

2015  
CONSOLIDATED ANNUAL PERFORMANCE &  
EVALUATION REPORT (CAPER)

# **PUBLIC REVIEW COPY**

**PUBLIC HEARINGS:**

SEPTEMBER 13, 2016  
MUNSON CENTER 5:30-6:30 P.M.  
975 S. MESQUITE ST.

SEPTEMBER 14, 2016  
CITY HALL 2:00-3:00 P.M.  
CONFERENCE ROOM 2007  
700 N. MAIN ST.

**PUBLIC COMMENT PERIOD:  
AUGUST 26- SEPTEMBER 20, 2016**

**DO NOT REMOVE UNTIL SEPTEMBER  
20, 2016.**

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## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

#### **Goal #1: Increase the supply of affordable housing units for low- to moderate-income buyers.**

Funds Used: HOME

Activities: The City's HOME Program saw the closeout of twenty-one (21) owner-occupied single-family units by Mesilla Valley Habitat for Humanity and Tierra Del Sol Housing Corporation. Habitat for Humanity completed a total of four (4) homes in the Rincon Mesa Subdivision with addresses of 4972, 4974, 4967, and 4969 Wendall Road using Program Year (PY) 2014 HOME funds for acquisition of vacant land and 2014 and 2015 funds for HOME eligible construction expenses. Total HOME funds used by Habitat were \$224,000.00 including \$50,000.00 of CHDO funds. Tierra Del Sol Housing Corporation completed and closed on seventeen (17) HOME-assisted single family units, four (4) in the Legends West North Subdivision, located at 2912, 2916, 2920, and 2924 La Union Ct., and thirteen (13) in the Tierra Grande Subdivision on the City's east mesa with addresses of 5030, 5047, 5119, 5158, 5006, 5078, 5071, 5102, 5126, 5143, 5054, 5055 Vista De Tierra, and 5067 Genesis Lane. All lots were acquired in program year 2014 using HOME funds from program year 2011 and 2012 and the units were further assisted with HOME funds for eligible construction expenses. Tierra Del Sol used a total of \$235,007.00 including \$36,500.00 in CHDO funds for the units. Both agencies had opportunities to purchase the land in these subdivisions at below market price for affordable housing and completed environmental assessments in the Rincon Mesa and Tierra Grande Subdivisions in their entirety for costs effectiveness. Mesilla Valley Habitat will complete five (5) additional HOME-assisted units on previously purchase lots in Rincon Mesa for program year 2016.

#### **Goal #2: Increase affordability of rental housing for the City's lowest income renters.**

Funds used: HOME, Continuum of Care Permanent Supportive Housing/ Shelter Plus Care Program, and Neighborhood Stabilization Program (NSP).

Activities: HOME Funds were used for a Tenant Based Rental Assistance (TBRA) Program. Twenty-four (24) homeless and near homeless households who are also victims of domestic violence were assisted though La Casa Inc. The funding has provided rent subsidy, security deposits and supportive services. This resulted in approximately \$42,669 in rental assistance payments for PY2015.

Through the Continuum of Care Permanent Supportive Housing Shelter Plus Care program (PSH/S+C), the City accepted a grant transfer of a PSH/S+C Grant. Implementation began during PY 2015. The grant provides rental assistance and supportive services to approximately eleven (11) disabled homeless persons. The City partnered with Mesilla Valley Community of Hope.

Rental housing for special needs population/ victims of domestic violence continues to be provided in a home that was purchased in the past year with NSP funding for a local non-profit.

**Goal No. 3: Preserve existing affordable housing stock.**

Funds Used: CDBG

Activities: Seven (7) home rehabilitation projects of owner-occupied housing, were processed and completed in PY2015. Four (4) additional projects were processed, with expected completion in PY2016. Ten (10) of the home rehab projects included the applicable lead based paint testing and abatement as they were built prior to 1978. Project expenditures for completed projects totaled approximately \$292,924.17.

Staff processed thirty (30) potential applicants for the Home Rehabilitation Program of which ten (10) were eligible for rehabilitation loans and grants. Seven (7) projects have been completed with two (2) currently under construction, four (4) are processing, and seventeen (17) were disqualified due to various program ineligibility factors.

Staff processed twenty-five (25) applicants for the Mobile Home Ramp Program during PY2015, of which ten (10) were completed. Five (5) additional ramps are starting construction in PY2015 and will be completed in PY2016. The total expenditures to date is approximately \$53,886. Ten (10) additional applicants withdrew or were disqualified due to various ineligibility factors.

Staff has processed thirteen (13) applicants for the Mobile Home Utility Upgrade Program during PY2015, of which ten (10) have been income qualified and should start construction and be completed in PY2016. Three (3) additional applicants withdrew or were disqualified due to various ineligibility factors.

**Goal #4: Assist special needs populations with social services and housing needs, including needed improvements to public facilities.**

Funds used: CDBG (Public Services) Supportive Housing Program Shelter Plus Care, and HOME TBRA

Activities: PY2015 CDBG Public Services funds were allocated to local homeless services and prevention providers and domestic violence victims' assistance. Funds were awarded to six (6) local non-profit organizations during PY2015 that provided high priority community services to help curb escalation of social problems such as homelessness, food insecurity, lack of healthcare and domestic violence. These services were intended to better the living environment of low-income residents. Services are summarized, as follows:

(1) Casa de Peregrinos, a food pantry, received \$18,350 in PY2015 CDBG Public Services funds to operate a food rescue program, to supplement their Emergency Food Program which focuses on alleviating food insecurity through the provision of emergency food distribution to Las Cruces families. Casa de Peregrinos was able to rescue approximately 425,000 pounds of food and served total of 9,823 persons during PY2015.

(2) Jardín de los Niños, a childcare facility for homeless and near-homeless children, located on the campus of the Mesilla Valley Community of Hope, received \$18,350 in PY2015 CDBG Public Services funding to provide Children's Therapeutic Services for homeless/near homeless children. The program focuses on direct treatment, prevention, intervention and education via early learning opportunities, individualized curriculum, therapy for developmental delays and social and emotional behavioral interventions; as well as assistance for self-sufficiency and stabilization out of homelessness; and Healthcare assessments, housing assistance and information/education. Jardín served a total of 369 duplicated children during PY2015.

(3) La Casa, Inc., a facility serving homeless and near-homeless abused spouses and children, received \$18,350 in PY2015 CDBG Public Services funding to implement the operations of their Emergency Shelter Program. La Casa, Inc. served 554 duplicated homeless and near-homeless abused spouses and children during PY2015.

(4) Mesilla Valley CASA (Court Appointed Special Advocates), received an \$18,350 operational grant in PY2015 CDBG Public services funding. MVCASA provided advocacy for abused and neglected children who are in the foster care system. MVCASA provided services to 223 unduplicated children during PY2015.

(5) Mesilla Valley Community of Hope, a primary provider of services to homeless, near-homeless and disabled persons received \$18,350 in PY2015 CDBG Public Services funding for day shelter (showers, laundry, clothing) and case management (referrals to health care, housing, employment and counseling) services. Mesilla Valley Community of Hope served 1,152 unduplicated homeless and near-homeless adults and their families during PY2015.

(6) St. Luke's Health Care Clinic, a provider of medical services for homeless, near-homeless and disabled persons received a \$18,350 operational grant in PY2015 CDBG Public Services funding for Homeless Health Care Coordination. St. Luke's Health Care Center served 1,415 duplicated patients during PY2015.

See Summary of HOME TBRA, Permanent Supportive Housing Shelter Plus Care, and NSP under Goal 2 above.

