

109  
**City of Las Cruces**<sup>®</sup>  
 PEOPLE HELPING PEOPLE

**Council Action and Executive Summary**

Item # 6 Ordinance/Resolution# 12-199

For Meeting of \_\_\_\_\_  
 (Ordinance First Reading Date)

For Meeting of June 4, 2012  
 (Adoption Date)

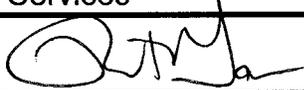
Please check box that applies to this item:

QUASI JUDICIAL       LEGISLATIVE       ADMINISTRATIVE

**TITLE:** A RESOLUTION APPROVING AN EXCEPTION TO THE CITY'S HOME REHABILITATION HANDBOOK FOR THE PROPOSED REHABILITATION PROJECT LOCATED AT 109 RIDGECREST DRIVE.

**PURPOSE(S) OF ACTION:**

Approve an exception to the City requirements.

<b>COUNCIL DISTRICT: 1</b>		
<b><u>Drafter/Staff Contact:</u></b> Ray Sartin	<b><u>Department/Section:</u></b> Community Development / Planning & Neighborhood Services	<b><u>Phone:</u></b> 528-3027
<b><u>City Manager Signature:</u></b>		

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

Ms. Naomi Finley, who owns the residence located at 109 Ridgecrest Drive, has applied to participate in the City's Home Rehabilitation Program. The family consists of Ms. Finley and her two children. The family has an annual income that is 32% of the area median income for a family of three.

Staff evaluated the dwelling for rehabilitation and decided that due to deficiencies with the home (summarized below); rehabilitation is needed to make the home, decent, safe, energy efficient, and healthy.

Structural condition:

1. Building Code violations.
2. Deterioration of utility and mechanical systems installed circa 1958.
3. Multiple electrical, plumbing, and health hazards.
4. Need of weatherization upgrades.
5. Nonfunctional plumbing fixtures.

Due to the extent of the repairs needed, the present Home Rehabilitation Program guidelines do not allow sufficient funding to make the needed repairs to the structure for Ms. Finley and her children; therefore, staff is requesting that the City Council authorize the use of funds in excess of the Home Rehabilitation Program guidelines. This exception can be granted by the City Council in approving the proposed, attached Resolution.

Attachment "B" provides an outline of the exception proposed, along with detailed structural information on the home. If approved, Ms. Finley's home will provide a healthy, safe, decent, and energy efficient environment for her family and comply with all Zoning and Building Code requirements.

**SUPPORT INFORMATION:**

1. Resolution.
2. Attachment "A", Proposed Work write-up.
3. Attachment "B", Home Rehab Program exception.
4. Attachment "C", Pictures of the current home.

**SOURCE OF FUNDING:**

<b>Is this action already budgeted?</b>	Yes	<input checked="" 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>	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY _____
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

**BUDGET NARRATIVE**

The staff is proposing to use uncommitted balances from both the Program Year 2010 and 2011 CDBG funds that were set-aside for home rehabilitation projects. As per HUD regulations, the City must utilize and expend the oldest available funds for projects, and due to this requirement we are proposing to expend the last remaining amount of 2010 funds and the remaining balance will come from 2011 funds.

**FUND EXPENDITURE SUMMARY:**

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Community Development (Fund 2000)	20184300- 722195-10210	\$55,713.44	\$55,713.44	\$0.00	N/A
	20184330- 722195-10211	\$13,286.56	\$146,372.51	\$133,085.95	Other home rehab projects

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will approve the Resolution to grant the necessary exception to the City's Home Rehabilitation Program and provide funding to allow for rehabilitation to Ms. Finley's home.
2. Vote "No"; this will not approve the Resolution to grant the necessary exception to the City's Home Rehabilitation Program, nor will it provide funding to allow the rehabilitation of Ms. Finley's home.
3. Vote to "Amend"; this could allow City Council to provide further direction.
4. Vote to "Table"; and provide direction to staff.

