



# City of Las Cruces®

PEOPLE HELPING PEOPLE

## Council Action and Executive Summary

Item # 6

Ordinance/Resolution# 17-033

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

For Meeting of September 6, 2016  
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL

LEGISLATIVE

ADMINISTRATIVE

**TITLE:** A RESOLUTION APPROVING AN AMENDMENT TO THE HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND RESOURCES FOR CHILDREN & YOUTH INC. (RCYI) AND FAMILIES AND YOUTH INC. (FYI) FOR EL CRUCERO, AN AFFORDABLE RENTAL HOUSING COMPLEX.

**PURPOSE(S) OF ACTION:**

Approve amended agreement.

<b>COUNCIL DISTRICT: 4</b>		
<b><u>Drafter/Staff Contact:</u></b> Jan Lauterbach	<b><u>Department/Section:</u></b> Community Development / Planning & Neighborhood Services	<b><u>Phone:</u></b> 528-3134
<b><u>City Manager Signature:</u></b>		

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

The Cranston-Gonzales National Affordable Housing Act (NAHA) of 1990 created the HOME Investment Partnerships (HOME) Program. The HOME Program provides the City of Las Cruces (City) the opportunity to administer the federally-funded HOME Program from the U.S. Department of Housing and Urban Development (HUD) in accordance with the goals of the City's Consolidated Plan, a five-year planning document that outlines affordable housing and community development needs.

Annual Action Plans presented to and adopted by the City Council, and further approved by HUD, outline how the HOME and Community Development Block Grant (CDBG) funds for each Program Year (PY) will be spent in accordance with strategic goals outlined in the Consolidated Plan. Through Resolution No. 09-185, the City Council approved a HOME agreement between the City, RCYI and FYI for the construction of El Crucero, a transitional living complex. Originally the facility intended to serve young adults recently released from juvenile justice,

foster care, or adolescent mental health treatment programs, who would otherwise be homeless or living in unsafe conditions.

RCYI and FYI have submitted a request to HUD, the City, and the State of New Mexico Department of Finance and Administration (DFA) for a change in component use at the facility from transitional housing for homeless and low-income youth to permanent housing for persons 18 years of age and older. This change allows the project to be more financially viable for RCYI and FYI. RCYI and FYI have sought and obtained approval of the component changes at El Crucero through the Community Development Bureau of the DFA and through the local HUD field office. City Council approval of the requested change to amend the HOME agreement is required to meet HUD regulation guidelines.

**SUPPORT INFORMATION:**

1. Resolution.
2. Exhibit "A", Amendment to HOME Agreement.

**SOURCE OF FUNDING:**

N/A	<b>Is this action already budgeted?</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"/>	<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**

N/A
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**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 approve the amendment to the HOME agreement between the City and RCYI and FYI for El Crucero, to allow for permanent affordable housing of adults at the complex.
2. Vote "No"; this will deny approval of the amendment to the HOME agreement between the City and RCYI and FYI for permanent housing of adult persons and could cause financial hardship to RCYI and FYI.
3. Vote to "Amend"; this will require further direction from the City Council.
4. Vote to "Table"; this will require further direction from the 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.

1. Resolution No. 09-185.



# City of Las Cruces<sup>®</sup>

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## COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

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

For Meeting of September 6, 2016  
(Adoption Date)

TITLE:

A RESOLUTION APPROVING AN AMENDMENT TO THE HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND RESOURCES FOR CHILDREN & YOUTH INC. (RCYI) AND FAMILIES AND YOUTH INC. (FYI) FOR EL CRUCERO, AN AFFORDABLE RENTAL HOUSING COMPLEX.

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

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact		-3134	8/5/16
Department Director		-3067	8-5-16
Other			
Assistant City Manager /CAO Management & Budget Manager		541-2078 2080	8/9/2016 8/5/16
Assistant City Manager/COO		541-2271	8/15/16
City Attorney		EXT 2128	16 August 2016
City Clerk		12115	8-18-16

**RESOLUTION NO. 17-033****A RESOLUTION APPROVING AN AMENDMENT TO THE HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT BETWEEN THE CITY OF LAS CRUCES (CITY) AND RESOURCES FOR CHILDREN & YOUTH INC. (RCYI) AND FAMILIES AND YOUTH INC. (FYI) FOR EL CRUCERO, AN AFFORDABLE RENTAL HOUSING COMPLEX.**

The City Council is informed that:

**WHEREAS**, the Cranston-Gonzalez National Affordable Housing Act (NAHA) of 1990 created the Home Investment Partnerships (HOME) Program that provides the City, as a participating jurisdiction, an opportunity to administer the federally funded HOME Program from the U.S. Department of Housing and Urban Development (HUD), in accordance with the goals of the City's Consolidated Plan; and

**WHEREAS**, annual Action Plans presented to and adopted by City Council and further approved by HUD outline how the HOME and Community Development Block Grant (CDBG) entitlement funds for each Program Year (PY) will be spent in accordance with the strategic goals as outlined in the Consolidated Plan; and

**WHEREAS**, City Council approved Resolution No. 09-185 for the execution of a HOME agreement between the City, RCYI, and FYI, committing \$375,000.00 in HOME funds for the construction of El Crucero, a transitional living complex for low-income or homeless youth; and

**WHEREAS**, RCYI and FYI have submitted a request to change the component use at El Crucero from youth transitional affordable housing to permanent affordable housing for persons 18 and older; and

**WHEREAS**, in order to comply with the regulatory requirements of the HOME Program, the City must execute an amendment to the HOME agreement with RCYI and

FYI to reflect the change in use from youth affordable transitional rental housing to permanent housing for persons 18 years of age and older.

