



City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 5 Ordinance/Resolution# 16-115

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of December 7, 2015
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ACCEPT GRANT FUNDING IN THE AMOUNT OF \$20,000.00 FROM THE MORTGAGE FINANCE AUTHORITY FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING PLAN AS REQUIRED BY THE STATE OF NEW MEXICO AFFORDABLE HOUSING ACT, TO RATIFY THE ASSISTANT CITY MANAGER/COO'S SIGNATURE ON THE AGREEMENT AND TO APPROVE AN ADJUSTMENT TO THE CITY'S FY 2016 BUDGET.

PURPOSE(S) OF ACTION:

To accept award and adjust the budget.

COUNCIL DISTRICT: ALL		
<u>Drafter/Staff Contact:</u> Natalie Green	<u>Department/Section:</u> Community Development/Planning and Neighborhood Services	<u>Phone:</u> 528-3086
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City of Las Cruces (City) is subject to the New Mexico Affordable Housing Act (the Act) which identifies specific requirements to ensure governmental entities donate resources to qualifying grantees and to ensure long-term affordability. Section 4.2 of the Affordable Housing Act Rules requires a valid Affordable Housing Plan (AHP) with a community and housing profile, housing needs assessment, a land use and policy review and a strategic plan with goals policies and quantifiable objectives. The New Mexico Mortgage Finance Authority (MFA), is the entity charged by the State of New Mexico with ensuring compliance with the Act.

The City has consistently identified a need for affordable housing. As part of the implementation of the City's Affordable Housing General Oversight Ordinance, staff, in conjunction with the MFA, has identified the need for an updated AHP. The AHP will consist of community and housing profile, housing needs assessment, land use and policy review and a strategic plan with goals, polices and quantifiable objectives. The AHP will allow for further implementation of the

City's Affordable Housing Land Bank and Trust Fund as well as other housing programs administered by City staff.

The Mortgage Finance Authority has awarded the City \$20,000.00 to assist with the cost of hiring a consultant to develop the AHP.

The Resolution, if approved, would authorize the City's acceptance of the grant funds, the execution of the agreement between the City and MFA, and the budget adjustment necessary to include the additional funding in the approved FY 2016 budget.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Grant Agreement.
3. Exhibit "B", Budget Adjustment.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input type="checkbox"/>	See fund summary below
	No	<input checked="" type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input checked="" 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.
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/>	Funds will be deposited into this fund: <u>1000</u> in the amount of <u>\$20,000</u> for <u>FY2016</u> .
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

Grant funds in the amount of \$20,000.00 will be deposited into Fund 1000-10184030-722190 for the City's Affordable Housing Plan.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
General	1000-10184030-722190	\$ 20,000.00*	\$300,232.00*	\$280,232.00	Future general fund projects

* Pending approved budget adjustment.

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution for the acceptance of the grant funding from MFA for development of the Affordable Housing Plan for further implementation of the Affordable Housing Land Bank and Trust Fund.
2. Vote "No"; this will deny the Resolution to approve the acceptance of funding for the Affordable Housing Plan and the implementation of Affordable Housing Land Bank and Trust Fund.
3. Vote to "Amend"; this modification would be at the City Council's discretion and direction to staff.
4. Vote to "Table"; this action will delay the full implementation of the Affordable Housing Land Bank and Trust Fund.

REFERENCE INFORMATION:

1. Resolution No. 15-16-041

RESOLUTION NO. 16-115

A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ACCEPT GRANT FUNDING IN THE AMOUNT OF \$20,000.00 FROM THE MORTGAGE FINANCE AUTHORITY FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING PLAN AS REQUIRED BY THE STATE OF NEW MEXICO AFFORDABLE HOUSING ACT, TO RATIFY THE ASSISTANT CITY MANAGER/COO'S SIGNATURE ON THE AGREEMENT AND TO APPROVE AN ADJUSTMENT TO THE CITY'S FY 2016 BUDGET.

