RAD IS AN UNPRECEDENTED OPPORTUNITY TO BRING $500 MILLION OF INVESTMENT TO EL PASO

REVITALIZE AND TRANSFORM PUBLIC HOUSING
We have a responsibility to protect our most vulnerable citizens: our children, seniors, people with disabilities. That is our moral obligation. But there is an economic justification too – we all pay when the basic needs of our citizens are unmet.

– John Lynch
former New Hampshire Governor
THE CITY of EL PASO

SAFEST large U.S. city (4 consecutive years)

SUBURBAN POVERTY RATE 2nd HIGHEST (36.3%)

WORKFORCE EDUCATION GAP 98th out of 100 largest metro areas

POPEULATION of 650,000

81% Hispanic
14% White
3.4% Black
1.2% Asian

24.1% POVERTY RATE

$44,800 Median Family Income 2014

80% AMI: $40,150
50% AMI: $25,100
30% AMI: $15,050

(Family of Four)
ABOUT HACEP

LARGEST in Texas

14th LARGEST in the U.S.

2x SAFER than the safest large U.S. city – El Paso

$91 MILLION ANNUALLY into the LOCAL ECONOMY

$30 MILLION to HOUSING CHOICE VOUCHER PROGRAM landlords

SAFETY NET for VULNERABLE CITIZENS
430 Employees

6,100 Public Housing Units

84% built prior to 1980

495 Section 8

New Construction Units

2,400 Tax Credit & Non-Subsidized Units

5,600 Housing Choice Vouchers, including 170 HUD-VASH

40,000 Low-Income El Pasoans

6% of the City’s Population
ABOUT HACEP

17,000 INDIVIDUAL PUBLIC HOUSING RESIDENTS

- 7,800 Children
- 2,000 Seniors
- 1,600 Disabled
- 5,600 Able-Bodied Individuals (3,003 employed)

13,500 Families waiting for public housing
- 10,800 extremely low income
- 2,300 elderly

$16 Million
Since 2008, CONGRESS AND HUD have underfunded HACEP by $16 million

$45 Million
HACEP communities require a capital investment of $80 MILLION OVER THE NEXT FIVE YEARS. FEDERAL FUNDS projected at only $35 million, a shortfall of $45 MILLION.

75% of able-bodied residents live in PUBLIC HOUSING for less than 5 YEARS.
Federal Funding Baseline vs. Actual Appropriation

$11.9 Million Funding Shortfall in Last Two Years Alone.
PUBLIC HOUSING NEEDS A NEW SUSTAINABLE MODEL

THE NUMBERS TELL THE STORY
EL PASO’S IMPELLING HOUSING CRISIS

Housing Authority of the City of El Paso
Machuca: 49 out of 122 units (40%) offline due to asbestos.
Tays: 11 out of 359 units (3%) offline due to structural damage and asbestos.
Kathy White: Crumbling walls.
Eisenhower: Rotting ductwork behind asbestos walls and ceilings.
RAD AS A SOLUTION TO TRANSFORM PUBLIC HOUSING
What is RAD?

(RAD)  
The Rental Assistance Demonstration

60,000 out of 1.3 million total public housing units provided first come, first served basis

Section 9 Public Housing

Section 8 Multi Family

Address the $26 billion backlog in capital improvements across the U.S.

Public Housing Assets

Local PHA

which can then leverage those assets to raise significant capital.

40 yrs. Guaranteed Sustainable Federal Revenue

PHAs must use that capital to rehabilitate their units to acceptable standards.
A BETTER, MORE STABLE FUTURE

December 2013

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

✓

CONVERT 6,100 HOUSING UNITS through RAD.

LARGEST PHA

to ENGAGE in RAD

↑ 10% of the FEDERAL ALLOTMENT
RAD BY THE NUMBERS
RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM

FEDERAL MODEL

FEDERAL OWNERSHIP

PUBLIC HOUSING

Limited Capital Improvement
Limited Local Control
Declining Housing Budget

$16 MILLION DECLINE
Over 5 Years in Public Housing Operating Subsidies

LOCAL MODEL

EL PASO OWNERSHIP

PUBLIC HOUSING

OPPORTUNITY

The Rental Assistance Demonstration (RAD) is a central part of the U.S. Department of Housing and Urban Development’s (HUD) strategy to preserve the nation’s rapidly aging and deteriorating stock of deeply affordable rental housing.