Each program year, the City and staff from the various agencies comprising the Mesilla Valley Community of Hope campus conduct a survey to document the Nature and Location status of the clients on campus for one week. The survey instrument and methodology is structured so that clients are only counted once during each day of the week.

For the PY2015 survey, the campus agencies served a total of at least 2016 persons. Out of the total, 983 (48.75%) agreed take the survey. 506 (51.48%) reported being currently homeless. 968 (98.47%) reported as being low-income. 421 (42.83%) reported as being severely disabled. The final results determine a combined percent of presumed benefit clientele (Homeless & Disabled) of 66.63% with 29.2% of the clients being potentially chronically homeless. The PY2015 survey will be retained in program files.

**Goal #5: Implement the City's Fair Housing Action Plan.**

Funds Used: CDBG

Activities: Training of all new City employees was continued in Program Year 2015 as well as taking calls, office visits, and emails from the general public and referring them to the appropriate channels for problem resolutions. Approximately 339 new employees were provided Fair Housing Training during the program year. Training was provided to 206 Hispanics, ninety-eight (98) White ten (10) Black, three (3) American Indian, one (1) Asian, sixteen (16) persons who identified with two or more races and five (5) who declined to provide their race. Staff devoted approximately 10% of their time to fair housing issues with approximately \$1,827 was spent on fair housing activities. The City also participated in Money Smart Week in conjunction with the Federal Home Loan Bank and the Federal Reserve Bank conducting fair housing training to participants including local property management agency staff. The training accommodated approximately twenty-five (25) individuals. City staff also processed over 120 landlord tenant/fair housing inquiries which resulted in referrals to applicable agencies. Staff referred approximately 20% of the inquires to the HUD Fair Housing Hotline.

**Goal #6: Improve public infrastructure, economic and housing conditions in low income, economically-challenged and deteriorating neighborhoods.**

Funds used: CDBG

Activities: There were three (3) CDBG infrastructure grants/projects awarded during Program Year 2015.

Casa de Peregrinos, a non-profit organization operating on the Mesilla Valley Community of Hope campus, was awarded \$19,400 to help improve drainage to facilitate deliveries from large trucks at their location. This project is currently in the design stage.

The reconstruction of Pettes Blvd. and Stewards Dr. on the East Mesa of Las Cruces received a total of \$300,000 in CDBG funding, of which \$173,640.01 was from PY2015. This project was to reconstruct the public infrastructure, including natural gas, water, drainage, and curb and gutter as well as the driving surface in a LMA benefit neighborhood. The project is complete and is awaiting final inspection and close-out in PY2016.

The St. Luke's Healthcare clinic was awarded \$75,000 in PY2014 CDBG funds in addition to the \$55,000 in PY2012 funding previously awarded for the installation of an HVAC system at the clinic. This project is part of the much larger renovation of the entire clinic. This project has approximately \$939,450 in State of New Mexico Capital Outlay funding from several different program years. CDBG funding will be applied to the HVAC portion of the project which is currently in the design stage. The contract for the design was executed in July of 2016.

**Additional Information:**

The City actively plans and programs each year's funding allocation of CDBG and HOME funds. Should additional program income result in a substantial amount of savings of entitlement funding, then an Action Plan Amendment will be completed to dedicate the funds to an additional or on-going project. The City conducts public meetings and works with its outside partners or on its own accord to utilize the funds available within the Action Plan.

One person is designated to sign all certificates of consistency and that is the Community Development Director or in his absence, the Deputy Director. This position is responsible for oversight of both the HOME and CDBG programs, and is an employee of the City of Las Cruces. The certification is only required on projects for outside agencies for other HUD funds not administered directly by the City and for CoC Supportive Housing Program grants.

The City's Community Development Department serves as the starting point for a number of projects funded by entitlement and/or other funding. Therefore, staff are involved in a great deal of oversight in many areas and their work interacts with other City departments and functions. Regular staff meetings and discussions help to identify potential areas that might be affected by other departments and staff. The Department Director is also part of the City's Executive Management team and attends all City Council

meetings. This provides for routine oversight and inquiry into potential issues on a regular basis and serves as the foundation for eliminating hindrances to the Consolidated Plan’s implementation by action or willful inaction.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
2015 Goal - Assist Special Needs Populations	Homeless and non-homeless special needs services and housing		Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1000	11959	1,195.90%			
2015 Goal - Assist Special Needs Populations	Homeless and non-homeless special needs services and housing		Homeless Person Overnight Shelter	Persons Assisted	250	625	250.00%			

2015 Goal - Implement the City's Fair Housing Action Plan	Fair Housing Efforts		Other	Other	200	702	351.00%			
2015 Goal - Improve public infrastructure, economic and housing	Economic opportunity		Other	Other		0				
2015 Goal - Increase affordable rental housing	Affordable Housing		Rental units constructed	Household Housing Unit	0	0				
2015 Goal - Increase affordable rental housing	Affordable Housing		Rental units rehabilitated	Household Housing Unit	0	0				
2015 Goal - Increase affordable rental housing	Affordable Housing		Tenant-based rental assistance / Rapid Rehousing	Households Assisted	14	62	442.86%			
2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Rental units constructed	Household Housing Unit	0	0				

2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Rental units rehabilitated	Household Housing Unit	0	0				
2015 Goal - Increase the supply of affordable housing units	Affordable Housing	HOME: \$459,007	Homeowner Housing Added	Household Housing Unit	16	16	100.00%	14	21	150%
2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Homeowner Housing Rehabilitated	Household Housing Unit	0	0				
2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Direct Financial Assistance to Homebuyers	Households Assisted	0	0				
2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Tenant-based rental assistance / Rapid Rehousing	Households Assisted	10	42	420.00%			

2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Homeless Person Overnight Shelter	Persons Assisted	0	0				
2015 Goal - Increase the supply of affordable housing units	Affordable Housing		Housing for Homeless added	Household Housing Unit	0	0				
2015 Goal - Preserve existing affordable housing stock	Affordable Housing Mobile Home Ramps and Mobile Home Utility Upgrade Program		Homeowner Housing Rehabilitated	Household Housing Unit	4	7	175%	0	0	

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2015 Goal - Preserve existing affordable housing stock	Affordable Housing Mobile Home Ramps and Mobile Home Utility Upgrade Program		Other	Other	10	10	100%			
Assist Special Needs Populations	Homeless and non-homeless special needs services and housing	CDBG: \$97668	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1000	13924	1,392.40%	1200	2528	210.67%
Assist Special Needs Populations	Homeless and non-homeless special needs services and housing	CDBG: \$97668	Homeless Person Overnight Shelter	Persons Assisted	0	2217		0	563	

Implement the City's Fair Housing Action Plan	Fair Housing Efforts		Other	Other	200	1079	539.50%	275	377	137.09%
Improve public infrastructure, economic and housing	Economic opportunity	CDBG: \$102500	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1	0	0.00%	691	0	0.00%
Improve public infrastructure, economic and housing	Economic opportunity	CDBG: \$102500	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	0	4		1030	0	0.00%
Improve public infrastructure, economic and housing	Economic opportunity	CDBG: \$0.00	Rental units rehabilitated	Household Housing Unit	0	0		4	0	0.00%

Improve public infrastructure, economic and housing	Economic opportunity	CDBG: \$102500	Homeowner Housing Rehabilitated	Household Housing Unit	0	0		0	0	
Increase affordable rental housing	Affordable Housing	HOME: \$90000	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	14	62	442.86%	14	20	142.86%
Increase the supply of affordable housing units	Affordable Housing	HOME: \$457,007	Homeowner Housing Added	Household Housing Unit	69	45	65.22%	14	21	150.00%
Increase the supply of affordable housing units	Affordable Housing	CDBG: HOME:	Homeowner Housing Rehabilitated	Household Housing Unit	0	0		0	0	
Increase the supply of affordable housing units	Affordable Housing	CDBG: HOME:	Housing for Homeless added	Household Housing Unit	0	0		0	0	
Increase the supply of affordable housing units	Affordable Housing	CDBG: HOME:	Housing for People with HIV/AIDS added	Household Housing Unit	0	0		0	0	

Preserve existing affordable housing stock	Affordable Housing Mobile Home Ramps and Mobile Home Utility Upgrade Program	CDBG: \$350940	Homeowner Housing Rehabilitated	Household Housing Unit	14	17	121%	8	15	187.50%
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**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

For PY2015 the City’s use of funds addressed the highest priority needs identified through the 2011-2015 Consolidated Plan process. These activities included CDBG public services (general), services to battered and abused spouses, healthcare services, child care services, rehab single unit residential, energy efficiency improvements, lead-based paint testing and abatement, HOME rental subsidy payments, acquisition of real property, and general program administration.

