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**City of Las Cruces**<sup>®</sup>  
 PEOPLE HELPING PEOPLE

**Council Action and Executive Summary**

Item # 5      Ordinance/Resolution# 11-210      Council District: 1

For Meeting of April 18, 2011

(Adoption Date)

**TITLE:** A RESOLUTION COMMITTING A PARCEL OF CITY-OWNED PROPERTY CONTAINING APPROXIMATELY 5.27 ACRES TO MESILLA VALLEY HABITAT FOR HUMANITY FOR DEVELOPMENT OF AFFORDABLE HOUSING. THIS RESOLUTION ALSO AUTHORIZES MESILLA VALLEY HABITAT FOR HUMANITY TO PURSUE STATE TAX CREDITS FOR DEVELOPMENT OF THE PROPERTY AND OBTAIN AN APPRAISAL ON THE SUBJECT PARCEL.

**PURPOSE(S) OF ACTION:** Committing approximately 5.27 acres of City-owned property to Mesilla Valley Habitat for Humanity (Habitat) for the development of affordable housing and other related actions.

<b>Drafter and Staff Contact:</b> Jan Lauterbach		<b>Department:</b> Community Development		<b>Phone:</b> 528-3134	
<b>Department</b>	<b>Signature</b>	<b>Phone</b>	<b>Department</b>	<b>Signature</b>	<b>Phone</b>
Department Director		528-3066	Budget		541-2107
			Assistant City Manager		541-2271
Legal		541-2128	City Manager		541-2076

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:** The City of Las Cruces acquired a parcel of land containing approximately 8.5 acres in January 1973. The parcel is located south of the Pradera Dorada subdivision and directly north of the Las Cruces Outfall Channel off of El Camino Real. The subject property has been vacant since acquisition and Habitat has communicated their desire to develop the property into an affordable housing subdivision. The proposed project seeks to subdivide the parcel to exclude the City well and a 100' right-of-way for the Las Cruces Outfall Channel. The remaining portion, containing approx 5.27 acres will be granted to Habitat for the development of the subdivision.

Habitat will develop the property, providing infrastructure for the subdivision with plans to construct 18-20 owner-occupied single family affordable housing units. The Resolution also provides Habitat the authorization to pursue State Tax Credits which would provide funding for project infrastructure and also allow them to obtain an appraisal on the subject property to determine the current actual value of the property for purposes of donation from the City to Habitat.

By the City committing and potentially donating the land to Habitat, this will reduce the overall development cost and the price of the housing to the individual homeowners (i.e. the value of the land will be a direct reduction in the price of the home to the homeowner). Upon

completion of construction of the units, Habitat must also insure the home will be maintained as owner-occupied housing for a qualified low-income family. The potential 18-20 owner-occupied residences will be eligible to households earning less than 80% of area medium income. The households will come from Habitat's waiting list of clients who are qualified based on income.

In an effort to increase public input opportunities and to obtain public input on the proposed project with the adjoining neighbors in the Pradera Dorada subdivision, primarily because primary access to the future subdivision is limited from a City-owned parcel of land off of Aguilera Road. Therefore, both Habitat and the staff of the Neighborhood Services Section of the Community Development Department proposes to make outreach to the adjoining property owners to gather their input and potentially address any of their concerns as part of the subdivision design process. Habitat requests City Council approval of this resolution, prior to the outreach effort, to ensure that they have the Council's support prior to making a major investment in the design and potential construction of the subdivision. Further, Habitat wants assurances that they will have an exclusive use of the property.

The proposed Resolution only commits the property to Habitat to undertake the planning and platting process, but does not formally convey the property's ownership to Habitat. The initial commitment is for one-year only, with an option for additional one-year renewals, as may be needed. Once Habitat has finalized the subdivision plat, the City will then present another Resolution to the City Council for their consideration to deed the property to Habitat. As part of the deeding consideration, the City will also develop and present an Affordable Housing Grant Agreement in order to ensure that the property is provided to low- and moderate-income homebuyers and that both the City and Habitat comply with the State's Affordable Housing Act and corresponding City ordinances.

