

# Housing Authority of the City of El Paso, Hunt Companies, Inc. and Investment Builders, Inc. Enter Public-Private Partnership Agreement

December 15, 2011



EL PASO, TEXAS - The Housing Authority of the City of El Paso, Texas (HACEP) and Hunt Companies, Inc. are proud to announce their partnership to develop a 14.5-acre mixed-use community in East El Paso. This public-private partnership aims to secure a 9-percent competitive tax credit through the Texas Department of Housing and Community Affairs (TDHCA) to build a total of 188 units of conventional public housing, Low Income Housing Tax Credit, and market rate units on the corner of North Zaragoza and Joe Battle, one of the busiest intersections in the City of El Paso. The property will assume the name of "Eastside Crossings," a reflection of its location on the City's Eastside and its juxtaposition between two main thoroughfares.

"This partnership enables both HACEP and Hunt to leverage our collective strengths to develop high-quality affordable housing for families in need while helping El Paso meet its goal of becoming the home to safe, walkable, and sustainable neighborhoods," said Gerald W. Cichon, Chief Executive Officer of HACEP. "Hunt has a proven track record in developing and financing affordable housing, and HACEP is very good at managing housing units. The end result is a community of which we can all be proud."

The parcel slated for development is a 75-lot subdivision that already contains 10 Energy Star affordable housing single family detached homes constructed by Zia Homes, Inc. in 2009 as part of the Alamito HOPE VI Revitalization project. Streets and infrastructure are complete and this initiative will further develop the remaining parcels with homes built to LEED Silver-equivalent criteria. The property will feature 64 public housing units, 79 affordable housing units, and 45 market rate units. A goal of this initiative is to eliminate the stigma associated with traditional affordable housing initiatives by producing public housing and affordable units that are indistinguishable from unrestricted income (market-rate) units, are dispersed throughout the development, and accommodate a variety of family sizes.

"One of our goals for this project is to create a sustainable community that features a mix of uses including family and senior housing, residential, retail and commercial uses," said Robin Vaughn, Executive Vice President at Hunt. "We see it as a cohesive community that integrates these uses with community amenities such as connecting trails, community building and local retail. As an El Paso-based company, we are invested in achieving the right outcome."

Locally-owned Investment Builders, Inc. (IBI) is also involved as a partner in this innovative project and will assist HACEP in leveraging its federal funding resources

through the tax credit application to maximize the positive impact of this project on the surrounding community.

On Wednesday, December 14, 2011, the HACEP Board of Commissioners approved a Memorandum of Understanding with Hunt Companies, Inc. to engage in the partnership and apply for the 9-percent tax credit grant through TDHCA. Upon completion of a successful application, construction will commence in 2012 and is slated for completion in late 2013.

#### ABOUT HACEP

The Housing Authority of the City of El Paso, Texas (HACEP) provides safe, decent and affordable housing to assisted families at or below 80 percent of the area median income. HACEP is the 21st largest public housing authority in the United States and provides high-quality housing assistance to 40,000 El Pasoans through its Public Housing, Housing Choice Voucher, Tax Credit, Non-Subsidized and Section 8 New Construction programs. HACEP operates a \$75 million annual budget and is regulated and primarily funded by the U.S. Department of Housing and Urban Development (HUD).

#### ABOUT HUNT

Founded in 1947, Hunt Companies, Inc. has become a leading national privately-owned real estate investor, manager, developer, and contractor. Hunt's focus and experience is in sectors such as public-private partnerships, military housing, mixed-use, multi-family housing, master-planned communities, government build-to-lease programs, retail, and office. The services Hunt provides to these sectors include Investment Management, Development, Construction Services, and Asset and Property Management Services.

Hunt and its affiliates have over \$10 Billion Assets Under Management. These assets include 116,470 Multi-Family Housing units, 4.7 million square feet of commercial, 1.5 million square feet of industrial and 2.1 million square feet of retail. Hunt's expertise is also comprised of over 89,000 housing units built, thousands of acres of land developed, and over 400 projects completed in 32 states. Development project costs have been in excess of \$6.3 billion, with over \$8.1 billion in construction costs. Hunt's 2010 gross revenue was over \$900 million.

Hunt affiliates include Hunt Building Company, Hunt Development Group, Hunt Communities, Hunt Military Communities, TRECAP Partners, Hunt Capital Partners, WhiteHawk Capital, and LEDIC Management Group. Hunt Companies, Inc is headquartered in El Paso, TX with regional offices in Washington, D.C; Albuquerque, NM; Honolulu, HI; Los Angeles, CA; Chicago, IL; Philadelphia, PA; and Memphis, TN. For more information, visit [www.huntcompanies.com](http://www.huntcompanies.com).

#### PHOTO CAPTION:

Mr. Gerald W. Cichon, Chief Executive of the Housing Authority of the City of El Paso, shakes hands with Robin Vaughn, Executive Vice President of Hunt Companies, Inc., following HACEP's approval of an MOU to apply for a 9-percent tax credit application to build an innovative mixed-use residential community in East El Paso that will feature LEED Silver-equivalent public housing, affordable housing, and market-rate units. The new project will be called Eastside Crossings.