HOME funds were used for acquisition of vacant land and eligible new construction expenses for single family development by Mesilla Valley Habitat for Humanity and Tierra Del Sol Housing Corporation. City policy is to alternate funding years between multi-family and single family projects for HOME assistance. PY2015 is designated a multi-family year for HOME-assisted projects; however, no local projects were awarded tax credit funding assistance so HOME funds were re-directed to single family projects.

A form of providing for decent housing and a suitable living environment is the implementation of the CDBG-funded, Home Rehabilitation Program. In PY2015, the program completed rehabilitation of seven (7) single family homes, helping low and moderate income persons to upgrade or improve their homes to safe living situations through addressing code deficiencies, repairing or replacing sub-standard elements, or providing necessary weatherization or accessibility needs. This included necessary lead based paint testing

and abatement on all buildings built prior to 1978.

The City's Mobile Home Ramp Program, which provides ADA compliant wheelchair ramps for low-income disabled occupants of mobile homes completed ten (10) ramps in PY2015. The completed ramps totaled \$53,886.31 in expenditures.

The Section 3 program is designed to give employment opportunities, to the greatest extent feasible, to low-income residents that meet Section 3 criteria. Section 3 residents are residents of public housing and/or low, to low-mod income residents of the City of Las Cruces. When Section 3 covered projects come up for bidding, the Section 3 certification and employment needs form are included in the bid documents.

In July 2016, a mailing went out to all recipients of federal housing assistance informing them of the Section 3 program. Over 1700 letters were sent to recipients of Federal housing assistance notifying them of the Section 3 program. There are two (2) projects coming up that will be covered by Section 3. The Section 3 report for PY2015 will be submitted with this report.

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**CR-10 - Racial and Ethnic composition of families assisted**

**Describe the families assisted (including the racial and ethnic status of families assisted).  
91.520(a)**

	<b>CDBG</b>	<b>HOME</b>
White	13,553	44
Black or African American	1290586	1
Asian	8	0
American Indian or American Native	66	0
Native Hawaiian or Other Pacific Islander	2	0
<b>Total</b>	<b>2,547</b>	<b>45</b>
Hispanic	1,770	36
Not Hispanic	777	9

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

**Narrative**

The above clients are consistent with the racial and ethnic demographics identified through the Consolidated Plan process. The Consolidated Plan identified The City's racial and ethnic demographics as 57% Hispanic; 38% White/NH; 2% Black; 2% Asian/NH; 1% American Indian/AK Native; 1% Native HI/Pac Islander and 1% two or more races. There are 27 Census tracts located fully or partially within the Las Cruces Urban Area with twelve (12) of those tracts meeting the definition of minority concentration, an area in which the representation of each single minority group is 10% above that group's representation in the City's general population.

For PY2015, a total of 14,843 CDBG client beneficiaries and 45 HOME beneficiaries. There were 2314 disabled households assisted through the CDBG and HOME programs in PY2015. There were 6793 female head of households assisted through the CDBG and HOME programs in PY2015. See the attached chart for program specific detailed breakdown.

Beneficiary Data	CDBG			HOME			CDBG	HOME
	CDBG Public Services	Home Rehab	Other CDGB Activities	Homeownership activities		Tenant Based Rental Assistance	Totals	Totals
<b>Expended:</b>	\$ 110,100.00	\$ 346,810.48	\$ 221,654.23	\$ 459,007.00		\$ 42,669.00	\$ 678,564.71	\$ 501,676.00
<b>Total Units Served:</b>	13,536	17		21		24	<b>13553</b>	<b>45</b>
<b>Income:</b>								
≤ 30%	12,621	8		0		24	<b>12629</b>	<b>24</b>
≤ 50%	872	1	200	1			<b>1073</b>	<b>1</b>
≤ 80%	43	8		20			<b>51</b>	<b>20</b>
<b>Race</b>								
White	12,888	17		21		23	<b>12905</b>	<b>44</b>
Black	457	0		0		1	<b>457</b>	<b>1</b>
Asian	35	0		0			<b>35</b>	<b>0</b>
American Indian	144	0		0			<b>144</b>	<b>0</b>
Native Hawaiian	4	0		0			<b>4</b>	<b>0</b>
Other	7	0		0			<b>7</b>	<b>0</b>
Hispanic	9,546	11		18		18	<b>9557</b>	<b>36</b>
Non-Hispanic	3,990	6		3		6	<b>3996</b>	<b>9</b>
<b>Disabled</b>	2,102	12	200	0			<b>2314</b>	<b>0</b>
<b>Female Head of Household</b>	6,783	10		15			<b>6793</b>	<b>15</b>

### CR-15 - Resources and Investments 91.520(a)

#### Identify the resources made available

Source of Funds	Source	Resources Available	Made	Actual Amount Expended Program Year 2015
CDBG	PY 2012-2014		\$1,189,031	686,246
HOME	PY 2012-2015		\$737,965	535,588.81

**Table 3 - Resources Made Available**

#### Narrative

Generally HOME funds spent on activities during any current year are from previous years allocations. All HOME activities completed or in which funds were expended during PY2015 were funded with HOME funds from Program Years 2012-2015. In total \$459,007 (figures are rounded) of HOME funds were spent on single family units for acquisition of vacant land and HOME eligible construction expenses and Tenant Based Rental Assistance. For single family development, actual disbursement of funds can take place over two to three program years depending on the size of the project. Additional HOME funds of \$9,000.00 were also used for CHDO operating expenses with Mesilla Valley Habitat for Humanity and \$31,898.08 were used for administrative costs. Previous years TBRA funding in the amount of \$49,669.00 was also expended during PY2015. CDBG funds were expended on home rehabilitation projects, mobile home ramp projects, CDBG public services agencies, and program administration expenses.

**Identify the geographic distribution and location of investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

**Table 4 – Identify the geographic distribution and location of investments**

**Narrative**

The City of Las Cruces made efforts to direct assistance to low-moderate income Census Tracts in the City, in addition to segments of Census Tracts that were found to qualify as low to moderate income ("CDBG Special Benefit Areas"). Appendix E of the Consolidated Plan contains the documentation of the door-to-door surveys that were conducted in December 2010 and January 2011 to qualify the special benefit areas.

The City's primary method of allocating CDBG and HOME dollars is to assist low to moderate income and special needs populations. To the extent that specific geographic areas have greater needs than other areas in the City and /or if service and housing organizations are located in certain areas, they will receive a larger proportionate share of the funding. For sidewalk improvements, the City does focus on the geographic areas where sidewalks, curb cuts and related ADA accommodations are lacking. Finally, to provide affordable rental and single family housing, the City's dollars were allocated in areas of new development where land was previously purchased at an affordable price and where environmental assessments were completed promoting price affordability.

