

QUALITY OF LIFE COUNCIL COMMITTEE MEETING MINUTES

**TUESDAY, MARCH 18, 2014
10:00 A.M.
MEDIA BRIEFING ROOM, CITY HALL**

Members Present: Councilmember Ivy R. Taylor, Chair, *District 2*
Councilmember Diego Bernal, *District 1*
Councilmember Shirley Gonzales, *District 5*
Councilmember Joe Krier, *District 9*

Members Absent: None

Staff Present: Gloria Hurtado, *Assistant City Manager*; Jed Maebius, *Mayor's Office*; Edward Guzman, *Assistant City Attorney*; Kristine Duff, *Assistant City Attorney*; John Dugan, *Director, Planning and Community Development*; Tom Morgan, *Grants Administrator, Planning and Community Development*; Denice Trevino, *Office of the City Clerk*

Also Present: Dan Markson, *Senior Vice President; NRP, LLC*; Meghan Oswald, *Executive Director, CHR*

Call to order

Chairperson Taylor called the meeting to order.

Citizens to Be Heard

Chairperson Taylor indicated that there were several Citizens signed up to speak. She confirmed that all would speak when their Agenda Item was addressed.

1. Approval of Minutes of the February 18, 2014 Quality of Life Council Committee Meeting

Councilmember Bernal moved to approve the Minutes of the February 18, 2014 Quality of Life Council Committee Meeting. Councilmember Krier seconded the motion. Motion carried unanimously by those present.

Item 5 was addressed at this time.

5. Briefing and Possible Action on Requests for Resolutions Supporting Affordable Multi-Family Housing Developments Applying for 2014 Low Income Housing Tax Credit (LIHTC) Awards [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]

John Dugan stated that the Texas Department of Housing and Community Affairs (TDHCA) now requires a Resolution of Support or a Resolution of No Objection from Local Governments for developments as part of the Application Process for 2014 Low Income Housing Tax Credit (LIHTC) Awards. He explained that LIHTC Awards were determined utilizing a Point System. He reported that a Resolution of Support was assigned 17 points and a Resolution of No Objection was assigned 14 points. He noted that the City Council provided Resolutions of Support for the Wheatley Choice Redevelopment and the Artisan at Remigio Redevelopment. He stated that a Resolution of Support was requested for the following Affordable Housing Developments: 1) Bandera Flats; 2) Eckhert Village; 3) Silver Oaks Village; 4) Eagles Rest; and 5) Vista Point at Wilde Pine. He reported that all developments were reviewed and recommendations made based on the following criteria: 1) Existing Zoning or Land Use/Community Plans; 2) Access to public transportation within .5 miles of the proposed development; and 3) Access to parks and/or other community facilities within 1 mile of the proposed development.

Chairperson Taylor advised the Committee that Councilmember Nirenberg requested that the Committee reconsider the recommendation to provide a Resolution of Support for the Bandera Flats Development. She noted that he disagreed with the practical application of the criteria used to determine which type of Resolution to provide.

Councilmember Bernal asked if all developments noted above were Affordable Housing Developments. Mr. Dugan confirmed that all were. Councilmember Bernal asked of the probability of an award for those submitting a Resolution of No Objection. Mr. Dugan replied that the probability would be low and noted that the Award Application Process was extremely competitive. Councilmember Bernal asked of the rationale for granting a Resolution of No Objection. Mr. Dugan indicated that said rationale was based on: 1) Location (i.e. outside the City limits); and 2) Lack of access to Public Transportation and Services.

Item 1 was addressed at this time.

1. Citizens to be Heard

Daniel Ortiz noted that Resolutions of Support were granted to two developments in the absence of established criteria. He requested that all developments be treated equally until criteria were established.

Walter Martinez stated that the developments presented an excellent opportunity to bring Affordable Housing to the City of San Antonio. He requested a Resolution of Support for the Silver Oaks Village Housing Development.

Jason Arechiga requested a Resolution of Support for all developments presented except for Bandera Flats due to the lack of time and policy. He pointed out inconsistencies between the criteria for Resolutions of Support or No Objection, and those for Home Investment Partnerships (HOME) Funds and the Qualified Allocation Plan (QAP).

Chairperson Taylor continued with Item 5.

Chairperson Taylor noted that Councilmember Nirenberg's request would not be applicable considering that criteria were not established for either Resolution.

Councilmember Gonzales moved to recommend and forward a Resolution of Support for the following Affordable Housing Developments: 1) Bandera Flats; 2) Eckhert Village; 3) Silver Oaks Village; 4) Eagles Rest; and 5) Vista Point at Wilde Pine to the full City Council for consideration. Councilmember Bernal seconded the motion. Motion carried unanimously by those present.

Mr. Dugan indicated that staff would present the recommended criteria to the Committee at the next meeting to be forwarded to the full City Council for consideration.