OBJECTIVES

Access to Private Finance Markets
Local Control
40 Year Funding Commitment

RAD REVENUE

$50 MILLION EACH YEAR FOR 20 YEARS
(includes a 1.2% annual operating cost adjustment factor)

IMPACT/RESULTS

$500 MILLION INVESTMENT BROUGHT TO EL PASO
$1 BILLION LOCAL IMPACT

1,000+ JOBS

6,100 REVITALIZED HOUSING UNITS

All of these advantages at
$0 NO COST TO THE LOCAL TAXPAYER

SAFER LIVING CONDITIONS
ENERGY EFFICIENT UPGRADES

OBJECTIVES

Housing Authority of the City of El Paso
9% Low-Income Housing Tax Credits to Improve El Paso
Public/Private Partnerships
Low Risk, U.S. Government-based Financing
Financially Sustainable Communities

RAD is a vital opportunity to avert the pending affordable housing crisis due to the federal government's inability to adequately fund public housing across the United States. The Rental Assistance Demonstration (RAD) is a voluntary program of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing Public Housing Agencies (PHAs) such as the Housing Authority of the City of El Paso (HACEP) with access to more stable funding to make needed improvements to aging properties.
PREPARING FOR RAD’S SUCCESS
Construction Phases

RAD Phase I: 2015-2017
- 1,885 Families (36%)

RAD Phase IIA&B: 2016-2018
- 3,400 Families (64%)

Housing Authority of the City of El Paso
RAD Phase I Construction
Start Months

2015
APRIL
Eisenhower, Kennedy Bros.
MAY
Marmolejo
JUNE
Krupp, Ochoa, Tays (Part 1)
JULY
Alvarez
AUGUST
Johnson
SEPTEMBER
Bean
NOVEMBER
Kennedy Estates

2016
JANUARY
Truman
APRIL
Webber
AUGUST
Hart
SEPTEMBER
Baird, Telles
OCTOBER
Anderson

2017
To Be Determined

2018
To Be Determined
RAD Phase II Communities (2016-2018)

1. Baines
2. Chelsea
3. Cramer
4. DeWetter
5. Fr. Pinto
6. Graham
7. Guillen
8. Kathy White
9. King
10. Pooley
11. Rio Grande
12. Robinson
13. Roosevelt
14. Salazar
15. Sandoval
16. Sherman
17. Sun Plaza
18. Tays (Part II and Part III)
19. Valle Verde
20. Westfall
21. Williams
Work performed in each site will vary based on each property’s age and design. Generally speaking, the following work will apply to all properties:

- Permanently remove all asbestos (if present).
- Kitchen and bathroom upgrades.
- Replace decaying ventilation shafts and ducts behind the walls.
- Replace outdated electrical, plumbing, and lighting systems and fixtures.
- Replace appliances with new Energy Star certified appliances.
- Install more energy efficient insulation, windows, and doors (where necessary).
- New landscaping and playgrounds.
- Install new property signs.
- Resurface parking lots.
- Improve common area lighting.
**ANTICIPATED CONSTRUCTION INVESTMENT 2015-2017**

**RAD PHASE I** = 1,591 renovated units and 294 new units

- **Dist. 1:** TBD (9% Tax Credit)
- **Dist. 2:** $15,943,156
- **Dist. 3:** $9,651,131
- **Dist. 4:** $13,193,454
- **Dist. 5:** TBD
- **Dist. 6:** $28,527,035
- **Dist. 7:** $40,590,587
- **Dist. 8:** $17,387,658

**TOTAL:** $125,293,021*

*Hard costs only
Vacancy Logistics

HACEP Must Move 180 Families Every 60 Days for Five Years.