One LMA activity was undertaken during PY2015. This project was to reconstruct the public infrastructure, including natural gas, water, drainage, and curb and gutter as well as the driving surface of Pettes Blvd. and Stewards Dr. in a LMA-benefit neighborhood. The project is complete and is awaiting final inspection and close-out in PY2016.

**Leveraging**

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

CDBG and Home Funds were used as gap-filling dollars which allowed other funds to be leveraged through our participation. The following is an estimated amount of funds leveraged for CDBG Public services in PY2015:

Organization (PY, if different from PY2015 m)	CDBG Grant Amount	Add'l Funds Leveraged per Organizations' Operating Budgets. (Grants/fundraising)
Casa de Peregrinos	\$18,350	\$ 261,812
Jardin De Los Ninos	\$18,350	\$537,000
La Casa Inc	\$18,350	\$740,969
Mesilla Valley CASA	\$18,350	\$197,712
Mesilla Valley Comm. Of Hope	\$18,350	\$1,146,743

St. Lukes Health Care	\$18,350	\$1,295,295
TOTAL	\$110,100	\$4,179,531Fins

The HOME funds generally require a match of local monies; however, through CPD notice 07-05 issued July 11, 2007, the last Notice issued, the exemption from the match requirement is applicable in the subsequent year from the date of the notice. The City has a 50% match reduction for Program Year 2015 according to HUD’s website and the HOME Match Liability Report (PR33).

Mesilla Valley Habitat for Humanity primarily uses HOME funds for eligible acquisition and construction expenses and all labor is provided by volunteers except their construction superintendent and subcontractors for plumbing, electrical, plastering, and foundation work. Other project financing is provided by funding from their Re-store activities. Tierra Del Sol Housing Corporation uses private construction loans for labor costs and construction costs over and above HOME funding reimbursements for land acquisition and HOME eligible construction activities. Mortgage Revenue Bond generated by the New Mexico Mortgage Finance Authority HOME PaymentSaver program are counted in the City’s HOME match for PY2015.

The City of Las Cruces, owns the property identified as Mesilla Valley Community of Hope Campus. The Campus is a unique and highly successful consortium of non-profit organizations that serves the City’s homeless and low income persons on City owned property and buildings located at 999 W. Amador Avenue, Las Cruces, NM 88005. Five of these non-profits have formed an Alliance and operate in close proximity to each other on the 7.3 acres of land on a cul-de-sac street.

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<b>Fiscal Year Summary – HOME Match</b>	
1. Excess match from prior Federal fiscal year	251,496.91
2. Match contributed during current Federal fiscal year	221,727.5
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	473,224.41
4. Match liability for current Federal fiscal year	20,701.40
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	361,585.50

**Table 5 – Fiscal Year Summary - HOME Match Report**

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
1018	05/03/2016	0	3750		0	28,955	0	32,705
1019	05/03/2016	0	3750		0	28,940	0	32,690
1020	05/03/2016	0	3750		0	28,940	0	32,690
1021	05/03/2016	0	3750		0	28,955	0	32,705
MFA Bonds	02-06-2015						90,937.50	90,937.50

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$3,297.04	\$29,0273.78	22,963.00	3190.75	6,064.78

Table 7 – Program Income

<b>Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period</b>						
	<b>Total</b>	<b>Minority Business Enterprises</b>				<b>White Non-Hispanic</b>
		<b>Alaskan Native or American Indian</b>	<b>Asian or Pacific Islander</b>	<b>Black Non-Hispanic</b>	<b>Hispanic</b>	
<b>Contracts</b>						
Number						
Dollar Amount						
<b>Sub-Contracts</b>						
Number					22	10
Dollar Amount	1,126,664				675,190.00	451,474.00
	<b>Total</b>	<b>Women Business Enterprises</b>	<b>Male</b>			
<b>Contracts</b>						
Number				<b>DRAFT</b>		
Dollar Amount	0					
<b>Sub-Contracts</b>						
Number	32	2	30			
Dollar Amount	1,126,664	16,356	1,110,308			

**Table 8 – Minority Business and Women Business Enterprises**

All Contracts and Subcontracts for single family new construction were executed between the Sub recipient of HOME funds and the contractors.

See attached MBE/WBE reports submitted during 2015. All HOME-activities were implemented through non-profit organizations dedicated to creating affordable housing. The non-profit organizations did contract with a minority business owners for the construction of twenty-one (21) single family homes; however, the dollar amount for each contract for construction using HOME funds did not exceed \$25,000.00 for each contracted unit. (per 24 CFR 92.508 (a) (7) (2) (b)).

<b>Minority Owners of Rental Property</b> – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native American Indian	or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

**Table 9 – Minority Owners of Rental Property**

All Home assisted rental properties are owned by Limited Liability Corporations and/or non-profit agencies.

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired	0	\$0				
Businesses Displaced	0	0				
Nonprofit Organizations Displaced	0	0				
Households Temporarily Relocated, not Displaced	0	0				
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native American Indian	or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0					
Cost	0					

**Table 10 – Relocation and Real Property Acquisition**

The City has an adopted Anti-Displacement and Relocation Policy. City efforts are to always minimize relocation and displacement wherever possible in accordance with the adopted Policy. Actions were taken to utilize the NM Department of Transportation’s property acquisition requirements to further ensure our efforts comply with federal regulations. HOME and CDBG funds were only used for vacant land acquisition during PY2015.

No HOME or CDBG funds were used in acquisition projects triggering Anti-displacement and Relocation.

**LOAN SUMMARY CHART:**

<b>HOME Portion</b>			
<b>Project Names</b>	<b>Loan Type</b>	<b>Term</b>	<b>Balance as of June 30, 2016</b>
Rental Projects – Both New and Rehab Projects			
Casa de Corazones – 811 Project	Forgivable Loan	45 years	\$133,782.05
Montana Sr. Village II – LIHTC *	Deferred Payment	33 years	\$313,758.08
Mesquite Village - LIHTC	Low Interest Loan	30 years	\$88,969.33
Cactus Gardens – New Rental	Low Interest Loan	30	\$61,271.07
Desert Palms – LIHTC/Rental Rehab*	Low Interest Loan	30 years	\$490,083.92
Stone Mountain Place – LIHTC	Deferred Payment & Interest Only Pymt.	45 years	\$419,115.54
Alta Tierra Apts. - LIHTC/Rental Rehab*	Low Interest Loan (Partial Int Only Pymt)	45 years	\$303,062.87
Home Rehabilitation	Low Interest - #=4	20 to 30 years	\$71,200.82
	Deferred Payment Loan (0% interest, due upon sale or transfer) - #=		\$85,382.90
	Deferred Payment Loan (0% interest, with expiration dates) - #=	Less than 10 years	\$0.00
	Grants – with due dates, forgiven with time - #=	Less than 10 years	\$0.00

<b>CDBG Portion</b>				
<b>Project Types</b>	<b>Loan Type or Subtypes</b>	<b># of Loans Outstanding</b>	<b>Term</b>	<b>Principal Balance (as of June 30, 2016)</b>
	Low Interest Loans	43	20 to 25 yrs.	\$354, 444.31

Home Rehabilitation	DPL (0% Interest – due on sale or transfer)	17	N/A	\$1,604,578.56
	Grants – with due dates/forgiven with time	34	0 to 29 yrs.	\$423,067.60

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**CR-20 - Affordable Housing 91.520(b)**

**Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.**

	<b>One-Year Goal</b>	<b>Actual</b>
Number of Homeless households to be provided affordable housing units		24
Number of Non-Homeless households to be provided affordable housing units		21
Number of Special-Needs households to be provided affordable housing units		
<b>Total</b>	<b>57</b>	<b>33</b>

**Table 11 – Number of Households**

	<b>One-Year Goal</b>	<b>Actual</b>
Number of households supported through Rental Assistance	14	24
Number of households supported through The Production of New Units	13	21
Number of households supported through Rehab of Existing Units	8	17
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>35</b>	<b>62</b>

**Table 12 – Number of Households Supported**

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

For the HOME program serving non-homeless through the production of new units, the number of units completed exceeded the goal due to the completion of units that were scheduled to close in PY 2014 but did not close until PY 2015.