6. Briefing and Possible Action on Criteria Revisions for Evaluating Applications Seeking U.S. Department of Housing and Urban Development (HUD) Home Investment Partnerships (HOME) Program Funding Assistance and Other City Assistance in Support of Multi-Family Rental Housing Development Activities [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]

John Dugan reported that new criteria were established in the Qualified Allocation Plan (QAP) implemented by the Texas Department of Housing and Community Affairs (TDHCA) as the result of a Lawsuit alleging Fair Housing Violations. He stated that in order to reflect said criteria, staff recommends the addition of the following Site Selection and Transit Amenities Criteria: 1) Provide preference to a project that is located within one quarter (¼) mile of a bus stop or station; 2) Provide preference to projects located within a 20 minute bus commute of a major employment center; 3) Provide preference to projects located within a Census Tract that has a Poverty Rate below 15 percent for Individuals based on Poverty Rate Data from the most recent American Community Survey; 4) Provide preference to projects located in a Census Tract with a median income in the top quartile of the Median Household Income for the San Antonio MSA; and 5) Provide preference to projects located in the Attendance Zones of: 1) An Elementary School; and 2) Either a Middle School or High School that have achieved a 77 or greater on Index 1 of the Performance Index, related to Student Achievement, by the Texas Education Agency (TEA). He stated that upon City Council approval of the additional criteria, staff would release a Request for Application (RFA) to include the additional criteria. He noted that the RFA would solicit existing applications for MultiFamily Rental Housing Development Set-Aside Funds and estimated Fiscal Year (FY) 2015 Multi-Family Rental Housing Development Set-Aside Funding.

Councilmember Krier asked of the rationale for the criteria concerning schools. Tom Morgan stated that said criteria served to direct Affordable Housing Rental Developments in High Opportunity Areas (HOAs) which are areas with relatively low Poverty Rates, higher median incomes, and schools with higher overall performance.

Chairperson Taylor expressed concern that said criteria would create a disadvantage for Low Opportunity Areas. Mr. Dugan noted that the remaining criteria served to prevent same.

Councilmember Bernal moved to recommend and forward the revised evaluation criteria for applications responding to Multi-Family Rental Development Requests for Applications (RFA) to the full City Council for consideration. Councilmember Gonzales seconded the motion. The motion prevailed by the following vote: **AYES**: Taylor, Bernal, and Gonzales. **NAY**: Krier.

7. Briefing and Possible Action on the Emerald Village Multi-Family Rental Development Project [Presented by John Dugan, Director, Planning and Community Development; Peter Zanoni, Deputy City Manager]

John Dugan reported that the Emerald Village Development was planned as a 144-Residence Multi-Family Rental Development located at NW Loop 1604 and Corporate Woods Drive. He noted that 79% of the units would be available to families at 60% Area Median Income and the remaining 21% would be available at Market Rate. He indicated that in April 2013, NRP's Emerald Village and seven other Developments submitted a proposal for Multi-Family Rental Housing Developments utilizing available FY 2013 HOME Setaside Funds. He indicated that all proposals were reviewed and scored by an Evaluation Panel comprised of Assistant City Manager David Ellison, Planning and Community Development Director John Dugan, Center City Development Office Director Lori Houston, Planning and Community Development Assistant Director Patrick Howard, and Grants Administrator Thomas Morgan. He noted that the Procurement Division averaged the Panelist's Scoring Forms and ranked the proposals. He indicated that Emerald Village Proposal was ranked fifth. He stated that based on funding available at the time, the two proposals with the highest score were selected for funding. He reported the Emerald Village Proposal had requested \$1.7 million in funding from the City. He indicated that uncertainty associated with the lack of HTC and the reduced state of project readiness were major factors contributing to Emerald Village's ranking. He reported that in October 2013, NRP secured HTC and approached the City with a revised funding request of \$750,000. He noted that NRP indicated that their option to buy the property for the development project would expire on April 15, 2014 and certain TDHCA HTC Program requirements must be met by July 1, 2014. He indicated that since Emerald Village Development was not selected for funding by the original Evaluation Panel, their request was denied.

Chairperson Taylor called on the Citizens to be Heard for Item 7.

Meghan Oswald reviewed the issue encountered by this project. She referred to email communications between NRP and City Staff which lead them to believe that funds would be awarded. She discussed the repercussions that would be experienced if funds were not awarded.

Dan Markson noted other NRP Developments in the City and noted that NRP has been recognized as good stewards of Public Funds. He indicated that if Emerald Village was not funded today it would cease to exist.

Chairperson Taylor asked of specific communications between NRP and City Staff that led them to believe that the project would be funded. Mr. Markson referred to an email dated February 14, 2014 and noted that it was forwarded to the TDHCA.

Executive Session

Chairperson Taylor recessed the meeting into Executive Session at 11:09 a.m. to discuss Planning and Community Development negotiations. She reconvened the meeting at 11:29 a.m. and announced that no action was taken in Executive Session.

Councilmember Bernal moved to recommend and forward funding in the amount of \$750,000 for the Emerald Village Project to the full City Council for consideration. Councilmember Gonzales seconded the motion. Motion carried unanimously by those present.

Chairperson Taylor stated that the remaining Agenda Items would be tabled until the next Committee meeting.

3. Briefing and Status Report on City of San Antonio's Building Standards Board
[Presented by Roderick J. Sanchez, Development Services Director]

4. Briefing and Possible Action on the Child Care Services Program [Gloria Hurtado, Assistant City Manager; Lynn Stewart, Social Services Manager]

Adjourn

There being no further discussion, the meeting was adjourned at 11:30 a.m.

Respectfully Submitted,

Ivy R. Taylor, Chair

Denice F. Treviño
Office of the City Clerk