

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

DEPARTMENT: Financial Services Department

AGENDA DATE: May 10, 2011

CONTACT PERSON NAME AND PHONE NUMBER: Carmen Arrieta-Candelaria [(915) 541-4011]

DISTRICT(S) AFFECTED: All

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.'

Authorize the Mayor to sign a Resolution to extend the waiver of PILOT funds from the Housing Authority of the City of El Paso ("Housing Authority") until November 1, 2023, in accordance with the provisions of the 1972 Cooperative Agreement and subsequent 1978 amendment.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

As requested by the Housing Authority, City staff is recommending a 10-year extension of the City's waiver of PILOT (*payments in lieu of taxes*) for the Housing Authority until November 1, 2023. A current resolution passed on June 22, 2004, extends the waiver until November 1, 2013. This resolution waives the monies and directs that the Housing Authority provides funds to the YWCA for childcare services in public housing complexes for the benefit of public housing residents. The proposed extension would designate the monies for the YWCA childcare program for the first five years, or until November 1, 2018, and then designate the monies for the use of capital projects that provide safe and sanitary housing for persons of low income or other capital projects that provide recreational, community or other public facilities for the benefit of such low income residents and/or the public, as designated by the Housing Authority governing board.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?
Yes, City Council approved a similar resolution on June 22, 2004.

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?

N/A

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

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

DEPARTMENT HEAD:

Carmen Arrieta-Candelaria

RESOLUTION

WHEREAS, Section 392.005 (a) Texas Local Government Code provides that the property of a housing authority is exempt from all taxes and special assessments of a municipality;

WHEREAS, Section 392.005 (b), Texas Local Government Code provides that a housing authority may, in lieu of paying taxes or special assessment, agree to reimburse in payments to a municipality an amount not greater than the estimated cost to the municipality for improvements, services or facilities furnished to the housing authority by the municipality;

WHEREAS, on July 13, 1972, the City of El Paso ("City") and the Housing Authority of the City of El Paso ("Housing Authority") entered into a Cooperation Agreement wherein the parties agreed that the Housing Authority make annual payment in lieu of taxes ("PILOT") for public improvements, services and facilities furnished to the Housing Authority by the City;

WHEREAS, on October 3, 1978, the City and the Housing Authority entered into an Amendment to the 1972 Cooperation Agreement, which stated that the City, by a majority vote of the City Council, may waive all or part of the PILOT, at any time, for the purposes of permitting the Housing Authority to use such payment for activities which are approved by the City Council and which directly relate to projects of the Housing Authority;

WHEREAS, in accordance with the provisions of the 1972 Cooperation Agreement and the 1978 amendment thereto, between the City and the Housing Authority, the City has for a number of years previously agreed, by Resolution, to waive

all of its portion of PILOT from the Housing Authority and directed that the monies be designated to assist in funding the Y.W.C.A. for childcare services in public housing complexes;

WHEREAS, on June 22, 2004, the City agreed, by Resolution, to waive all of its portion of PILOT from the Housing Authority and directed that the monies be designated to assist in funding the Y.W.C.A. for childcare services in public housing complexes until November 1, 2013;

WHEREAS, the City and the Housing Authority now desire to extend the waiver of the PILOT from the Housing Authority for a period of ten years until November 1, 2023 and have the City direct that the monies for the first five years (until November 1, 2018) be designated to assist in funding the Y.W.C.A. for childcare services in public housing complexes and thereafter, until November 1, 2023, be designated by the Housing Authority governing body for capital projects that provide safe and sanitary housing for persons of low income or other capital projects that provide recreational, community or other public facilities for the benefit of such low income residents and/or the public; and

WHEREAS, the Resolutions adopted by the City, concerning the waiver and designation of PILOT funds, have served a public purpose to benefit numerous children and their families residing in public housing throughout the community.

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

That the City waive all of its portion of payment in lieu of taxes (P.I.L.O.T.) from the Housing Authority of the City of El Paso in accordance with the 1972 Cooperation

Agreement, and amendments thereto, between the City and the Housing Authority, for a period of ten years until November 1, 2023 with the monies for the first five years (until November 1, 2018) be designated to the Y.W.C.A. for childcare services in public housing complexes and/or for the benefit of public housing residents and thereafter, until November 1, 2023, be designated by the Housing Authority governing body for capital projects that provide safe and sanitary housing for persons of low income or other capital projects that provide recreational, community or other public facilities for the benefit of such low income residents and/or the public;

APPROVED this _____ day of **May, 2011.**

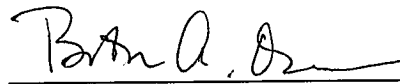
THE CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

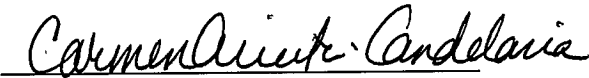
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Bertha A. Ontiveros
Assistant City Attorney

APPROVED AS TO CONTENT:



Carmen Arrieta-Candelaria
Chief Financial Officer