holloway*

Marni Holloway  
Director, Multifamily Finance

**Relevant Development Information as Presented by the Applicant:**

18411

**Programs Applied For:**

- ☐ Housing Tax Credits-Competitive 9% (HTC)  
☐ Multifamily Direct Loan  
☒ Housing Tax Credits-Non Competitive 4% (HTC)  
☐ TDHCA Tax Exempt Bond  
☐ TDHCA Tax Exempt Bond Refunding

**Development Information:**

Development Number: 18411

Development Name: MLK Memorial Apartments

Development Address: 9101 Butternut Street

Development City: El Paso

Development Zip: 79907

Region: 13

Regional Allocation: Urban

HTC Set Aside: ☐ Nonprofit ☐ USDA ☐ At-Risk

Construction Type: Acquisition/Rehab

Building/Unit Configuration:

- ☒ 4 units or more ☐ Duplex ☐ Fourplex  
☐ Townhome ☐ Single Room Occupancy ☐ Single Family Construction

Total Low Income Units: 152

Total Market Rate Units: 0

Total Units: 152

**Applicant Information:**

Owner Contact: Tom Deloye

Owner City: El Paso

Owner Address: 5300 E Paisano Dr

Owner State: TX

Owner Phone: (915) 849-3813

Owner Zip: 79905

Owner Email: [tdeloye@hacep.org](mailto:tdeloye@hacep.org)

This Development may include other public benefits such as financing, rental subsidies and tenant supportive services.

**TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS**

221 East 11th Street, Austin, TX 78701  
PO Box 13941, Austin, TX 78711

Main Number: 512-475-3800  
Toll Free: 1-800-525-0657

Email: [info@tdhca.state.tx.us](mailto:info@tdhca.state.tx.us)  
Web: [www.tdhca.state.tx.us](http://www.tdhca.state.tx.us)

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.  
Relay Texas: 800-735-2989 (TTY) and 711 (Voice)

**Relevant Development Information as Presented by the Applicant Continued:**

18411

**Relevant Dates Specific to Programs Applied:**

HTC Non Competitive 4%:

Anticipated Date of TDHCA Board meeting 3/22/2018

Date HTC 4% Full App Received: 1/12/2018

HTC 4% Public Comment Deadline: 3/13/2018

Bond Issuer: Alamito Public Facilities Corp.

Bond Issuer contact: Art Provenghi

Bond Issuer phone#: (915) 849-3709

Bond Issuer email: aprovenghi@hacep.org

TDHCA Tax Exempt Bond:

Date TDHCA Bond Pre-App Received:

TDHCA Bond Pre-App Date of Public Comment Deadline:

TDHCA Board Meeting for Inducement Date

Public Hearing Date:

Location: TBD

Address: TBD

City, ST, Zip: TBD



## 2017 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 2017.

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.

- **Deadline for consideration of 9% Housing Tax Credit Requests for Municipal Resolution: January 9, 2017 by 5:00 p.m.**

### 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 Cell Phone: (915) 319-1514 Fax: N/A  
E-Mail: tdeloye@hacep.org
4. Name of Proposed Development: MLK Memorial Apartments
5. Proposed Development Address (or location if no address exists): 9101 Butternut Street, El Paso, TX 79907
6. Type of Tax Credit requested of TDHCA (4% Non-Competitive, 9% Statewide At-Risk or 9% Regional Competitive):  
4% Non-Competitive

### SECTION B. PROJECT INFORMATION

1. Project Type (rehabilitation, new construction, adaptive reuse, etc.): Rehabilitation
2. Development type (single family, duplex, high-rise, etc.): Mixed
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): \$31,827,398
5. Cost per square foot: \$208.58
6. Amount of Tax Credits being Requested of TDHCA: \$957,882
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          |                |            |         |        |
| 1 Bedroom           | <u>16</u>      | <u>16</u>  |         |        |
| 2 Bedroom           | <u>80</u>      | <u>80</u>  |         |        |
| 3 Bedroom           | <u>48</u>      | <u>48</u>  |         |        |
| 4 Bedroom           | <u>8</u>       | <u>8</u>   |         |        |
| Totals:             | <u>152</u>     | <u>152</u> |         |        |

8. Is the proposed development site properly zoned for proposed development? Yes ☒ No ☐  
a. Current Zoning: A-M/sc
9. Is the Proposed Development site within a City Recognized Neighborhood Association? Yes ☒ No ☐  
a. Name of Neighborhood Association(s): Mission Valley Civic Association
10. 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.
11. Is the property located in a flood zone? Yes ☐ No ☒
12. Submit location map showing the project site. 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: \$ \_\_\_\_\_
2. Indicate Use of All Funds By Category and Amount:
- |   |          |
|---|----------|
| Acquisition:                                | \$ _____ |
| Design/Soft Costs:                          | \$ _____ |
| New Construction of Housing Units:          | \$ _____ |
| Rehabilitation/Conversion of Housing Units: | \$ _____ |
| Funds from other sources:                   | \$ _____ |
| Total Project Cost:                         | \$ _____ |
3. Relocation of Tenants (for rehabilitation and/or reconstruction developments):  
How many of the existing dwelling units are occupied? \_\_\_\_\_ Vacant? \_\_\_\_\_  
If completely vacant, how long has the property been vacant? \_\_\_\_\_  
Are any of the units owner-occupied? \_\_\_\_\_  
Will Temporary or permanent relocation be required? \_\_\_\_\_
4. Section 3 Agreement: 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
- Applicant's financial statement or most recent audit. Submit as Attachment C-5.a.
  - Applicant's Current Income Tax Return. Submit as Attachment C-5.b.
6. Submit project Site Plan with application. Submit as Attachment C-6.