• Creating and managing vacancies for construction and relocation is one of the greatest challenges to our RAD efforts.
• On average, families will be temporarily relcoated for 6 months.
Relocation Logistics

Other Property(ies)
- Group 1

Property >100 units

- Renovation of Group 1 Units
- Group 2
- Group 4
- Group 3
Relocation Logistics

Property >100 units

Group 1

Group 2

Group 3

Group 1

Group 4
Renovation of All Units
Group 1

Property <100 units
RELOCATION PROCESS
Example for Kennedy Bros. (Phase I of 3)
Renovation: April 2015 – November 2015

- December 2014: Verify Survey Data at Sites w/Residents
- January 2015: *On Site Case Management
- February 2015: Resident Care Plan Issued with Address of Temporary Housing
- February 2015: 30 Day Notice to Vacate Issued
- March 2015: Residents Move Out Incrementally
- November 2015: Return Moves to Kennedy Scheduled
- October 2015: Residents Contacted for Return Planning
- UNDER CONSTRUCTION
- April 2015: Construction Begins
- April 2015: Pre-Construction Activities Begin

NOVEMBER - DECEMBER 2015
RESIDENTS RETURN TO FULLY RENOVATED HOME AND COMMUNITY !!!

*Case Management consists of assessing households needs to include reasonable accommodation, medical needs, family composition, etc. to determine temporary housing.
Resident Engagement Sessions
Rental Assistance Demonstration (RAD) Project

HACEP: Leading the Way Home Through RAD

A new day for HACEP is here!

RAD subpage on new HACEP website: www.haceprad.org
RAD Communications

Feature RAD as lead story in monthly bilingual newsletter.

HACEP NEWS

RAD Phase I Communities and Anticipated Construction Schedules*

1. Alabama: July 15-20 2016
2. Anderson: Sept. 6-10 2016
4. Bearl: Sept. 6-10 2016
5. Bearb: Sept. 6-10 2016
7. Beard: Sept. 6-10 2016
8. Beare: Sept. 6-10 2016
11. Bearh: Sept. 6-10 2016
15. Bearl: Sept. 6-10 2016
16. Bearm: Sept. 6-10 2016
17. Bearn: Sept. 6-10 2016
18. Bearo: Sept. 6-10 2016
20. Bearq: Sept. 6-10 2016
22. Bears: Sept. 6-10 2016
23. Beart: Sept. 6-10 2016
24. Bearu: Sept. 6-10 2016
25. Bearv: Sept. 6-10 2016
27. Bearx: Sept. 6-10 2016
28. Beary: Sept. 6-10 2016
29. Bearz: Sept. 6-10 2016

*Subject to change at anytime.

HACEP NEWS

PHASE I RESIDENTS PREPARE FOR RAD RENOVATIONS, EXPRESS CONCERNS AND EXPECTATIONS OF CHANGES

HACEP has been working closely with the Housing Authority of the City of El Paso (HACEP) to ensure that RAD Phase I communities are prepared for the changes that come with the Renovation, Expansion and Construction (RAD) program. Residents are excited about the improvements, but also have concerns about the transition period.

HACEP encourages residents to share their thoughts and feedback on the RAD program with their community leaders. The agency has set up a toll-free hotline and email address to handle any questions or concerns residents may have.

HACEP is committed to providing a smooth transition for all RAD Phase I residents. We are here to answer any questions or concerns you may have. Please feel free to reach out to us at (915) 397-3988 or email us at info@hacep.org.

HACEP NEWS

HACEP HOSTS RAD SUMMIT TO EXPLAIN BENEFITS AND IMPACT TO PUBLIC HOUSING RESIDENTS

The Housing Authority of the City of El Paso (HACEP) will host a RAD Summit on February 10th to explain the benefits and impact of the RAD program to public housing residents.

The event will be held at the HACEP headquarters from 9:00 AM to 5:00 PM. It will feature presentations from HACEP staff and guest speakers who will discuss the RAD program and answer any questions residents may have.

HACEP encourages all public housing residents to attend the summit to learn more about the RAD program and how it will affect their community.