**REFERENCE INFORMATION:**

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

1. N/A

**RESOLUTION NO. 12-199****A RESOLUTION APPROVING AN EXCEPTION TO THE CITY'S HOME REHABILITATION HANDBOOK FOR THE PROPOSED REHABILITATION PROJECT LOCATED AT 109 RIDGECREST DRIVE.**

The City Council is informed that:

**WHEREAS**, the Home Rehabilitation staff has processed the application for the Home Rehabilitation Program for Ms. Naomi Finley, whose house is located at 109 Ridgecrest Drive; and

**WHEREAS**, the homeowner and her family have an annual income of \$12,372.00, which is 32% of the area median income for a family of 3; and

**WHEREAS**, the homeowner qualifies for the program; and

**WHEREAS**, the house is in need of extensive rehabilitation; and

**WHEREAS**, to determine the cost of the rehabilitation, staff received six bids from qualified contractors, all of which are acceptable bids, from \$62,655.16 to \$79,768.35; per HUD and City regulations, acceptable bids should not be greater than 10% or less than 15% of staff estimate, which is \$73,142.50; and

**WHEREAS**, staff took an average of the three lowest bids, as the homeowner will not make a choice of contractors until City Council acts upon this Resolution; and

**WHEREAS**, Home Rehabilitation staff estimates the total cost will be approximately, \$63,000.00 for construction plus \$6,000.00 for soft cost and relocation; and

**WHEREAS**, the Home Rehabilitation Program guidelines do not allow funding in excess of \$57,000.00 per project; and

**WHEREAS**, Home Rehabilitation staff is requesting City Council approval for additional funding in the amount of approximately \$12,000.00 to rehabilitate the

structure and pay for soft cost and relocation expenses per the City-adopted Home Rehabilitation Program Handbook, as amended; and

**WHEREAS**, the City Council has the authority to approve additional funding and to grant exceptions to the Home Rehabilitation Program guidelines.

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

**(I)**

**THAT** the Home Rehabilitation Project is hereby granted the following Home Rehabilitation Handbook exception, which will allow for the project at 109 Ridgecrest Avenue to receive additional funding under the Program guidelines for the following activity, dollar amounts and program exception:

- a) An exception to Chapter VIII, Part B-4 of the City's Home Rehabilitation Handbook, for a rehabilitation project above the maximum funding limits of \$57,000 set in Chapter VII, Part E-1-5 and Chapter VIII A-B, for the rehabilitation of the Finley home at 109 Ridgecrest Avenue for a total investment of approximately \$69,000.

**(II)**

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

**DONE AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

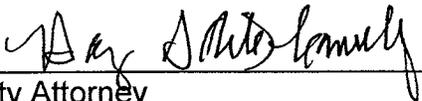
\_\_\_\_\_  
City Clerk

(SEAL)

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

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

APPROVED AS TO FORM:

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

VOTE:

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

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

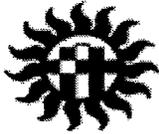
Councillor Smith: \_\_\_\_\_

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

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

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

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



# City of Las Cruces

Owner: Naomi Finley Date: April 2, 2012  
 Address: 109 Ridgecrest Dr. Application #: 1508  
 Home Rehab. Coordinator: Ray Sartin  
 Date of walk- thru: \_\_\_\_\_ Phone #'s Home: 644-6860

## TO ALL CONTRACTORS:

All work must conform to the general specifications, all Building Codes, and Zoning Laws. **All required permits** in accordance with the Municipal Code of the City of Las Cruces must be secured prior to the start of any demolition or construction on this project.

**LEAD BASED PAINT:** A Lead-based Paint Inspection/Risk Assessment was performed on this property. The Inspection has determined that there is no lead-based paint in the property at concentration at or above 1.0 mg/cm<sup>2</sup>.

**WORKMANSHIP:** All work shall be neatly done in a workmanlike manner and shall be uniform in appearance. All work and materials must conform to the Construction Standards of the Home Rehabilitation Handbook. Contractors shall be responsible for any work that does not meet Home Rehabilitation Standards. The Contractor will provide all material unless otherwise specified. Changes in material and/or work requirements will not be accepted for payment unless given prior approval in writing by Rehab Coordinator, Homeowner, and Supervisors. No work is to be performed before receiving such approval.

At the time of Final Inspection all warranties and guarantees for any new appliances that have been installed shall be filled out and dated to include name, address, and dealer where appliances were purchased. All inspection permits shall be delivered and all building debris and trash must be removed from the job site before final inspection. The Contractor, Home Rehab. Coordinator and Homeowner shall be present at final inspection.