Homeowner housing goals for rehabilitation was four (4), with ten (10) other units to be assisted with mobile home accessibility ramps, and mobile home utility upgrades. Seven (7) homeowner rehabilitations were completed with two (2) others currently under construction, two (2) more to start in early PY2016 ten (10) mobile home ramps projects were completed, with five (5) currently under construction no mobile homes had utility upgrade projects completed although

thirteen (13) have been income qualified and should start construction early in PY2016. Difficulty in processing and qualifying clients for the Home Rehabilitation Program increases as a larger number of home owners are taking additional mortgages against property to payoff other debt.

**Discuss how these outcomes will impact future annual action plans.**

For the HOME program we are tracking the progress of all projects including any delays and causes of delays. At this time all projects with our development partners are on schedule and if any time projects with developers are delayed we request detailed work-out plans in monthly reports to better anticipate the number to units to be completed during any program year to ensure compliance with HOME guidelines.

For the CDBG infrastructure programs staff collaborates with the City’s Public Works Department. Additional efforts to collaborate with other City Departments on future planned infrastructure projects is underway.

In addition, staff will continue to work towards the addition of programs and re-structuring current program guidelines in the existing Home-Rehab Handbook to refine programs that will expand services to clients.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

Number of Persons Served	CDBG Actual	HOME Actual
<b>Extremely Low-income</b>	10	74
<b>Low-income</b>	2	69
<b>Moderate-income</b>	14	0
<b>Total</b>	26	143

**Table 13 – Number of Persons Served**

**Narrative Information**

All single family HOME-assisted units completed during program year 2015 were constructed and sold to income eligible households earning between 50-80% AMI. There were a total of twenty-one (21) households containing a total of sixty-nine (69) people for HOME single family new construction.

All CDBG, Owner Occupied, Home Rehabilitation, Mobile Home Ramp, and Mobile Home Utility Upgrade Programs completed during PY2015 were provided to households earning less than 80% AMI. There were a total of seventeen (17) households containing twenty-three (23) people assisted.

All households assisted through HOME Tenant Based Rental Assistance were households earning below 80% AMI. Twenty four (24) households were assisted in PY2015.

**CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

CDBG public services funds directly assist the homeless population and their needs. Up to 15% of the City's PY 2015 CDBG Entitlement was dedicated to Public Services. In PY 2015 \$91,750 were dedicated to public services 100% of that funding was awarded to sub-recipients who serve homeless and near homeless populations almost exclusively.

The agencies are:

(1) Casa de Peregrinos, a food pantry, received \$18,350 in PY2015 CDBG Public Services funds to operate a food rescue program, to supplement their Emergency Food Program which focuses on alleviating food insecurity through the provision of emergency food distribution to Las Cruces families. Casa de Peregrinos was able to rescue approximately 425,000 pounds of food and served total of 9,823 persons during PY2015.

(2) Jardín de los Niños, a childcare facility for homeless and near-homeless children, located on the campus of the Mesilla Valley Community of Hope, received \$18,350 in PY2015 CDBG Public Services funding to provide Children's Therapeutic Services for homeless/near homeless children. The program focuses on direct treatment, prevention, intervention and education via early learning opportunities, individualized curriculum, therapy for developmental delays and social and emotional behavioral interventions; as well as assistance for self-sufficiency and stabilization out of homelessness; and Healthcare assessments, housing assistance and information/education. Jardin served a total of 369 duplicated children during PY2015.

(3) La Casa, Inc., a facility serving homeless and near-homeless abused spouses and children, received \$18,350 in PY2015 CDBG Public Services funding to implement the operations of their Emergency Shelter Program. La Casa, Inc. served 554 duplicated homeless and near-homeless abused spouses and children during PY2015.

(4) Mesilla Valley Community of Hope, a primary provider of services to homeless, near-homeless and disabled persons received \$18,350 in PY2015 CDBG Public Services funding for day shelter (showers, laundry, clothing) and case management (referrals to health care, housing, employment and counseling) services. Mesilla Valley Community of Hope served 1,152 unduplicated homeless and near-homeless adults and their families during PY2015.

(5) St. Luke's Health Care Clinic, a provider of medical services for homeless, near-homeless and disabled persons received a \$18,350 operational grant in PY2015 CDBG Public Services funding for Homeless Health Care Coordination. St. Luke's Health Care Center served 1,415 duplicated patients during PY2015.

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## **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City funded two agencies who are working to meet the housing needs of homeless persons with the City of Las Cruces. Mesilla Valley Community of Hope and La Casa Inc.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City of Las Cruces in PY2015 implemented a Continuum of Care Permanent Supportive Housing (PSH) Shelter Plus Care (S+C) grant that serves homeless, disabled individuals and families. The program provides affordable rental housing for approximately 11 qualified households. The PSH Shelter Plus Care grant provided permanent supportive housing and assisted with linking clients to services to include independent living skills. The program encourages that all participants have a self-sufficiency plan in efforts to assist them in becoming self-sufficient and to remain in permanent housing to avoid becoming homeless again.

HOME funded TBRA also provides transitional housing with clients participating in supportive services promoting self-sufficiency and independent living skills. The City has non-HUD funds that it uses to provide needed public services from non-profit agencies to the community that would include assistance to the homeless and chronically homeless. For PY2015 approximately \$300,000 in health care funding was allocated for services providers, some of which was dedicated to homeless services.

In PY2015 the City was officially recognized by HUD for reaching functional zero in the Mayors Challenge to End Veteran Homelessness. The City allocated additional funds to our partner Mesilla Valley Community of Hope to ensure that functional zero is maintained in PY2016.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Prior years HOME funding assisted in the construction of a transitional living facility that targets young adults aging out of foster care, rehabilitation facilities, correction programs and homeless youth. Families and Youth Incorporated/ Resources for Children and Youth own and manage the

facility which offers support services for the youth such as life and employment counseling, educational path awareness opportunities and other supportive services. Approval is being sought to change the demographics of the facility from transitional housing to permanent rental housing for adults.

### **CR-30 - Public Housing 91.220(h); 91.320(j)**

#### **Actions taken to address the needs of public housing**

No actions were taken in PY2015 by the City of Las Cruces, as the Public Housing efforts and initiatives are under the responsibility of the Mesilla Valley Public Housing Authority (MVPHA). The MVPHA does not use HOME or CDBG funds for improvements in public housing.

Capital Fund Program funds are awarded annually to maintain public housing units. MVPHA received \$297,104.00 in Capital Funds for Program Year 2016.

#### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

MVPHA has a new Resident Council that participates in the process for the review of the Annual and Five Year Plans, and attends the MVPHA's Board of Commissioners meetings

A Resident Commissioner was appointed to the MVPHA Board of Commissioners by the Mayor of the City of Las Cruces (4/21/14) and the Dona Ana County Board of County Commissioners (5/13/14).