For more information or to register for the summit, please contact the HACEP headquarters at (915) 397-3988 or email info@hacep.org.

HACEP is committed to providing a safe and affordable living environment for all residents. We appreciate your cooperation in making sure that RAD Phase I communities are successful.

Construction Schedule:

For more information about RAD Phase I Communities, please visit the HACEP website at www.hacep.org.

Continued on next page...
RAD Communications

Flyers, Posters, Pull Up Banners for public housing sites.

Get Ready!

EXCITING CHANGES are coming to your property soon.

- Refrigerators
- New appliances like ENERGY STAR
- Ranges, dishwashers and refrigerators
- Better access for people with disabilities
- Updated electrical systems
- Updated plumbing systems
- Resurfaced parking lots
- Improved common area lighting
- Upgraded landscaping and playgrounds

Please contact your property manager for the details that are specific to your community. You can also visit us online or call for more information.

(915) 849-3888 · HACEPrad.org

¡Prepárense!

MUY PRONTO habrá grandes cambios en su propiedad.

- Aire de refrigeración
- Electrodomésticos alternativos de energía
- hornos, lavaplatos y refrigerador ENERGY STAR
- Mejor acceso para personas con discapacidades
- Sistemas eléctricos actualizados
- Sistemas de plomería actualizados
- Estacionamientos recién pavimentados
- Mejora la iluminación en las áreas comunes
- Renovación de parques y áreas de juegos

Comuníquese con el gerente de su propiedad para más detalles referentes a su comunidad. También puede visitar nuestra página o llamar para más información.

(915) 849-3888 · HACEPrad.org
Meetings with HUD Secretaries and HUD Staff together with HACEP Commissioners and HACEP Staff and Partners.
## TDHCA 9% Tax Credit Pools

### Statewide At-Risk
**$9 Million in Texas**

- **2015 Applications**
  1. Medano (Westside) 198 Units
  2. Tays - Phase II (Chamizal) 139 Units
  3. Westfall (Eastside) 198 Units

### Regional Competitive
**$2.5 Million for El Paso**

- **2015 Applications**
  1. Sherman - Phase I (MCA) 198 Units
  2. Tays - Phase III (Chamizal) 139 Units

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- Applicants are limited to $3 million in 9% tax credit funding per year; if HACEP wins the maximum in the Statewide At-Risk pool, HACEP will withdraw its application in the Regional Competitive pool to maximize the tax credit investment of affordable housing in El Paso.
- HACEP only has four years to complete the renovation of 6,100 existing public housing units and construct approximately 400 new affordable and mixed-income housing units due to the requirements of the Rental Assistance Demonstration (RAD) Program.
- RAD is not a decision of City Council. However, the support it lends to 9 percent tax credit applications is a decision of City Council.
- HACEP is the only entity that can redevelop existing public housing (infill development) in the City, which is directly aligned with the City’s strategic plan (Plan El Paso 2012, Goals 6.1-6.4.)
- There is no cost to El Paso taxpayers for the allocation of 9% tax credits as it is a form of equity that does not have to be repaid.

- If HACEP does not win in the Statewide At-Risk 9% tax credit pool, then it must win in the Regional Competitive pool. This is why HACEP will again apply to both pools.
- Only HACEP kept its promise to the City to not compete in the 2013 9% tax credit competition following the City’s request to help support the Artspace application.
- HACEP will revitalize areas of the community necessary for vibrant growth in existing communities.
- If Sherman wins in the Regional Competitive pool, this property will be redeveloped into a mixed-income, mixed-finance property to support the explosion of development at the Medical Center of the Americas.
- HACEP can only rebuild Tays through separate 9% tax credits due to its size. This is why we are competing for more tax credits after we received the first in 2014 to rebuild 81 of the 359 total units.
WE CAN DO IT.

AFTER ALL...

WE’VE DONE IT BEFORE!
for supporting HACEP in this critical opportunity to revitalize local public housing while bringing $500 million of investment to El Paso!

Gerald Cichon – Chief Executive Officer
asaenz@hacep.org  |  (915) 849-3702  |  www.hacep.org