


**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: July Report on Implementation of the Affordable Housing Business Plan

DATE: August 5, 2019

This memo provides you with an update on our progress implementing the City's Affordable Housing Business Plan through July 2019. The FY 2019 Affordable Business Plan is attached to this memo for reference.

The FY 2019 Adopted Budget includes \$25 million for Affordable Housing initiatives, of which \$17 million is new funding. The \$25 million budget consists of \$11.7 million for housing preservation and repair, \$7.7 million for gap financing, \$3.2 million for homebuyer assistance, \$1.4 million to develop a coordinated housing system, and a \$1 million housing Risk Mitigation Fund. In November 2018, 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 July)
Affordable Housing Coordination Across All Housing Entities	On Schedule
Housing Trust & PFC Strategic Plan Development	On Schedule
Owner Occupied Rehabilitation	Behind Schedule 13 of 19 Homes Completed 39 Homes Under Contract
Under 1 Roof Program Delivery	Behind Schedule 312 of 354 Roofs Completed
Homebuyer Assistance & Counseling Programs	Behind Schedule 199 of 202 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

Coordinated Housing System:

On Schedule. The San Antonio ForEveryoneHome Team hosted teams from Indianapolis and Winston-Salem as well as Grounded Solutions Network staff for a three-day learning tour focused on racial equity and long-term housing affordability. Staff attended the Low Income Housing Tax Credit awards in Austin, where three San Antonio developments received awards: Alazan Lofts, Luna Flats, and Legacy at Piedmont. The Removing Barriers Committee held its second monthly meeting on July 15 to discuss UDC amendments and on July 31 the Housing Commission was briefed on FY 2020 Budget funding strategies to achieve greater preservation and production of affordable housing. The CivTech Residents presented a prototype of their affordable housing portal, "Housing Base," to stakeholders and City staff.

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

On Schedule. The Strategic Assessment and Executive Summary were presented to both the City Council Comprehensive Plan Committee and the Housing Commission in June. A complete draft of the final report was submitted to NHSD staff on July 24. Staff will continue to receive feedback for the final assessment as staff brief stakeholders, including the San Antonio Housing Trust entities.

Owner Occupied Rehabilitation:

Behind Schedule. NHSD has completed the construction of 13 homes through the end of July. There are 39 homes under construction. NHSD expects six homes to be completed in August. NHSD expects that 50 OOR projects will be completed by September 30, 2019. The remaining 31 will be under construction and are anticipated to be completed by December 31, 2019 which will fulfill the FY 2019 target of 81 rehabilitations. Carry-forward funding from previous years totaled \$2.8 million to rehab 32 homes of which 20 have been completed.

Under 1 Roof:

Behind Schedule. The FY 2019 goal changed from 400 roofs completed to 530 roofs completed because of a \$1 million donation. A total of 312 roofs have been replaced through the end of July. This is 42 less than the target of 354 roofs. There are 104 files in progress and the program is anticipated to be on target at the end of August. The Under 1 Roof program is on pace to meet the modified goal of 530 roofs completed by the end of FY 2019.

Homebuyer Assistance & Counseling Programs:

Behind Schedule. NHSD has provided first-time housing down payment and closing cost financial assistance to 199 residents through the end of July. This is 3 less than the target of 202 year to date. NHSD has received a total of 1,742 applications through the end of July. Staff continues to meet with realtors and home-builders to increase the pipeline of first-time homebuyers.

Risk Mitigation Fund:

Completed. The Risk Mitigation Policy was approved by 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 assisted 192 families through the end of July with Risk Mitigation funds. This is 60 more than the planned total of 132 residents assisted year to date. Staff has developed an evaluation strategy and will begin surveying recipients of risk mitigation funds at six- and twelve-month intervals in order to enhance the policy.

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)				\$6.5M: 81 Units				TBD	TBD
Homebuyer Assistance & Counseling Programs	Hire 1 Intake Staff (1 FTE)				\$3.2M: 265 Clients				TBD	TBD
Housing Trust Strategic Plan	Consultant for Operational Analysis & Strategic Plan				Finalize Strategic Plan (\$200K)					

- 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					Feasibility Study (If practical, implement in FY 2021)					
Add Gap Financing Funding in General Fund to Leverage Housing Units					\$3M to \$4M				\$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)	1 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				\$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				Establish Three Initial Zones						
Anti-Displacement Strategic Plan				Needs Assessment		Anti-Displacement Agenda		Implementation		
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										

Policies
 Displacement Prevention Plan/Action

Three-Year Ramp Up

Seven-Years at Full Capacity