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

- a. Copy of Relocation Plan. Submit as Attachment C-7.a.
- b. Proof of approval of Relocation Plan by HUD. Submit as Attachment C-7.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-7.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 MONDAY, JANUARY 9, 2017 BY 5:00 PM**

**TO: Mark Weber, Neighborhood Services Coordinator  
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: Gerald W. Cichon, Chief Executive Officer

Date: \_\_\_\_\_

**FOR STAFF USE ONLY: Received by: \_\_\_\_\_ Date: \_\_\_\_\_**

**Review for Completeness by: \_\_\_\_\_**

MLK  
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 Ambrosio MLK Apartments ("*MLK*") using 4% low income housing tax credits funding pool administered by the Texas Department of Housing and Community Affairs ("*TDHCA*").

MLK is an apartment development that will house a diverse group of residents. HACEP is proposing to utilize 4% tax credits and other financing sources to rehabilitate old housing units. 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 re-construct 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 a cash flow perspective, but HACEP obtains a newer apartment that is easier to maintain and lease. The community benefits as well, as the newly-renovated property adds to and enhances the surrounding neighborhood.

Value Statement 2

MLK supports breaking the cycle of poverty and supporting upward mobility 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, MLK addresses the plan's endeavors, which emphasizes housing in El Paso.

MLK 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. Expand affordable housing opportunities by utilizing new tools, technologies, and partnerships.

MLK is located in an area in which the development will be considered infill. This will grant 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. MLK 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.

The development also has "front door" access to 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 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.

MLK also aids in the effort to stimulate and enhance economic development in the surrounding area. 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

MLK is a housing development which is part of the RAD initiative. Due to the redevelopment and relocation of MLK, TDHCA will consider the development Rehabilitation.

This type of development meets the TDHCA criteria of promoting the edification of high quality housing. Unit sized 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.

MLK 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.

The community is engaged and has provided vital support to MLK. The City of El Paso, agreed to pass a resolution of local support and commitment. Backing for this development continues with the support of various community organizations such as Project Bravo and the YWCA.

### 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.

Recently, 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 (TDHCA) awarded HACEP \$2.2 million in 9% housing tax credits for the Haymon Krupp and Tays development (construction began in 2015, and completed the end of 2016). July 2015 HACEP was awarded approximately \$2.5 million in 9% 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 developments (construction began November 2016 and ending December 2017). In July 2016, HACEP was awarded \$3 million in 9% housing tax credits for the reconstruction of two new developments, Commissioners' Corner and Gonzalez Apartments totaling 338 units (construction began December 2017 and scheduled for completion fall of 2018). In July 2017, HACEP was awarded approximately \$3 million in 9% housing tax credits for reconstruction of Blue Flame and Medano. In addition, HACEP has received over \$14 million in 4% LIHTC since 2014 for development of 23 properties. All developments mentioned above receive full support from the City of 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 19<sup>th</sup> largest city in the nation, but more importantly, it ranks as the safest city 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.

MLK 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. MLK 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.

MLK 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 developer also sponsors the Family Self Sufficiency program, to promote economic independence and 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. Enterprise Green Communities or LEED initiatives will be incorporated into the design of this development, thus reducing operational costs and energy consumption.

MLK will compliance with environmental regulatory requirements are met. With the help of various local, state, and federal agencies, the rehabilitation of these units will ensure the development meets all necessary codes. Disposing of solid waste is a City wide challenge. Contributing to the solutions community gardens are incorporated. Through a key-hole system, not only compost will be provide to the garden, but it will require very low maintenance as well. Through pest control, MLK 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.

The City of El Paso is much more than brick and mortar, its foundation is its people, and with the help of various parties, MLK will help the City of El Paso connect neighborhoods and develop a society which will help it move towards an exciting future.

**Assessment and Taxes****Taxing Authority** El Paso County**Assessment Year** 2017

**Tax Rate** For tax year 2017, payable in 2018, the local district has a commercial property tax rate of \$3.09 per \$100 of assessed value. The assessed value is set at 100.0% of market value. The subject is tax exempt as a Public Housing development owned by the Housing Authority of the City of El Paso. Therefore, we do not provide a tax assessment. The property previously had a PILOT in place. Post renovation, the subject will be subject to a ground lease, allowing the exemption to continue. According to the developer there will be no PILOT moving forward. We assume this will continue through the life of the investment. Please reference limiting conditions and assumptions.