**General for all work:** Provide any hardware, equipment, fixtures, labor, or materials required to complete as a new installation, meeting all minimum code requirements and the Home Rehabilitation Standards. Replace or repair any elements of the structure affected by the installation of new work

### Work Write-up

**Contractor to verify all information at job site. All measurements and / or estimations are for staff use only. Bidding contractors are responsible for taking their own measurements for the purpose of calculating their bids. Failure to do so may result in disqualification.**

Accepted by Home Owner: \_\_\_\_\_ Date: \_\_\_\_\_

**Roofing:**

**Re-Roof of Existing Roof:** Remove all the existing roofing down to the deck. Remove the A/C and all unused appurtenances penetrating the roof. Check and replace any defective roof decking and replace decking affected by removal of appurtenances. Repair trusses/joists necessary to straighten roof line. Repair all eaves and overhang. Install new soffit only, no new fascia, for the entire structure and include the front porch overhang. Use metal corners and "H" molding at joints. No wafer board type fascia or soffit material will be accepted. All exterior sheathing on or around roofing will be textured, wood grain, Masonite®. Install all new necessary metal edgings, flashings, ventilation caps, roof jacks, fire blocking, etc., as required for a new roof. **Pitched Roof (2:12 to 4:12):** Install two layers of felt paper, as required in the IRC R905.2.2 and R905.2.7, and new, white, asphalt composition, 3 tab shingles. Owens Corning® or pre-approved equal, with a minimum, 20 year warranty.

Paint existing fascia and soffit and all exterior wood work, homeowner to pick color. Paint to meet Home Rehab Standards.

**TOTAL:**     \$ \_\_\_\_\_

**Insulation:**

**Interior Air Barrier:** Seal all open penetrations in the, ceiling, walls and around windows. Seal all openings in all abandoned and new electrical boxes air tight prior to installing fixtures, switches, or receptacles. Ensure the interior Air Barrier is complete. Fill unused boxes in exterior walls with insulation prior to sealing.

**Attic Insulation:** Blown in insulation will be installed by GreenWorks New Mexico. Contractor is to coordinate with GreenWorks to ensure timing and schedule so there is no delay and the insulation is not compromised. Contractor is responsible for making sure the insulator has adequate access to all areas to install insulation. A 10 working day notice is needed by Green Works.

**INSULATION. Exterior Insulation:** Install 1" Extrude Polystyrene Ridged Foam Insulation on the outside of all cinder block exterior walls. R-5 minimum insulation value per one inch thickness required and the material must be listed for the intended use. **(Only building thermal insulation that has the manufacturers R-value identification mark factory applied to the material will be accepted.)** Installation methods must meet the manufactures installation requirements and code minimums.

**TOTAL:**     \$ \_\_\_\_\_

**ALTERNATE #1:**

**INSULATION.** Remove all old insulation and Install blown fiberglass insulation in the attic space, after the air barrier is sealed, to yield an **R-38** or better. Ensure complete coverage and yield by installing \*depth markers. Complete as new installation. Ensure one (1) inch clearance above insulation at soffit vent locations by installing baffles. Provide attic access openings as required to meet current code.

**DO NOT INCLUDE IN TOTAL: This is a separate and additional price from the base bid above. To be included in the event Green Works is not available to install the insulation.**

**TOTAL:**     \$ \_\_\_\_\_

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## Windows & Doors:

**Windows:** Replace all single pane casement windows and install new Low-E, vinyl, Energy Star® Rated windows with screens. Replace the kitchen window with one that matches the new windows. The sizes and locations of the windows will be as existing. Exceptions: One window in each bedroom must meet Emergency Escape and Rescue requirements, per. the IRC (Egress). The bathroom windows will be opaque glass. Owner is to choose color of window frames. Window installation must meet or exceed the manufactures installation requirements and all applicable codes.

**Exterior Doors: (1)** Install (1) one, metal, 1 ¾" thick, insulated, raised panel, pre-hung, door, with threshold, vinyl sweep, and aluminum sills, in place of the kitchen door. The door will be "Ranch Style" with window; the same size as the existing. **(2)** Install (1) one, metal, 1 ¾" thick, insulated, raised six-panel, pre-hung, door, with threshold, vinyl sweep, and aluminum sills, in the outside store room. The doors, all molding and trim around doors, are to be installed and prepared for paint. Install new, door levers handles, bolt locks and matching lock sets on all exterior doors.

**Interior Doors:** Replace the door to the front bedroom with a matching door and hardware. Install new doorknobs and privacy lock set.

**General:** All units are to be installed plum, true and square with equal margins. Include all necessary adjustments and repairs to walls and finished, and painted to match the surrounding walls and meet Home Rehab Standards.