MVPHA has 18 families who participate in the HCV Homeownership Program. Effective July 1, 2014, MVPHA is no longer offering the HCV Homeownership Program to voucher holders.

MVPHA currently has 28 participants in the HCV Family Self-Sufficiency (FSS) Program and is looking to expand within the next fiscal year. An application was submitted to HUD to fund the Family Self-Sufficiency (FSS) Coordinator position for calendar year 2017.

When vacant positions are advertised, notices are posted in the MVPHA Lobby and with NM Dept. of Workforce Solutions so interested residents can submit an application. MVPHA posts all vacant positions and notices in the MVPHA lobby, Las Cruces newspaper, Interagency Council, and with the NM Dept. of Workforce Solutions.

#### **Actions taken to provide assistance to troubled PHAs**

**A corrective Action Plan for SEMAP will be submitted to the HUD Field Office by no later than August 19, 2016.**

### **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

The Las Cruces City Council acknowledges the burden that public policies can have on the creation of affordable housing and has provided funding to pay development impact fees for qualified grantees for the development of affordable housing. The Las Cruces City Council has also allocated funding to the City of Las Cruces Affordable Housing Trust Fund. Land acquired or owned by the City may also be allocated to the City Affordable Housing Land Bank for future development of affordable housing or it also may be sold with the proceeds set aside for the affordable housing trust fund to use for additional affordable housing development. Development standards for density bonus, parking standards and development on infill lots have also been reviewed to help with the feasibility of new development. In PY2015 the City began to update its Affordable Housing Plan (AHP). The AHP is currently out for public comment with anticipated adoption in 1<sup>st</sup> quarter of PY2016. The City anticipates implementing the recommended actions and incentives over the next 10 years.

The City continued to allocate funding for development impact fee waivers for affordable housing units using City General Fund monies. This program provides approximately \$15,000 in impact fee waiver value for park fees, public safety fees and wastewater impact fees waivers, in accordance with the State's Affordable Housing Act. These funds helped offset development cost for 4 single family owner-occupied affordable housing units in PY2015. The City's Comprehensive Plan 2040 previously adopted in 2013 is in the process of being updated and will include various goals and policies that may result in actions to remove or ameliorate barriers to affordable housing.

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

No other specific actions related to the Action Plan are identified other than those previously described or elsewhere in this report. However, the City does look to use or pursue other funding sources to address the needs, including their own. This includes providing public service funds for general welfare and health care needs from the City's special funds from the proceeds and/or interest earnings of a pre-paid lease of Memorial Medical Center. In PY 2015, approximately \$300,000 of City-financed health care funds was provided to public service agencies that primarily benefited the low-income residents of the community.

The City also provides money from its general fund to an outside agency that provides low-income residents with assistance on their City utility bills. This assistance is limited to those residents that are delinquent in the payments and receive some other form of government

assistance to determine their income status/eligibility. In fiscal year 2016, the City provided \$45,504.19 in utility assistance from the general fund.

The City's Public Works and Facilities Departments also use either grants or other appropriations received from the State of New Mexico to implement projects that benefit low-income residents, special needs populations, or low-income areas. On-going efforts include funding for improvements to the buildings at Community of Hope.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

The City of Las Cruces is committed to reducing the hazards posed by Lead Based Paint (LBP) in the older stock of the City and to reduce the potential for childhood lead poisoning.

All City-eligible contractors in the Home Rehabilitation Program, which bid on houses that were built before 1978 and are found to contain levels of LBP that require action, are mandated to be certified with the EPA's "Renovate, Repair, and Painting Rule" (RRP). This EPA Rule has added more advanced training and documentation requirements for contractors and renovation workers.

Under the City's Home Rehabilitation and Neighborhood Stabilization Programs, LBP testing was done on all homes constructed before 1978 and which were rehabilitated through these two programs. All LBP, detected at levels considered "hazardous," were remediated through either interim controls or abatement per HUD/EPA regulations as part of the rehabilitation.

In PY2015, the Home Rehabilitation Program tested ten (10) houses for LBP. Six were found to be clear of LBP hazards and four (4) were found to have LBP at levels considered to be "hazardous" to date three (3) have had the LBP hazards remediated and there is one (1) house with LBP hazards still processing that should start construction in PY2016. The Following is a table that summarizes the LBP efforts of the City's Home Rehabilitation Program:

**LEAD BASED PAINT SUMMARY PY2015**

Number of Homes Rehabilitated (completed)	7
Number of homes under construction	2
Number of Homes Tested for LBP #	10
Number of Houses Containing LBP #	3
Total Cost of LBP Testing	\$7,402.38

Total Cost of LBP Clearance	1,349.05
Estimated Cost of Removal of all LBP	\$4,600.00
Combined Total – LBP Testing, Clearance, and Removal	\$12,688.02
Total Rehabilitation Cost of Houses with LBP#	\$120,094.67
% of LBP Testing, Clearance, and Removal to Total Costs (Approx.)	11%

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The low incomes of many citizens of Las Cruces have left them with insufficient means for decent, affordable living. The immediate goal is to ensure services are provided throughout the City that addresses this issue. The City understands the needs of those living in poverty. Its strategy is to address the issue of poverty by supplementing resources to promote an acceptable standard of living, and this will continue to be done through a number of programs and goals. These programs and goals include: home rehabilitation for low-income families who cannot afford to maintain their homes and who would be in danger of losing them, and funding and support of other types of services (primarily CDBG Public Services) for low-income persons (primarily presumed benefit groups). All of these activities support housing or social service needs so that low-income families and persons can use their limited resources for other living requirements.

The City has undertaken additional efforts to assist with reducing the number of poverty level families. This includes the use of EDI grants (previously completed), the use of Health Care funds and other general funds to area non-profits, and Continuum of Care, especially those programs that provide permanent supportive housing efforts.

**Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

Funding is one of the biggest gaps for all programs using federal housing and community development funds. The gaps in funding directly affect eligible clients, as most of the organizations are called upon to do more and more, with fewer dollars every year. The City has undertaken efforts since 2006 to identify and develop potential programs that can produce additional affordable housing using local resources (i.e. either a revenue stream or land), which in FY2008, resulted in the use of City General Fund monies to develop an affordable housing strategic plan. The “2009 Affordable Housing Strategies Plan” for the City of Las Cruces was adopted by the City Council in August 2009 (early PY 2009). The Plan recommended three main

activities to be undertaken in the future:

- Review and possible modifications to current development regulations
- Establishment of a land bank and land bank program, and
- Establishment of a housing trust fund, which would be funded through a General Obligation Bond or the City's current Gross Receipts Bond recycling program.

In PY2015 the City began to update its Affordable Housing Plan (AHP). The plan was updated to include additional incentives and policy direction including a strategic plan. The AHP is currently out for public comment with anticipated adoption in 1<sup>st</sup> quarter of PY2016. The City anticipates implementing the recommended actions and incentives over the next 10 years.

All of these efforts serve to improve the overall housing market in Las Cruces and would work in conjunction with CDBG and HOME funds to address more community needs in future years. It is hoped that any revenue stream identified would provide for both loans and grants to affordable housing providers. The Affordable Housing Land Bank and Trust Fund were formalized as programs in PY2010 by their inclusion in the City's Municipal Code. Actual implementation of revisions to the development standards began in PY2015. City Council approved additional funding to the affordable housing trust fund for PY2015 in the amount of \$100,000.00 from the City's general fund. With the approval of the City's Affordable Housing Plan the City will be in the position to move forward in allocating funds to affordable housing projects.