Any subdivision that is proposed and ultimately built will have to comply with the City's Zoning and Subdivision Code requirements.

**SUPPORT INFORMATION:**

1. Resolution
2. Attachment "A" - aerial photo
3. Attachment "B" – preliminary survey

**SOURCE OF FUNDING:**

<b>Is this action already budgeted?</b>  N/A	<b>No funding action needed</b>	
	Yes	<input type="checkbox"/> See fund summary below
	No	<input type="checkbox"/> If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/> Expense reallocated from: _____ <input type="checkbox"/> Proposed funding is from a new revenue source (i.e. grant; see details below) <input type="checkbox"/> Proposed funding is from fund balance in the _____ Fund.
<b>Does this action create any revenue?</b>  N/A	Yes	<input type="checkbox"/> Funds will be deposited into this fund: _____ in the amount of \$_____.
	No	<input checked="" type="checkbox"/> There is no new revenue generated by this action.

**FUND EXPENDITURE SUMMARY:**

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will commit the property to Mesilla Valley Habitat for Humanity for the development of an affordable housing subdivision.
2. Vote "No"; this will not commit the property to development of an affordable housing subdivision and the property will continue as vacant land at this time.
3. Vote to "Amend"; further direction would come from City Council.
4. Vote to "Table"; further direction would come from City Council.

**REFERENCE INFORMATION**

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

N/A

**RESOLUTION NO. 11-210**

**A RESOLUTION COMMITTING A PARCEL OF CITY-OWNED PROPERTY CONTAINING APPROXIMATELY 5.27 ACRES TO MESILLA VALLEY HABITAT FOR HUMANITY FOR DEVELOPMENT OF AFFORDABLE HOUSING. THIS RESOLUTION ALSO AUTHORIZES MESILLA VALLEY HABITAT FOR HUMANITY TO PURSUE STATE TAX CREDITS FOR DEVELOPMENT OF THE PROPERTY AND OBTAIN AN APPRAISAL ON THE SUBJECT PARCEL.**

The City Council is informed that:

**WHEREAS**, the City of Las Cruces acquired a parcel of vacant land containing approximately 8.5 acres in January 1973, located south of the Pradera Dorada subdivision; and

**WHEREAS**, the parcel has remained vacant, excluding a City water well installation, since acquisition and Mesilla Valley Habitat for Humanity (Habitat) has communicated a desire to develop the property into an affordable housing subdivision; and

**WHEREAS**, this Resolution proposes to grant approximately 5.27 acres of the parcel to Habitat in the name of affordable housing, and in exchange, Habitat will develop the property, provide infrastructure for the subdivision and construct 18-20 units of owner-occupied single family affordable housing for clients on their waiting list who are income qualified; and

**WHEREAS**, this Resolution also provides Habitat the authorization to pursue State Tax Credits which would provide funding for project infrastructure and will also allow them to obtain an appraisal on the subject property for valuation purposes; and

**WHEREAS**, the Neighborhood Services staff propose to obtain public input on the proposed project with the adjoining neighbors in the Pradera Dorada subdivision as primary access to the project will need to come from a City-owned parcel of land off of Aguilera Road within the subdivision; and

**WHEREAS**, secondary access may be required to meet Fire Code and Habitat is committed to working with the Fire Department on infrastructure design to meet code requirements; and

**WHEREAS**, the property will also require a subdivision of the parcel due to the location of a City-owned water well along the eastern portion of the subject property and a 100' right-of-way along the southern boundary for the Las Cruces Outfall Channel.

**NOW, THEREFORE**, Be it resolved by the governing body of the City of Las Cruces:

**(I)**

**THAT** the Resolution commits a City-owned parcel of vacant land containing approximately 5.27 acres to Habitat for the purposes of developing an affordable housing subdivision through the City's planning and platting processes.