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

**(I)**

**THAT** the amendment to the HOME agreement between the City and RCYI and FYI as shown in Exhibit "A," attached hereto and made part of this Resolution, is hereby approved.

**(II)**

**THAT** the Interim Assistant City Manager/COO, as the official representative of the City, is hereby authorized to sign the agreement on the City's behalf.

**(III)**

**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)

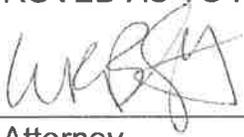
**VOTE:**

Mayor Miyagishima: \_\_\_\_\_  
Councillor Gandara: \_\_\_\_\_  
Councillor Smith: \_\_\_\_\_  
Councillor Pedroza: \_\_\_\_\_  
Councillor Eakman: \_\_\_\_\_  
Councillor Sorg: \_\_\_\_\_  
Councillor Levatino: \_\_\_\_\_

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

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

APPROVED AS TO FORM:

A handwritten signature in dark ink, appearing to be 'W. B. J.', written over a horizontal line.

City Attorney

Exhibit "A"

**AMENDMENT TO THE  
HOME INVESTMENT PARTNERSHIPS PROGRAM  
GRANT AGREEMENT  
BETWEEN THE CITY OF LAS CRUCES  
AND  
RESOURCES FOR CHILDREN & YOUTH INC.  
AND FAMILIES AND YOUTH INCORPORATED**

This **amended HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT and Attachments** is an amendment to, but not in lieu of the **original HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT and original Attachments**, executed on February 19, 2009, under the Authority of City of Las Cruces Resolution 09-185, in its entirety.

The **amended HOME INVESTMENT PARTNERSHIPS PROGRAM GRANT AGREEMENT** (hereinafter referred to as the "Agreement") is entered into by and between the **CITY OF LAS CRUCES**, a New Mexico municipal corporation with a principal address of PO Box 20000, Las Cruces, New Mexico 88004 (hereinafter referred to as "City" or "Lender") and **FAMILIES AND YOUTH INC.**, a non-profit corporation, whose address is PO Box 1868, Las Cruces, New Mexico, 88004 (herein referred to as "Developer", "Manager", "Sponsor", or "Grantee") and **RESOURCES FOR CHILDREN & YOUTH INC.**, a non-profit corporation, whose address is PO Box 1868, Las Cruces, New Mexico 88004 (hereinafter referred to as "Owner" or "Co-Grantee").

**WITNESSETH:**

**WHEREAS**, the City is an entitlement recipient of the federal HOME Investment Partnerships Program (hereinafter referred to as "HOME") in furtherance of its goal of encouraging the production of decent, safe, sanitary affordable housing for the citizens of Las Cruces;

**WHEREAS**, the Sub-recipient has submitted a proposal to change the use of the project, known as El Crucero, from transitional housing complex for young adults to a permanent housing complex for those 18 years of age and older;

**WHEREAS**, the parties desire to enter into this Amended Agreement in order to document the project change in the component use from transitional housing to permanent housing and change the population from homeless youths to those 18 years of age and older.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the sufficiency and receipt whereof being hereby acknowledged, the City and the Sponsor and Owner agree as follows:

The following additions, corrections, clarifications, deletions, or other amendments as identified by Section are hereby made:

**SECTION 1. DEFINITIONS**

- 13. Project: – means the development of property and the new construction of 12 units at El Crucero, a property, in which 5 of the 12 units shall be exclusively occupied by and rented to Low Income or Moderate Income Persons at Affordable rents established by HUD.

**SECTION 3. GENERAL TERMS AND CONDITIONS**

- 2. Units to be Assisted: A total of 5 of the 12 units at El Crucero, initially identified as four two-bedroom units, and on three-bedroom unit, will be assisted with HOME funds on a floating designation basis (the “HOME-assisted units”), as set forth in the HOME regulations.

**Attachments**

- 1. Attachment E: Scope of Work, Project Schedule, and Budget, hereby replaces the original Attachment D in its entirety

**IN WITNESS WHEREOF** the parties have executed this Amended Agreement, each upon the date set forth next to his/her name.

**RESOURCES FOR CHILDREN & YOUTH INC.**

\_\_\_\_\_  
Brian Kavanaugh, Acting CEO

\_\_\_\_\_  
Date

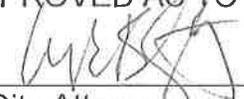
**FAMILIES AND YOUTH INC.**

\_\_\_\_\_  
Brian Kavanaugh, Acting CEO

\_\_\_\_\_  
Date

**CITY OF LAS CRUCES**

APPROVED AS TO FORM

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

\_\_\_\_\_  
Loretta M. Reyes, P.E., Acting Assistant City Manager/ COO

\_\_\_\_\_  
Date

**ATTACHMENT "E"****SCOPE OF WORK, PROJECT SCHEDULE AND BUDGET**

Resources for Children & Youth Inc., a New Mexico non-profit corporation, as the owner of a 3.4189-acre parcel of land located west of the Community of Hope Campus, and Families and Youth Incorporated, as the sponsor/manager/developer have submitted a proposal to develop and construct a 12-unit rental housing complex.

The HOME funding will be used in conjunction with State Legislature appropriations from years 2005-2008 and other funds to finance the development and construction of the facility. The units will include a combination of two and three-bedroom apartment units.

The rental complex will provide permanent housing for those 18 years of age or older. Program staff will provide case management and life skills to tenants.

Conveniently located on Amador Avenue, the residents will have access to the city bus route and various services agencies at Community of Hope offering childcare, food assistance, and medical care.