The City Council is informed that:

WHEREAS, the City of Las Cruces (City) is subject to the New Mexico Affordable Housing Act (the Act) which identifies specific requirements to ensure governmental entities donate resources to qualifying grantees and to ensure long-term affordability; and

WHEREAS, Section 4.2 of the Affordable Housing Act Rules requires a valid Affordable Housing Plan (AHP) with a community and housing profile, housing needs assessment, a land use and policy review and a strategic plan with goals policies and quantifiable objectives; and

WHEREAS, the New Mexico Mortgage Finance Authority, is the entity charged by the State of New Mexico with ensuring compliance with the Act; and

WHEREAS, the City has consistently identified a need for affordable housing; and

WHEREAS, City staff in conjunction with the New Mexico Mortgage Finance Authority has identified the need for an updated AHP; and

WHEREAS, the City requested and was approved to receive grant funds from the New Mexico Mortgage Finance Authority totaling \$20,000.00 for the development of an AHP in compliance with all New Mexico Mortgage Finance Authority requirements; and

WHEREAS, the City's AHP will allow for further implementation of the Affordable Housing Land Bank and Trust fund as well as other housing programs administered by City staff.

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

(I)

THAT the agreement in the amount of \$20,000.00 from New Mexico Mortgage Finance Authority for the development of an AHP, as shown in Exhibit "A", attached hereto and made part of this resolution, is hereby approved.

(II)

THAT the Assistant City Manager/COO's signature on the agreement, as the official representative of the City, is hereby ratified, as shown in Exhibit "A", attached hereto and made part of this resolution.

(III)

THAT the FY 2016 adopted budget is hereby adjusted as reflected in Exhibit "B", attached hereto and made a part of this resolution.

(IV)

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

DONE AND APPROVED this _____ day of _____ 20____.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

VOTE:

Mayor Miyagishima: _____
Councillor Gandara: _____
Councillor Smith: _____
Councillor Pedroza: _____
Councillor Eakman: _____
Councillor Sorg: _____
Councillor Levatino: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

**CONTRACT SERVICES AGREEMENT FOR AN AFFORDABLE HOUSING PLAN
BETWEEN NEW MEXICO MORTGAGE FINANCE AUTHORITY
AND CITY OF LAS CRUCES**

This Contract Services Agreement ("Agreement") is made and entered into this ____ day of _____ 2015, by and between the New Mexico Mortgage Finance Authority ("MFA"); and City of Las Cruces ("Contractor").

1. Contract Services: MFA hereby retains Contractor for the period beginning November 1, 2015 and ending September 1, 2016, unless sooner terminated by Contractor or Company as set forth in paragraph 8 of this Agreement (the "Contract Period"), to provide contract services to MFA listed in the Scope of Work, attached as **Exhibit A** to this agreement (the "Services"). Contractor will devote sufficient time and energies to perform the Services, will perform the Services at Company's location in New Mexico and/or at Contractor's work site during the Contract Period, and will perform the Services to the best of Contractor's ability.
2. Fees for Services: MFA will pay the Contractor **\$20,000 (Twenty thousand dollars and no cents)** (the "Contract Funds") for the Services, in accordance with the Disbursement of Funds outlined below. Contractor may subcontract with consultants as necessary to complete services. Contractor will submit to MFA the name and primary contact information for all agencies contracted for the completion of the Services.
3. Disbursement of Funds will be as follows:
 - a. **\$20,000 (twenty thousand dollars and no cents)** will be released at submission of fifty percent (50%) of a draft affordable housing plan, to be submitted to MFA by May 31, 2016 with the stipulation that the final affordable housing plan will be submitted to MFA by August 1, 2016.
 - b. Funds will disbursed to the City of Las Cruces at the following address:

City of Las Cruces
P.O. Box 20000
Las Cruces, New Mexico 88004-9002
4. Eligible uses of the Contract Funds: Contract Funds may be used for the completion of an Affordable Housing Plan (or Housing Element of a Comprehensive Plan) complying with the requirements of the Affordable Housing Act Rules, as set forth in Appendix A (Scope of Work) of this agreement. Eligible uses include wages and salaries of Contractor and or Contractor's staff, payment of a qualified planning consultant, and other reasonable expenses incurred by Contractor in connection with the performance of Services hereunder where MFA states in advance its agreement to do so.
5. Match Commitment: The Contractor must commit funds in the minimum amount of one hundred percent (100%) of the total Contract Funds provided by MFA for completion of an Affordable Housing Plan, as specified in Appendix A of this agreement. The Contractor must additionally commit an in-kind match of staff time and/or other resources towards the performance of Services hereunder.

- a. The City of Las Cruces will contribute a funding match in the amount of \$20,000.
6. Housing Review Team: The Contractor will create an internal Housing Review Team to collaborate with the consultant writing the Affordable Housing Plan. The Housing Review Team will review and comment on drafts of the Affordable Housing Plan prior to submittal to MFA. The Housing Review Team will solicit public input on the Plan. Contractor must provide MFA with documentation of public input. The Housing Review Team and MFA will have a minimum of three (3) meetings during the course of developing the Plan.
 7. Independent Contractor: The Contractor and/or its staff will perform the Services unless otherwise agreed to in writing by MFA. The nature of the Contractor's and its staff's relationship to MFA will be that of an independent contractor, and the Contractor will not be deemed an agent, employee or servant of MFA. The compensation agreed upon by MFA and the Contractor will not be subject to withholding from taxes, F.I.C.A., or otherwise, and nothing in this Agreement burdens MFA with the duties of an employer concerning the Contractor and its staff under any state worker's compensation laws, state or federal occupational health and safety laws, or any other state or federal laws. The Contractor and its staff will not participate in any of the fringe benefits generally made available by MFA to its officers or employees. MFA will not provide the Contractor office space, clerical help, office supplies or the like except as mutually agreed to by MFA and the Contractor.
 8. Confidential Information: The Contractor and its staff will retain all knowledge and confidential information in trust for the sole benefit of furthering New Mexico's efforts to increase its residents' access to safe, decent and affordable housing, especially with regards to the MFA's affordable housing programs. Upon termination of this Agreement, the Contractor and its staff will deliver to MFA all writings relating to or containing confidential information.
 9. Remedies: The Contractor and its staff recognize that irreparable injury would be caused by any breach of any of the provisions of this Agreement by the Contractor and/or its staff. MFA, in addition to all other rights and remedies at law or equity as may exist in its favor, will have the right to enforce the specific performance of the provisions of this Agreement and to apply for injunctive relief against any act that would violate any such provisions. MFA will be reimbursed for all costs and expenses, including reasonable attorney fees incurred by MFA by reason of the Contractor's and/or its staff's breach of this Agreement. Nothing herein shall be read to limit the Contractor's and/or its staff's remedies in the event of a breach of this Agreement by the MFA.
 10. Termination: This Agreement shall terminate prior to the expiration of the Contract Period set forth in Paragraph 1 of this Agreement upon the MFA or the Contractors' provision of a ten (10) days' notice in writing to the other party. Upon termination of this Agreement, the obligations of both parties under this Agreement shall terminate, except that the MFA will pay all fees for Services performed in accordance with this Agreement through the date of termination.
 11. Binding Effect and Miscellaneous: This Agreement constitutes the entire understanding of the parties, may be modified only in writing, is governed by and construed in accordance with the laws of New Mexico, and binds and inures to the benefit of the Contractor and the

Contractor's successors and personal representative and MFA and MFA's successors and assigns. This agreement is not assignable by the Contractor without MFA's prior written consent. The failure of MFA to exercise any rights or remedies hereunder will not operate as a waiver thereof.