**(II)**

**THAT** the City's commitment to Habitat is for the exclusive use of the property for planning and platting purposes only and is for one-year as of the effective date of this Resolution, with the option of additional one-year renewals at the request of Habitat and the approval of a Resolution by the Las Cruces City Council.

**(III)**

**THAT** should Habitat determine that the planning and platting of this parcel is suitable for an affordable housing subdivision, Habitat will request to the City to convey the property to Habitat, which must be done in accordance with established City procedures, and further conditioned upon the approval of an Affordable Housing Grant Agreement between the City and Habitat in accordance with the State Affordable Housing Act and the corresponding City ordinances.

(IV)

THAT Habitat is authorized to pursue State Affordable Housing Tax Credits either separately or jointly with the City, whichever is in the City's best interest, and the City Manager and City Attorney, in discussion with staff from the Community Development, Facilities, and Finance Departments, and Habitat, are authorized to make this determination.

(V)

THAT Habitat is hereby authorized to access the subject property in order to obtain an appraisal for land valuation purposes.

(VI)

THAT Neighborhood Services staff will conduct outreach with adjoining neighbors in the subdivision to obtain input on the proposed affordable housing project.

(VII)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

(SEAL)

ATTEST:

\_\_\_\_\_  
City Clerk

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved as to Form:

  
\_\_\_\_\_  
City Attorney

APPROVED:

\_\_\_\_\_  
Mayor

VOTE:

Mayor Miyagishima: \_\_\_\_\_

Councillor Silva: \_\_\_\_\_

Councillor Connor: \_\_\_\_\_

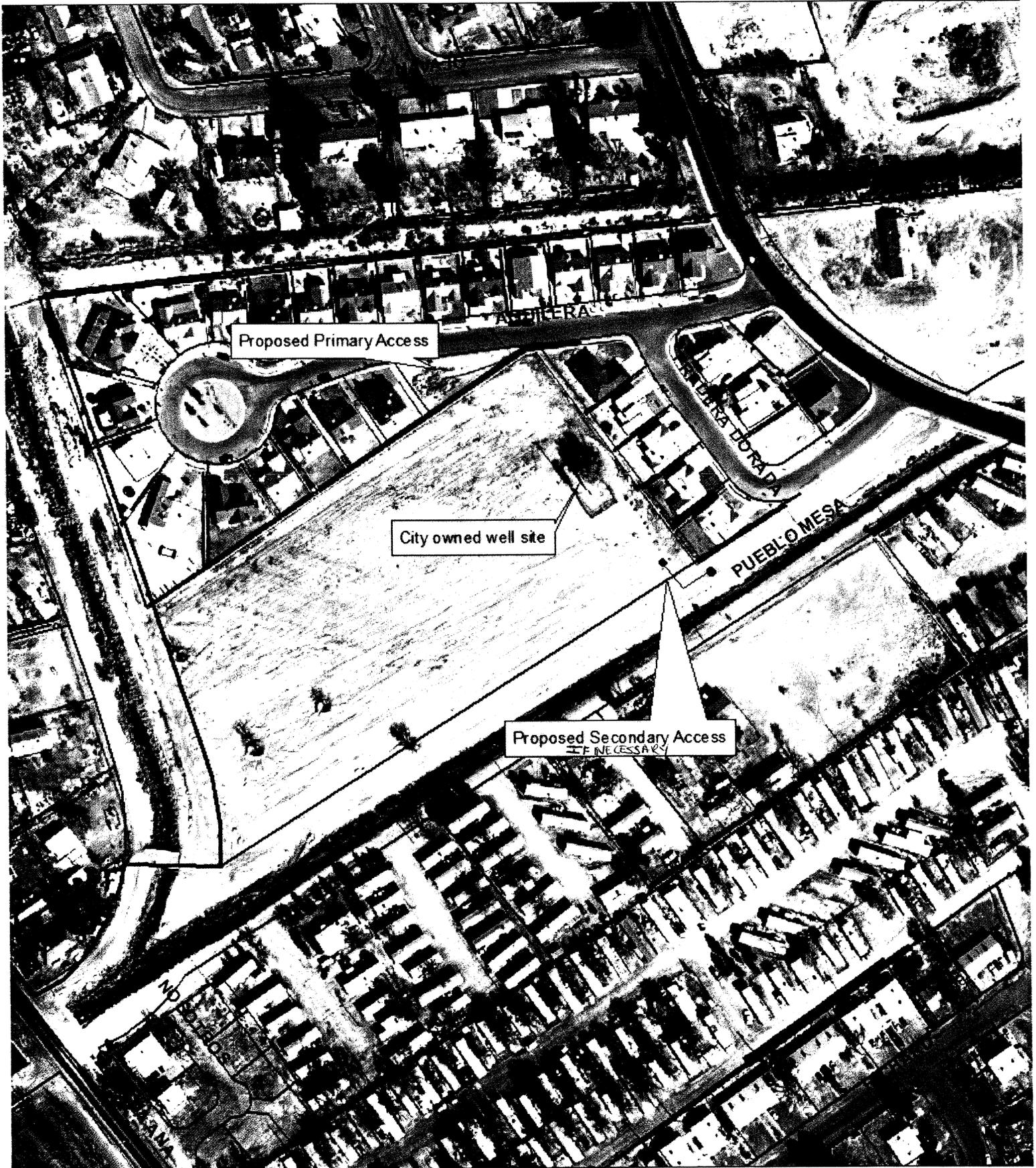
Councillor Pedroza: \_\_\_\_\_

Councillor Small: \_\_\_\_\_

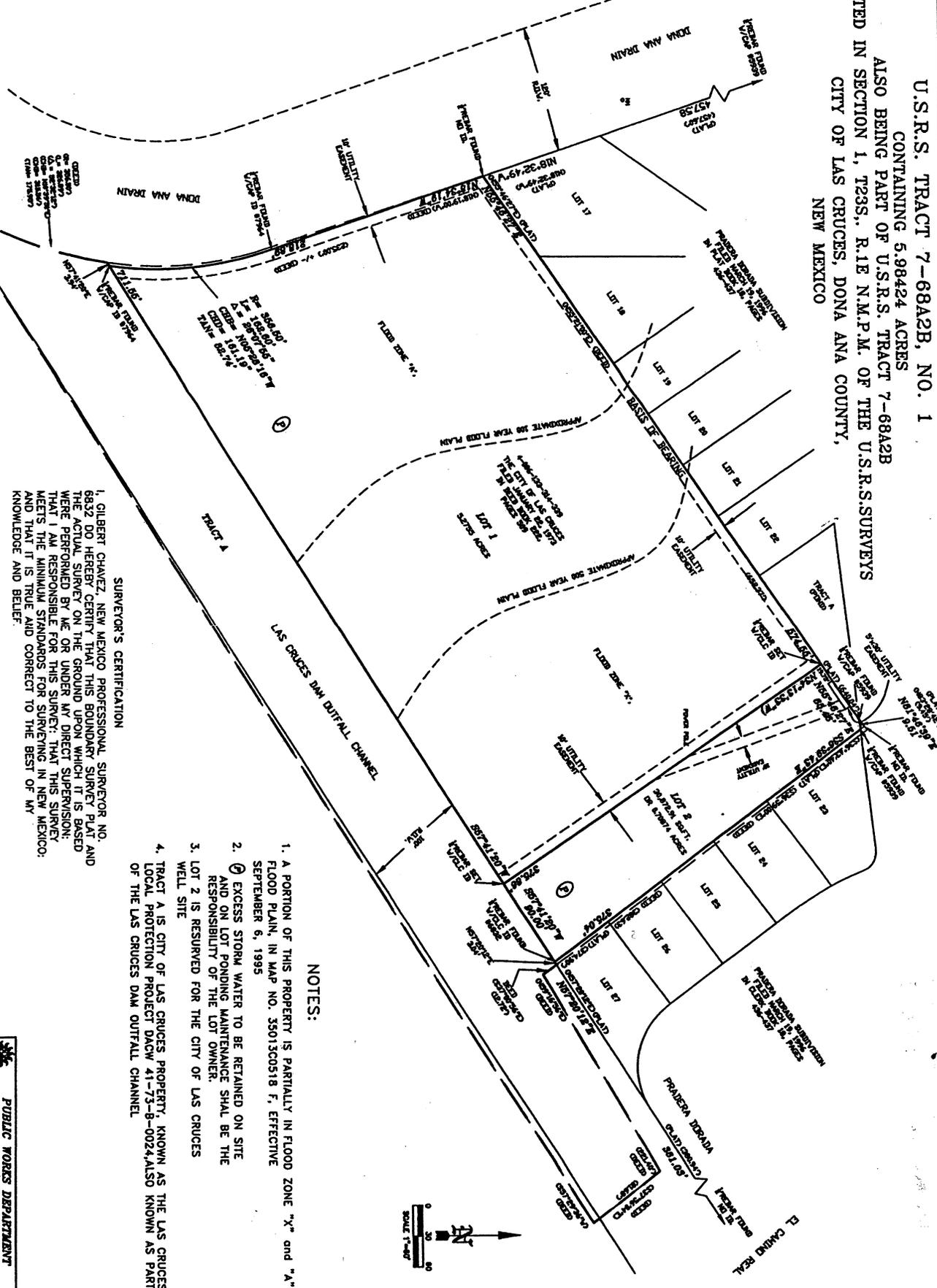
Councillor Sorg: \_\_\_\_\_

Councillor Thomas: \_\_\_\_\_

# Aerial Photo



U.S.R.S. TRACT 7-68A2B, NO. 1  
 CONTAINING 5.98424 ACRES  
 ALSO BEING PART OF U.S.R.S. TRACT 7-68A2B  
 LOCATED IN SECTION 1, T23S, R.1E N.M.P.M. OF THE U.S.R.S. SURVEYS  
 CITY OF LAS CRUCES, DONA ANA COUNTY,  
 NEW MEXICO



**SURVEYOR'S CERTIFICATION**

I, GILBERT CHAVEZ, NEW MEXICO PROFESSIONAL SURVEYOR NO. 6832 DO HEREBY CERTIFY THAT THIS BOUNDARY SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION; THAT I AM RESPONSIBLE FOR THIS SURVEY; THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO; AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