The other biggest effort that is undertaken to overcome institutional gaps and capacity are our continued monitoring efforts with our outside agencies. Monitoring of the agencies provides City staff an opportunity to address any deficiencies and provide training and technical assistance on specific regulations or programs.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

The City provided public service funding to local non-profit funds for agencies that serve special needs populations, primarily to the homeless, victims of domestic violence, the disabled, and low income youth and young adults. Additionally, the City provided HOME funds to private, non-profit housing providers for the development of single-family housing.

The City began the process for implementation of its Affordable Housing Land Bank and Trust Fund. However, the New Mexico Mortgage Finance Authority required a substantial update to the AHP which is currently out for public comment with anticipated adoption in 1st quarter of PY2016.

The City continued efforts to improve coordination related to enhancing efforts in the areas of homeless services and ending homelessness, including chronic homelessness. The City of Las Cruces in PY2015 implemented a Continuum of Care Permanent Supportive Housing (PSH) Shelter Plus Care (S+C) grant that served eleven (11) homeless, disabled individuals and families, eight (8) of which were Veterans.

In PY2015 the City was officially recognized by HUD for reaching functional zero in the Mayors Challenge to End Veteran Homelessness. The City allocated additional funds to our partner Mesilla Valley Community of Hope to ensure that functional zero is maintained in PY2016.

The City continued participating in meetings with outside partners in efforts to improve overall delivery of CDBG, HOME, and CoC-funded projects, as well as public service and homeless providers on a regular basis.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

Upon review from the HUD FHEO staff, the City recognizes that the 2011-2015 Analysis of Impediments (AI) was substantially incomplete and did not provide a thorough analysis of the impediments and appropriate corrective actions to correct impediments to Fair Housing Choice. The City addressed the noted deficiencies in the 2016-2020 Consolidated Plan and AI. Staff will continue to work with the HUD FHEO field office to ensure these requirements are met.

During the 2011-2015 Consolidated plan process the city identified five impediments.

- Las Cruces residents experience discrimination
- Development regulations could be improved to facilitate affordable housing development.
- Loan denial rates between Hispanics and Non-Hispanics remain relatively high.
- Residential accessibility in the City is lacking.
- Some landlords are ignorant of and/or noncompliant with the Federal Fair Housing Act.

The following goals were developed to address such impediments.

1. Improve fair housing visibility on the City's website.
2. Support organizations that provide credit and homebuyer counseling.
3. Implement the development recommendations from the Affordable Housing Strategy plan to facilitate affordable housing development.
4. Apply for fair housing grant funds to conduct testing.
5. Conduct a review of accessibility needs.
6. Update the City's fair housing ordinance.
7. Monitor MVPHA occupancy standards

2015 Actions by goal:

1. In PY2015 the City redesigned their website to streamline its efficiency. Fair housing visibility

has been enhanced and information can now be found in quickly. It is also ADA compliant for the visually impaired. The public can contact the Fair Housing Team at [fairhousing@las-cruces.org](mailto:fairhousing@las-cruces.org), in-person, by phone, TTY, or through the askthecity.org question portal. The City received over 120 inquiries during the program year regarding fair housing concerns of those inquires Staff referred approximately 20% to the HUD Fair Housing Hotline. The City continues to disseminate and provide fair housing information to residents both online and in print. The City provided two (2) trainings open to the general public including tenants, landlords and affordable housing providers. Please refer to CR-05 for beneficiary/accomplishment data.

2. During PY2015 the City assisted Tierra Del Sol, a certified homebuyer counseling agency and affordable housing developer in building organizational capacity. As a result the City will be providing TDS with PY2016 HOME CHDO operating funds. Tierra Del Sol works closely with local lenders and other non-profit agencies to provide in person and online homebuyer counseling courses. The City also provided 2015 CHDO Operating Funds from the City's HOME Grant to Habitat for Humanity. The City recognizes that this does not address the impediment of Loan denial rates between Hispanics and Non-Hispanics. During the 2016-2020 Consolidated plan process staff determined that the City has little regulatory authority or control over lending practices used by various financial institutions. Lenders are governed by regulations and laws that are promulgated at the State and Federal level. 2. Loan denial rates between Hispanics and non-Hispanics have improved during this period and do not appear to be as pressing a problem as in the past. HMDA data used for the Analysis of Impediments shows that Las Cruces residents of all races have relatively lower denial rates and are placed in fewer predatory lending products than in the rest of the State of New Mexico. 3. The HMDA data does not support a conclusion that denial rates are relatively higher for Hispanics than non-Hispanics. Table 39 of the City's AI shows that the reasons for loan denials among Hispanics are lower than for the overall population and lower collectively, than for white applicants. Given the three findings included in this analysis, the City believes that Impediment 3 from the 2011 AI is not a problem that should move forward.

3. The City worked closely with the New Mexico Mortgage Finance Authority to substantially update the Affordable Housing Plan. Anticipated adoption and implementation is expected in PY2016. In accordance with the City's Affordable Housing Ordinance City funds were provided to qualified grantees to offset impact fees for affordable housing development. The City's Affordable Housing Land Bank and Trust Fund will provide additional opportunities to facilitate affordable housing development.

4. The City at this time is not eligible to apply for FHIP/FHAP funds. The City acknowledges that consumers and housing providers lack basic knowledge of Fair Housing Rights and Responsibilities. In the past five years, the City has co-sponsored educational initiatives to improve awareness among both consumers and landlords. Please refer to CR-05 for beneficiary/accomplishment data.

5. The accessibility needs of residents continues to be a concern, the City is in the process of updating all ADA policies and our 504 self-review with expected completion in late PY2016. Many

of the homes and apartments in Las Cruces are more than thirty years old and were built before the Americans with Disabilities Act was passed by Congress. It is often very difficult to retrofit particularly the exterior access to older homes. The City Building Code now requires that a percentage of newly constructed homes and apartments meet accessibility requirements. The City provides a home and mobile home modification program to assist disabled residents in making basic modifications, such as ramps to increase accessibility of the older homes. If affordable units are constructed with Federal assistance, the City requires that at least 5% of those units meet ADA guidelines.

6. The updated fair housing ordinance was adopted in PY 2013, and will be amended as applicable with the AI as part of the Consolidated Plan effective 2016.

7. The City recognizes that this goal does not address any of the identified impediments, MVPHA revised their occupancy standards and therefore the goal has been ameliorated.

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## **CR-40 - Monitoring 91.220 and 91.230**

### **Description of the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

The City's monitoring expectations call for at least one annual visit to each CDBG Public Service, HOME Project site (including CHDO Operating, CHDO Reserve projects and TBRA-assisted sites); and Supportive Housing Shelter Plus Care Housing grants (as applicable). HOME rental project sites are monitored in accordance with the requirements at 24 CFR 92.504. City staff provide the monitoring review to the Sub-recipient at a time that is conducive to their schedule. Generally, the arrangement for the visit commences with a call to arrange the visit, with a follow-up formal letter, verifying the time and indicating what records are to be reviewed and what activities are to be assessed. This letter is generally done with at least a two-week advance notice.

To perform the actual monitoring visit, City staff use Community Planning and Development (CPD) Handbook (HBK) 6509.2, Revision-5, selected forms from Chapters 3 and 22 for Public Services, Chapters 13 and 22 for Supportive Housing Program (as applicable), and Chapters 7 and 22 for both HOME/CHDO and as a framework for S+C.

Generally, for all on-site reviews there is a full record(s) review (review of program participant eligibility and supporting documentation), a complete Uniform Physical Conditions Standards (UPCS) for HOME multi-family, plus TBRA and Supportive Housing Program tenant based rentals and a walk-through of HOME single-family homes under construction or un-occupied, but where construction has been completed. If there are problems or issues beyond Program staff's expertise, other City Departments may be contacted. Once the review is complete, a written follow-up letter is provided to the agency, noting any Findings, Concerns, Comments, and/or Observations to the Sub-recipient, with appropriate due dates for correction/compliance.