12. Program Manager: The Program Manager for this Agreement is Nicole Sanchez-Howell, and any successor shall be designated by the Deputy Director of the MFA. The MFA shall notify the Contractor of any changes in the identity of the Program Manager. The Program Manager is empowered and authorized as the agent of the MFA to represent the MFA in all matters related to this Agreement. All events, problems, concerns or requests affecting this Agreement must be reported by the Contractor to the Program Manager within ten (10) days of the incident or activity becoming known.
13. Notice: All notices required to be given to the MFA under this Agreement shall be sent to MFA's Program Manager or designee, at:

New Mexico Mortgage Finance Authority
344 Fourth Street, SW
Albuquerque, New Mexico 87102
Attn: Nicole Sanchez

All notices required to be given to the Contractor under this Agreement shall be sent to:

City of Las Cruces
P.O. Box 20000
Las Cruces, New Mexico 88004-9002

Attn: _____

A notice shall be deemed duly given upon delivery, if delivered by hand, or three days after posting, if sent by First class mail, with proper postage affixed. Notice may also be tendered by facsimile transmission, with the original to follow by First Class mail.

IN WITNESS WHEREOF, the parties execute this Agreement as set forth below:

City of Las Cruces

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:



City Attorney

New Mexico Mortgage Finance Authority

By: _____

Title: Deputy Director Programs

Date: _____

EXHIBIT A
SCOPE OF WORK

1. The Contractor will complete an Affordable Housing Plan (or Housing Component of a Comprehensive Plan) for the City of Las Cruces that complies with the Affordable Housing Act Rules and Regulations and which can be used in conjunction with an Affordable Housing Ordinance. The Contractor may perform these services in-house or through a contract with a qualified consultant.
2. MFA Review. The Contractor will provide MFA will opportunities to review drafts of the Affordable Housing Plan for compliance with the Affordable Housing Act Rules prior to the Contractor offering the Plan for review and comment by a local governing body or the public. At a minimum, the Contractor or its consultant will submit a draft Affordable Housing Plan to MFA at 50% complete and at 100% complete. The MFA Review Team will provide recommendations for Plan revision based upon compliance with the Affordable Housing Act Rules and will issue approval of an Affordable Housing Plan when all required components are present and revisions made to the satisfaction of the MFA Review Team. The Contractor will ensure that any contract with a consultant for the production of an Affordable Housing Plan will include MFA Review requirements described here and Schedule of Completion, provided below.
3. Schedule of Completion. The Contractor will ensure that the Scope of Work is completed according to the following schedule:

Tasks Completed	Deadline
Submit 50% Draft Affordable Housing Plan	May 31, 2016
Submit Complete Draft Affordable Housing Plan for MFA Review	August 1, 2016
Submit Draft Revisions to MFA for Review	Upon Plan revision.
Submit Final Draft Affordable Housing Plan for MFA Approval	August 1, 2016

4. Minimum Housing Plan Components. As required by the Affordable Housing Act Rules, minimum components of an Affordable Housing Plan are as follows:
 1. *Community and Housing Profile*
 - a. *Demographic characteristics: race and ethnicity, income, age, employment, population trends;*
 - b. *Household characteristics: the number of existing households and housing units (by tenure);*
 - c. *Housing market analysis: housing costs, rents, vacancy rates, and sales prices.*
 2. *Housing Needs Assessment*
 - a. *Existing needs: the number of households with a cost burden for housing, living in overcrowded situations, or with special needs (people with disabilities, elderly, large households, female-headed households, homeless, and others), the number of homes needing rehabilitation, or at-risk of no longer being affordable;*

- b. *Projected needs: identify # of new units needed, by tenure, housing type, and cost to meet current needs and accommodate expected population growth and job generation, determine # of homes to be created through new construction, rehabilitation and preservation.*