**TOTAL:**     \$ \_\_\_\_\_

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## Electrical:

**Wiring:** Provide a complete new electrical system. Including the installation of a new service, switches, receptacles, and light fixtures, with no reduction in existing lighting fixture locations, and approved by the owner. Provide for and connect to all existing, relocated, or new equipment. Include the installation of two (2) 240 volt receptacle outlets, one for the dryer and one for the range. Install 2 fan listed ceiling boxes in the living room and one in each bedroom.

**Fixtures:** Replace lighting fixtures as needed and as requested by the owner. Fixture Allowance is \$350. All fixtures are to be selected by owner and meet the "Energy Efficiency Requirements" of the NM Electrical Code (Green Works New Mexico will provide 23 CFL light bulbs to the owner). **Detectors:** Install new, 120 volt, smoke detectors in locations required by code. Install at least one (1) carbon monoxide detector.

**Ventilation:** Provide and install **ENERGY STAR** rated exhaust fans, one in each bathroom. Fans in bathrooms are to be switched to operate with the light. Remove the ceiling exhaust in kitchen and install a range exhaust hood, with back draft damper chosen by owner within a \$100 limit.

**Other:** Remove and discard base board heaters in the garage area. Install a hard wired door bell at the front entrance. Connect all equipment and appliances to the electrical system. All existing low voltage wiring removed during construction must be replaced to the original location.

**General for new work:** The equipment and systems installations are to meet or exceed the manufactures installation requirements and applicable codes. Exposed raceway will be allowed for the new wiring, where necessary on CMU walls. Use accessible spaces, cut open walls, open ceilings, attic, etc, when ever possible.

**TOTAL:**     \$ \_\_\_\_\_

**ALTERNATE #2:**

**Electrical, Exposed Raceway.** Exposed raceway allowed throughout the building as needed to avoid cutting open ceilings and walls. Spaces opened for other work should always be used for new wiring, if possible. Raceway must be approved by Home Rehab staff prior to installation, and installed as inconspicuous as possible. No round galvanized conduit allowed in the interior of the building.

**DO NOT INCLUDE IN TOTAL: This Alternate is to include all the work listed above in the base bid, the difference is the allowance of raceway throughout the home.**

**TOTAL: \$**

**HVAC:**

**Air Conditioner:** Install new evaporative air conditioner on a new stand and new flashing. \*A/C is to be a single pad type, minimum 5,500 cfm, with a minimum 3/4 horse power, two-speed motor and new THERMOSTATIC switch. The A/C must be on the El Paso Electric list for the High Efficiency Cooling Program for rebate. Contractor will provide all documentation to home owner to apply for rebate.

**Heating:** Install a new, *Energy Star*® rated, forced air, direct vent, natural gas furnace, and heating system. Furnace to be a sized by the contractor, with a minimum 90% efficiency rating complete with new DIGITAL, PROGRAMMABLE thermostat.

**Duct System:** Remove the entire existing duct system and install a complete new, metal, duct distribution system, in the attic, flex runs must be no more than 15 feet. Ensure duct extends to all rooms. Install new adjustable air supply registers, and return air duct to hallway, or living room, with register. Connect duct of the furnace and A/C with vibration free connectors and dampers for season change. Clean, line, and seal the return air plenum.

\*New furnace and duct work will be properly sized by the Contractor for existing conditions meeting the standards of ACCA Manual's D and J and will include load calculation. Include drawings and calculations with plans to the Home Rehab staff, for review, prior to construction.

**Exhaust:** Install ducts for the new exhaust fans. Connect ducts to all equipment and extend to outdoors.

**General:** The equipment and systems installations are to meet or exceed the manufactures installation requirements and all applicable codes. Provide one seasonal start up of the new furnace and one for the new A/C, one at the final of the Rehab project, for the current season, and the other at the next seasonal change when requested by the owner.

**TOTAL: \$** \_\_\_\_\_

**Plumbing:**

**Faucets and Fixtures:** 1) Install one new, white, elongated, toilet in each bathroom, complete with matching new plastic seats, bowl wax rings, bolts, angle stops and all necessary piping to complete as new installation. 2) Install a new, stainless steel, double bowl, kitchen sink. Minimum 18 gauge and 8" deep. 3) Replace all faucets throughout the home, except the tub and lavatory faucet in the hall bathroom and install new faucets for new fixtures, complete with new angle stops, supplies, P-trap, pop-up drain, and all necessary piping to complete as new installation. All new faucets are to be chrome, lever handle, water saver, Delta Faucets.

**Gas piping test:** Cap equipment outlets and air test system, prior to adding to the system, to ensure the system is leak free, call Rehab Coordinator to verify test. Up-date the gas meter loop to current City of Las Cruces standards. Replace all gas stops and equipment connectors with new. Pressure test the completed system for the Mechanical Inspector at final inspection. Relight all appliances.

