


CITY OF SAN ANTONIO

CITY MANAGER'S OFFICE

TO: Erik Walsh, City Manager

FROM: Lori Houston, Assistant City Manager 

COPY: Mayor and City Council; San Antonio Housing Commission

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

DATE: June 4, 2019

This provides you an update on our progress implementing the City's Affordable Housing Business Plan through May 2019. The FY 2019 Affordable Business Plan is attached to this memo for reference. 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 May)
Owner Occupied Rehabilitation	On Schedule 2 of 1 Homes Completed 30 of 51 Homes Under Contract
Under 1 Roof Program Delivery	On Schedule 252 of 256 Roofs Completed
Affordable Housing Coordination Across All Housing Entities	On Schedule
Housing Trust & PFC Strategic Plan Development	On Schedule
Homebuyer Assistance & Counseling Programs	Behind Schedule 176 of 184 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

Owner Occupied Rehabilitation:

On Schedule. NHSD has completed the construction of two homes through the end of May. This is one more than the goal of one home year to date. NHSD expects four homes to be completed in June. Thirty homes are under contract. This is 21 less than the target of 51 year to date. Twelve of the 30 homes will start construction in June. 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.

Under 1 Roof:

On Schedule. A total of 252 roofs have been replaced through April. This is four less than the target of 256 roofs; however, NHSD is still on track to replace 400 roofs by the end of FY 2019. Construction workers were not able to replace roofs on five out of 19 working days in May due to rainfall.

Coordinated Housing System:

On Schedule. As part of the Anti-Displacement Action Plan, NHSD applied for the ForEveryoneHome Anti-Displacement grant and is currently analyzing displacement near the UTSA downtown area and near-westside. Additionally, the tri-chairs of the Removing Barriers to Affordable Housing Committee met on May 29 to discuss upcoming meetings and the Committee's first full meeting is being scheduled for the week of June 17. The Committee is charged with evaluating the Unified Development Code and other tools to encourage and increase the development of affordable housing. Staff developed a draft of the dashboard that will be shared with the Housing Commission at their meeting on June 26. Staff will host Resident Owned Communities USA (ROCUSA) at the June 25 CHS to discuss long term ownership of mobile home communities and is researching community land trusts in order to produce possible solutions in the City's anti-displacement strategy.

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). 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 organizational assessment was completed in May and the strategic plan is expected to be delivered in June 2019. The summary of recommendations stemming from the findings of NALCAB will be presented to the Comprehensive Plan Committee in June.

Homebuyer Assistance & Counseling Programs:

Behind Schedule. NHSD has provided first-time housing down payment and closing costs financial assistance to 176 residents through May. This is eight less than the target of 184 year to date. NHSD has received a total of 1,503 applications through the end of May. Staff has met with realtors, developers and Community Housing Development Organizations to increase the pipeline of first-time homebuyers.

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 77 families through the end of May. This is 44 more than the planned total of 33 residents assisted year to date.

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

Attachment:

FY 2019 Affordable Housing Business Plan

City of San Antonio Recommended Three-Year Affordable Housing Business Plan

Activity	FY 2019				FY 2020				FY 2021	FY 2022 through FY 2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Consolidate City Housing Staff into NHSD	Reorg Staff		Evaluate Staff for Efficiencies							
Affordable Housing Coordination across all Housing Entities & Policy Development	Hire Housing Administrator, 2 Sr. Analysts, & 2 Admin Staff (5 FTEs)			Hire Sr. Housing Coordinator (1 FTE)	Hire Sr. Analyst (1 FTE)				Develop Team: Coordinate Housing	
Restructure Housing Commission	Work with Mayor to Accomplish									
Establish Financial Leverage: LISC Support	LISC (\$250K)									
Housing Preservation: Under 1 Roof	\$2.25M in General Fund: 161 Units \$2M in SA Housing Trust Request: 140 Units				\$2.25M in General Fund: 161 Units \$2M in SA Housing Trust Request: 140 Units				TBD	TBD
Housing Preservation: Owner Occupied Rehab	Hire Intake, Accounting, & Contract Staff (3 FTE)				\$2M in General Fund: 23 Units Pending HUD Entitlement Award				TBD	TBD
Homebuyer Assistance & Counseling Programs	Hire 1 Intake Staff (1 FTE)				\$2.32M in General Fund: 172 Clients Pending HUD Entitlement Award				TBD	TBD
Housing Trust Strategic Plan	Consultant for Operational Analysis & Strategic Plan				Finalize Strategic Plan (\$200K)					
					If recommended, provide dedicated revenue source to fund Housing Trust					

- Staff
- Programs
- Leveraged Resources
- Displacement Prevention Plan/Action

Three-Year Ramp Up

Seven-Years at Full Capacity

City of San Antonio Recommended Three-Year Affordable Housing Business Plan

Activity	FY 2019				FY 2020				FY 2021	FY 2022 through FY 2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Accountability Dashboard & Annual Report					Design, Develop and Implement (\$200K)					
City Charter Amendment for Housing Bond									May 2021 Election	
One-Stop Housing Center										
Add Gap Financing Funding in General Fund to Leverage Housing Units									\$3M to \$4M	TBD
Evaluate Dedicated Revenue Source(s) to fund affordable housing									Complete Study: Implement in FY 2021, if practical	
Develop a Risk Mitigation Fund Policy (Mitigate Private or Public Funded Projects)	I Sr. Analyst Assigned			Complete Risk Mitigation Policy						
Create a Risk Mitigation Fund to offset some portion of mitigation costs				Fund \$1M in the Risk Mitigation Fund				Fund \$1M in the Risk Mitigation Fund	\$1M	TBD
Implement a City-Wide Public Education Campaign & Develop Recs for 2021 Housing Bond										
2021 City Housing Bond and Subsequent Bond Programs										

Staff

Programs

Displacement Prevention Plan/Action

Three-Year Ramp Up

Seven-Years at Full Capacity

City of San Antonio Recommended Three-Year Affordable Housing Business Plan

Activity	FY 2019				FY 2020				FY 2021	FY 2022 through FY 2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Evaluate policy for exempting fees for affordable housing										
Evaluate By-Right Zoning Policy for Affordable Housing										
Develop a legislative strategy and lobbying efforts to address rising property taxes on housing										
Establish Neighborhood Empowerment Zones										
Anti-Displacement Strategic Plan										
Analyze UTSA downtown										
Analyze existing anti-displacement Reports										
Update Vulnerable Communities Data										
Housing navigators to assist seniors with tax exemptions										
Land title remediation & homeowner legal assistance										

Three-Year Ramp Up

Seven-Years at Full Capacity