For PY2015, CDBG Public Services reviews have been completed, and the program year monitoring results have been closed out.

For the HOME program the monitoring has been completed for the majority of the rental complexes with the others scheduled. CHDO agency monitoring is scheduled, and the HOME TBRA Program to be completed by the end of October 2016. CHDO recertification's take place at least twice a year, once at application and then again prior to the execution of any agreement for the commitment of CHDO funds for the City's two (2) CHDOs', Tierra Del Sol Housing Corporation and Mesilla Valley Habitat for Humanity.

The City also monitored all single family rental units owned by non-profits partnering agencies

that were purchased using NSP funds in previous program years. There were no findings or concerns.

For PY2015, most of the CDBG Public Services sub-recipients experienced few problems and had few, if any, findings or concerns all of which have been corrected and addressed in a timely manner. The monitoring results for the HOME projects that have been completed also resulted in very few findings or concerns.

**Citizen Participation Plan 91.105(d); 91.115(d)**

**Description of the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

A draft of the 2015 CAPER, available for comment between Friday, August 26, 2016 through Tuesday, September 20, 2016, on the City's website at [www.las-cruces.org](http://www.las-cruces.org) (website is ADA compliant for the visually impaired), at the Community Development Department, and the City Clerk's Office, 700 N. Main Street, and Branigan Library, 200 E. Picacho Las Cruces, NM. Two Public input meetings are scheduled. One will be held on Tuesday, September 13, 2016 at Munson Senior Center, 975 S. Mesquite St. Las Cruces, NM from 5:30 to 6:30 P.M. An additional meeting will be held on September 14, 2016 at the City Hall conference room 2007-A, 700 N. Main Street, Las Cruces, NM 88001 from 2:00-3:00 P.M.

Meeting notification in English and in Spanish were posted at the following locations:

All City Municipal buildings including Senior Centers

And various churches including the below:

- Peace Lutheran Church
- First Church of Nazarene
- Catholic Diocese
- Baptist Student Union
- Apostolic Tabernacle
- Bethel Second Baptist Church
- Holy Cross Catholic Church
- Calvary Christian Church
- First Baptist Church
- Bethel Bible Fellowship
- Immaculate Heart of Mary Catholic Church
- Our Lady of Health Catholic Church

**CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and**

**indications of how the jurisdiction would change its programs as a result of its experiences.**

There are a number of barriers that may have a negative impacts on fulfilling the strategies and the overall vision. The lack of funding, is a significant barrier that most negatively impacts the City's ability to fulfill the strategies and vision for the community. Community growth has experienced some slow down due to downturns in the economy, construction projects have also decreased in the private sector and prices have not increased as substantially as they had in previous years.

In PY2015 program objectives did not change from the goals set in the Consolidated Plan for 2011-2015. As is the case with almost all cities in the United States, the need for affordable housing and supportive services for the homeless, disabled, elderly, and low income persons, in general, far exceeds the capacity of municipalities to provide them. The City generally has to balance the limited HOME funding between single-family (homebuyers) and multi-family (renters) in alternating years. The social services needs to Special Populations, as well as housing, is also part of the limitations from funding (CDBG Public Services cap of 15%). However, the City continues to address the targeted goals to include the preservation needs for owner-occupied housing, and infrastructure and economic improvements to neighborhoods, though higher prices and costs.

All HOME project units under construction were completed in a timely manner and the City of Las Cruces has met HOME funds commitment deadlines.

Grant disbursements are completed in a timely manner.

No substantial changes have been made to programs, however the City is continuing to evaluate and revise all Standard Operating Procedures for improvement in processes for our programs and services to residents. This may result in changes or processes to grant programs for PY2016.

The Museum of Nature and Science was funded by a \$2,000,000 Brownfield Economic Development Initiative (BEDI) grant and a \$2,000,000 Sec 108 loan, as well as an ARRA grant from DOE, finished construction during program year 2012 and has been open for business. No funds were expended during program year 2014. The amount repaid during the program year was \$137, 886.30 P&I with a cumulative amount repaid of \$529,338.81. The source of funding used for repayment was the City's general fund.

**CR-50 - HOME 91.520(d)**

**Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**

**Please list those projects that should have been inspected on-site this program year based**

**upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.**

For Program Year 2015 City staff held or has scheduled on-site monitoring visits for all HOME-assisted multi-family properties. The properties with completed monitoring visits are, Montana Senior Village II, Mesquite Village, Stone Mountain Place, Cactus Gardens, El Crucero and Alta Tierra apartments and Casa De Corazones, the 811 project. The complexes with completed site reviews had relatively minor findings and/or concerns/recommendation for tenant files and housing inspection standards with satisfactory financial performance. Documentation in tenant files have seen improvement from last year are have improved One complex had minor errors with incorrect income and other tenant eligibility documentation with City staff providing additional technical assistance and review for those agencies. Deficiencies in UPCS were minor with un-working fire alarms (replacing batteries) at one complex, minor plumbing issues and torn window screens and an infestation of ants at one complex. Monitoring visits for the City's two (2) CHDO's, Mesilla Valley Habitat for Humanity and Tierra Del Sol Housing Corporation are scheduled for the 3<sup>rd</sup> quarter of the year.

**Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)**

The City of Las Cruces actively markets its programs through bilingual public forums and advertisements. All HOME-assisted projects must have an affirmative marketing plan or certification as applicable as part of their HOME Agreement with the City. The City's single family owner occupied units are not developed under the "spec home" concept. Prior to starting construction all units have a qualified homebuyer and executed construction and/or sales contracts in place with qualified applicants on the agencies' waiting lists. All multi-family projects have Affirmative Fair Housing Marketing Plans. For single family development our sub-recipients, Mesilla Valley Habitat for Humanity and Tierra Del Sol also have Fair Housing Marketing Plans to which they advertise.

Places where MV Habitat and Tierra Del Sol advertise include:

- Las Cruces Sun News
- Las Cruces Bulletin
- Barnes & Noble Bookstore
- Senior Centers
- Local Radio Stations

And various churches including the below:

- Peace Lutheran Church
- First Church of Nazarene

Catholic Diocese  
Baptist Student Union  
Apostolic Tabernacle  
Bethel Second Baptist Church  
Holy Cross Catholic Church  
Calvary Christian Church  
First Baptist Church  
Bethel Bible Fellowship  
Immaculate Heart of Mary Catholic Church

**Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics**

HOME Program income expended during the program period totaled \$23,919.01. This included \$956.01 from program year 2014 and \$22,963.00 from program year 2015. All funds were spent on HOME eligible acquisition and new construction expenses for single family development and eligible Tenant Based Rental Assistance activities and HOME program admin expenses. The beneficiary characteristics are reported in other section CR 10.

**Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)**

All HOME-assisted multi-family complexes with the exceptions of Cactus Gardens a four unit complex, Casa de Corazones a Section 811 property, and El Crucero, a youth transitional living facility were financed with LIHTC funding from New Mexico Mortgage Finance Authority. City of Las Cruces policy is to alternate funding years between single family and multi-family housing.

Program year 2015 was designated a multi-family year for HOME funding allocations; however, no local tax credit projects were funded and HOME funds were re-directed to single family projects. Dona Ana County and by extension the City of Las Cruces is considered a low priority area in the New Mexico LIHTC Qualified Application plan. Therefore, a competitive application would not be successful at this time.