**Water Heater:** Bring the existing water heater into compliance with a new drain for the T&P, a pan with drain and any piping repairs needed to meet code.

**General:** 1) Install an Atmospheric Air Vent and a C/O plug on the kitchen drain. 2) Run drain and sewer machines through all branch drains, building drains, and building sewer.

**No work may be concealed without the inspection approval of the Mechanical Inspector and the Home Rehabilitation staff.**

TOTAL: \$ \_\_\_\_\_

<p><b>ALTERNATE # 3:</b></p> <p><b>Gas System, Water heater upgrade:</b> Remove the existing electric water heater and Install a 40 gallon, natural gas, Energy Star rated, water heater. The equipment and systems installations are to meet or exceed the manufactures installation requirements and all applicable codes.</p> <p><b>Gas piping replacement:</b> Run a new gas line from the meter to the new water heater, sized by the Contractor.</p> <p><b>DO NOT INCLUDE IN TOTAL: This is a separate, additional price for the gas piping upgrade and the water heater replacement.</b></p> <p>TOTAL: \$ _____</p>
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**Interior Finish:**

**Drywall:** 1) Remove, replace and finish any sheet rock needed to allow for rehab. 2) All existing walls and ceilings, in the home shall be free from defects. Defects shall be repaired to meet Home Rehab Standards and painted to match surrounding. 3) Seal the ceiling joints in the addition, (no texture, no paint unless alternate #6 is chosen). 4) Finish the interior of the furnace closet. 5) Remove the ceiling in the hall and raise the ceiling to the bottom of the trusses and finish. 6) Widen the furnace closet door to 24", install 24" door, and remove the phone nook if necessary. 7) Provide any access openings into the attic needed to meet code and/or provide access for rehab activities. 8) Remove and dispose of the large mirror in the living room.

**Shower:** Remove the existing shower base and build a new shower enclosure at the bathroom floor level, with ceramic tile, to include soap dish, including tile for the ceiling. Inspect all studs, insulation, etc. and replace or repair defects. Install 1/2" cement board, including the ceiling, Tile pattern and color is to be selected by owner.

**Hall bath:** 1) Install 1/2" cement board, Inspect all interior of walls after removing old wall finish, replace or repair defects. 2) Install a ceramic tile enclosure around the tub, to include soap dish, using the owner's tile provide any additional tile if needed.

**Interior Paint.** Paint all interior walls and ceiling surfaces throughout the living area, laundry room, texture and paint ceiling in addition all one color. Bedroom and closets are to receive satin latex to cover for a neat appearance. The bathrooms, kitchen and utility rooms are to receive semi-gloss latex enamel. Paint all woodwork including trim, doors, doorframes, baseboard, etc., with high-gloss latex enamel, the same color as the remainder of the interior. Owner to select color.

**TOTAL: \$** \_\_\_\_\_

**ALTERNATE # 4:**

**Interior Finish.** Complete all the work listed above anticipating that most of the electrical will be ran primarily in conduit to avoid most sheetrock cuts and repairs.

**DO NOT INCLUDE IN TOTAL: This is a total price for all the work listed in the base "Interior Finish" price listed above and will be used if the electrical alternative #2 is used.**

**TOTAL: \$** \_\_\_\_\_

**Flooring:**

Remove all existing floor covering; prep all floors and install new VCT throughout the entire house. The owner will select the color from a maximum allowance of \$16.00 per yard, installed.

**TOTAL: \$** \_\_\_\_\_

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**Cabinets:**

**Kitchen:** Remove the lower kitchen cabinets and all the counter tops. Install new lower cabinets from the left hand wall to the refrigerator, matching the existing uppers as close as possible. Leave an opening between the stove and the sink for a future dishwasher. All cabinets must meet Home Rehabilitation Standards. All units are to be hung plum, true, and square with no margins between joints, with all appropriate hardware. Install a new plastic laminate counter top, with rolled edge and 4" back splash. Provide cutout for sink and secure to base cabinets. All cabinets and installation of cabinets must meet Home Rehab Hand book requirements. Leave opening for a dishwasher, if possible. (The dishwasher is not supplied with this rehab)

**Bathroom:** 1) Install one, 24", (2) two piece vanity/lavatory combination cabinet, in the master bath. Owner will pick out cabinet. Must allow clearances between fixtures required by code.

