


**CITY OF SAN ANTONIO
CITY MANAGER'S OFFICE**

TO: Erik Walsh, City Manager

FROM: Peter Zanoni, Deputy City Manager 

COPY: Mayor and City Council; San Antonio Housing Commission

SUBJECT: April Report on Implementation of the Affordable Housing Business Plan

DATE: May 7, 2019

This provides you an update on our progress implementing the City's Affordable Housing Business Plan through April 2019. For this report, the Business Plan has been updated to better reflect the City's housing displacement prevention work plans.

The FY 2019 Adopted Budget includes \$25 million for Affordable Housing initiatives including \$17 million in new funding. The \$25 million budget includes \$11.7 million for housing preservation and repair, \$3.2 million for homebuyer assistance, \$1.4 million to develop a coordinated housing system, \$7.7 million for gap financing, and a \$1 million housing Risk Mitigation Fund. In November, the City received a \$1 million private sector donation for additional funding for our Under 1 Roof program.

Below is a table that summarizes the implementation status of activities for the 10 major housing-related activities that are included in the FY 2019 Affordable Housing Business Plan.

Activity	2019 Status (October through April)
Under 1 Roof Program Delivery	Ahead of Schedule 223 Roofs Completed
Owner Occupied Rehab Program Delivery	Behind Schedule 22 of 31 Homes Under Contract
Affordable Housing Coordination Across All Housing Entities	On Schedule
Housing Trust & PFC Strategic Plan Development	On Schedule
Homebuyer Assistance & Counseling Programs	Behind Schedule 118 of 134 Clients Completed
Develop a Housing Risk Mitigation Fund Policy	Completed
Gap Financing Awards for New Affordable Rental and Homeownership Development Projects	Completed
Consolidate City Housing Staff into the Neighborhood and Housing Services Department (NHSD)	Completed
Reconstitute the Housing Commission	Completed
LISC Support Contract Execution	Completed

Under 1 Roof:

Ahead of Schedule. A total of 223 roofs have been replaced through April. This is one more than the target of 222 roofs. The new qualifying process for program applicants, which was initiated during the second quarter, is still proving very effective resulting in a total of 34 roofs being replaced in April.

Owner Occupied Rehabilitation:

Behind Schedule. NHSD has 22 homes under contract for the Owner Occupied Rehabilitation (OOR) Program. This is nine less than the target of 31 year to date. Closings were behind in April because the two staff assigned to closing home contracts were out the majority of April due to illness. As of May, the two staff returned to work and NHSD is hiring a temporary employee to assist with closing the remaining nine contracts by the end of the month. Of the 22 homes under contract, 21 are under construction and one is complete. NHSD expects that 50 OOR projects will be completed by September 30, 2019. The remaining 31 are anticipated to be completed by December 31, 2019 which will fulfill the FY 2019 target of 81 rehabilitations.

Coordinated Housing System:

On Schedule. The Coordinated Housing System has a total of eight employees that will coordinate with over 30 housing partners in the community to coordinate information and strategies for affordable housing in San Antonio. Staff has responded to the City Manager's request to prioritize anti-displacement by creating an Anti-Displacement Action Plan. Staff has met with COPS/Metro, hired a part-time staff to conduct an anti-displacement work plan, applied for the ForEveryoneHome Displacement Prevention Grant, is currently analyzing displacement near the UTSA downtown area and near-westside, and is developing an anti-displacement assessment Request for Proposals scope of work. Staff has developed a draft of the dashboard that will be shared with the Housing Commission at their meeting on May 22. Staff also began work on a Request for Proposals for an anti-displacement strategic plan and policy for Neighborhood Empowerment Zones (NEZs). In doing so, staff reviewed other city's NEZs ordinances and eligibility guidelines and began working with the Planning Department to determine the best locations for NEZs as well as the implementation of NEZs. The NEZ policy is expected to be taken to City Council for approval in August 2019.

Strategic Plan/Review of Housing Trust & Public Facility Corporation:

On Schedule. NHSD staff is reviewing and collecting background documentation for the San Antonio Housing Trust (SAHT) and Public Facility Corporation (PFC). Staff also has notified the SAHT and PFC Board of Directors to ensure they understand and are committed to the organizational review process. The Boards are supportive of the review. The recommended consultant that was selected through a Request for Proposals process to assist in this effort was approved by City Council on January 17 and their work began in January. The first deliverable is a benchmarking analysis that compared the SAHT to other agencies across the country. The analysis was completed in April and The National Association for Latino Community Asset Builders presented the draft benchmark analysis to City leadership. The second deliverable is an organizational assessment that will include a competitive analysis on the SAHT's organization, specifically its staff and production output, versus other agencies across the country. The organizational assessment also will analyze the SAHT's current structure, funding process, and alignment with City housing priorities. The organizational assessment is expected to be completed by the end of May. The strategic plan is expected to be delivered in June 2019.

Homebuyer Assistance & Counseling Programs:

Behind Schedule. NHSD staff has provided first-time housing down payment and closing costs financial assistance to 118 residents through the end of the second quarter. This is 16 less than the target of 134 year to date. Staff has met with realtors, developers and Community Housing Development Organizations to increase the pipeline of first-time homebuyers. NHSD has received a total of 1,047 applications through the end of April. NHSD staff anticipates closing approximately 40 loans in May.

Risk Mitigation Fund:

The Risk Mitigation Policy was approved by the City Council on March 21. The Risk Mitigation Policy provides guidelines for the utilization of the FY 2019 \$1 million Housing Risk Mitigation Fund providing housing relocation and emergency assistance to qualifying families. NHSD has assisted 34 families in April.

I hope this information is helpful. Please let me or Verónica Soto know if you have any questions.