3. *Land Use and Policy Review*

- a. *General analysis of land use parcels including zoning, size and existing use, environmental constraints, availability of infrastructure;*
- b. *Evaluation of suitability, availability and realistic development capacity of developable sites, including appropriate zoning for special needs housing (for instance: multi-family rental, transitional and homeless shelters, mobile homes, etc.);*
- c. *Identification of constraints: 1) governmental (for instance: land use controls, codes and enforcement, fees and exactions, processing and permit procedures, on/off site improvements, reasonable accommodation, etc.); 2) non-governmental (availability of financing, price/availability of land, cost of construction, local capacity to assist/finance/manage construction, provide housing support services, administer housing funds/programs).*
- d. *Minimum density calculations targeted to affordable housing populations.*

4. *Goals, Policies, and Quantifiable Objectives*

- a. *Estimate the number/percentage increase of units, by income level, to be constructed, rehabilitated or conserved over a set period of time;*
- b. *Identify needed programs and agencies responsible for: constructing new and improving existing housing stock, promoting access to affordable housing (equal housing opportunity), and increasing capacity of residents to lower housing cost burden, build long term equity, stabilize housing situations (through homebuyer training, rental vouchers, assistance for people with disabilities, etc.);*
- c. *Promote potential regulatory concessions and incentives for removing or mitigating governmental and non-governmental constraints;*
- d. *Identify potential sources of federal, state and local financing and subsidies to support affordable housing;*
- e. *Consider all related issues such as public participation, job/housing mix, consistency with existing planning and land use policy, protection of ecological resources, promotion of efficient development patterns and green building.*

CITY OF LAS CRUCES

Fund Summary

EXHIBIT "B"

Fund: 1000
DFA: 101

Fund Name: GENERAL FUND
DFA Name: General Fund

	2015-16 Budget			%
	Adopted	Adjustment	Amended	Inc. / Dec.
<i>Beginning Balance</i>	\$ 22,903,243	(1,882,130)	21,021,113	-8.22%
Resources				
Revenue	\$ 90,897,540	20,000	90,917,540	0.02%
Proceeds	26,125	0	26,125	0.00%
Transfers In	74,386	0	74,386	0.00%
Total Resources	\$ 90,998,051	20,000	91,018,051	0.02%
Expenditures				
Salaries & Benefits	\$ 61,324,488	0	61,324,488	0.00%
Operating Costs	19,704,338	20,000	19,724,338	0.10%
Capital Outlay	1,505,088	0	1,505,088	0.00%
Debt Service	26,125	0	26,125	0.00%
Grant / Projects	2,361,677	0	2,361,677	0.00%
Transfers Out	14,729,524	0	14,729,524	0.00%
Total Expenditures	\$ 99,651,240	20,000	99,671,240	0.02%
<i>Ending Balance</i>	\$ 14,250,054	(1,882,130)	12,367,924	-13.21%



City of Las Cruces®

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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of December 7, 2015
 (Adoption Date)

TITLE: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ACCEPT GRANT FUNDING IN THE AMOUNT OF \$20,000.00 FROM THE MORTGAGE FINANCE AUTHORITY FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING PLAN AS REQUIRED BY THE STATE OF NEW MEXICO AFFORDABLE HOUSING ACT, TO RATIFY THE ASSISTANT CITY MANAGER/COO'S SIGNATURE ON THE AGREEMENT AND TO APPROVE AN ADJUSTMENT TO THE CITY'S FY 2016 BUDGET.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Martina Green</i>	528-3086	11/16/15
Department Director	<i>W. Weir</i>	528-3060	1-17-15
Other			
Assistant City Manager /CAO	<i>[Signature]</i>	541-2078	11/24/15
Management & Budget Manager	<i>[Signature]</i>	541-2106	11/20/15
Assistant City Manager/COO	<i>Dan De</i>		11/25/15
City Attorney	<i>[Signature]</i>	EXT 2128	1 Dec 2015
City Clerk - Interim	<i>[Signature]</i>	X 2115	12-2-15