**TOTAL:** \$ \_\_\_\_\_

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**Exterior Finish**

**Stucco finish over new insulation:** Prepare all exterior walls for application of stucco over insulation. Provide complete stucco coverage of the structure by applying an approved elastomeric stucco system. Install stucco to meet all applicable codes, and the manufactures installation requirements. Color coat with elastomeric synthetic stucco or approved substitute. Owner to select the color of the stucco. Homeowner will remove any vegetation needed to allow for painting. Exterior vegetation will be removed by homeowner.

**TOTAL:** \$ \_\_\_\_\_

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**Clean up:**

Clean exterior and interior of all windowpanes and frames. Clean all plumbing fixtures. Vacuum all carpeting, clean all vinyl, and leave all porches and walks in a broom clean condition. Remove all paint spills, drywall mud, plaster, etc., from all surfaces. **DO NOT ADD A PRICE FOR THIS ITEM.**



**City of Las Cruces**  
**Community Development**  
**Memorandum**

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To: Mayor and City Council

From: Ray Sartin, Housing Development Coordinator *RS*

Subject: Home Rehabilitation Exceptions and Detailed Structural Information  
(Naomi Finley)

Date: May 16, 2012 File No.: M-12-106

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Ms. Naomi Finley, who owns the home located at 109 Ridgecrest Drive, has applied to participate in the City's Home Rehabilitation Program. Ms. Finley has an annual income of \$12,372.00; which is 32% of the area median income for a family of three and therefore, qualifies for assistance from the City's Home Rehabilitation Program.

Staff evaluated the dwelling for rehabilitation and determined that due to deficiencies with the structure, summarized below, the home meets the requirement to qualify for the City of Las Cruces, Home Rehabilitation Program.

Existing Structural Deficiencies:

1. Most of the mechanical systems: gas (potential hazard), sewer (sanitation), and electrical (potential hazard), are original and in very poor condition, from 1958, leading to the necessity for their replacement or major repair.
2. Roofing is aged beyond its expected useful lifetime.
3. Little attic insulation and no insulation in the cinder block exterior walls.
4. Single pane windows.
5. Interior damage to ceilings, walls and floors coverings, from water intrusion.
6. Nonfunctional plumbing fixtures.

To determine the cost of the rehabilitation, staff requested and received six bids from qualified contractors. Per HUD and City regulations, acceptable bids should not be greater than 10% or less than 15% of staff estimate, which is \$73,142.50. All six bids fell within this parameter; the lowest being, \$62,655.16 and the highest was \$79,768.35. For the purpose of this Resolution, staff is using a rounded average of the three lowest bids to determine price. The homeowner will make the final decision on which contractor will be chosen to do the project. The contractors will honor their bids until June 19, 2012.

The City of Las Cruces, Home Rehabilitation Program is also partnering with a local non-profit organization, Green Works New Mexico, who will be providing the attic insulation and light bulbs to the project at no cost to the owner or the program, in an effort to keep down the rehabilitation cost. Green Works New Mexico utilizes utility company incentives to cover their cost.

Staff estimates the total cost to rehabilitate the home to be \$69,000 as follows:

1. Rehabilitation of the homeowner's dwelling at a cost of approximately \$63,000, per bids received on April 20, 2012.
2. Soft cost \$2,000.
3. Relocation cost of approximately \$4,000.

Since the present home rehabilitation guidelines do not allow funding in excess of \$57,000 per project, which is insufficient to improve the living conditions of Ms. Finley's home, staff is requesting that the City Council authorize the following exception to be able to assist the Finley family with a decent, energy efficient, safe and sanitary home:

1. An exception in accordance with Chapter VIII, Part B-4 of the City's Home Rehabilitation Handbook which allows City Council to grant an exception to allow for a rehabilitation project above the maximum funding limits of \$57,000 set in Chapter VII, Part E-1-5 and Chapter VIII A-B, for the rehabilitation of the Finley home at a total investment of approximately \$69,000. Any surplus funding will be refunded to the Home Rehabilitation Program account.

Staff is requesting that the approximate amount of \$69,000.00 be provided to Ms. Finley, \$52,000 be given as a Deferred Payment Loan (DPL) due upon sale or transfer; and a grant for \$17,000 to be forgiven at a rate of \$1,000 a year, rounded to the next highest \$1,000.

cc: David Weir, Community Development Director *DW*  
 David Dollahon, Chief Planning Administrator *DD*  
 Paul Michaud, Senior Planner *PM*

09/14/2011 10:33