- NOTES:**
1. A PORTION OF THIS PROPERTY IS PARTIALLY IN FLOOD ZONE "X" and "A" FLOOD PLAIN, IN MAP NO. 35013C0518 F, EFFECTIVE SEPTEMBER 6, 1995
  2. EXCESS STORM WATER TO BE RETAINED ON SITE AND ON LOT PONDING MAINTENANCE SHALL BE THE RESPONSIBILITY OF THE LOT OWNER.
  3. LOT 2 IS RESERVED FOR THE CITY OF LAS CRUCES WELL SITE
  4. TRACT A IS CITY OF LAS CRUCES PROPERTY, KNOWN AS THE LAS CRUCES LOCAL PROTECTION PROJECT DACW 41-73-6-0024, ALSO KNOWN AS PART OF THE LAS CRUCES DAM OUTFALL CHANNEL

GILBERT CHAVEZ  
 N.M.P.S. 6832  
 DATE OF SURVEY

PUBLIC WORKS DEPARTMENT CITY OF LAS CRUCES, NEW MEXICO			
PROJECT NO.	DATE	REVISION	SHEET
09-S-030			2
SCALE 1"=40'	DATE	REVISION	SHEET
DESIGNED BY	DATE		2
DRAWN BY	DATE		
CHECKED BY	DATE		
APPROVED BY	DATE		