

HOUSING COMMISSION OFFICIAL MEETING MINUTES

WEDNESDAY, AUGUST 28, 2019, 4:00 PM
VIA METRO CENTER BOARD ROOM
1021 SAN PEDRO AVE, SAN ANTONIO, TEXAS 78212

Members Present: Lourdes Castro-Ramirez, Chair
Dr. Paul Furukawa, Member
Robert Abraham, Member
Jessica O. Guerrero, Member
Marianne Kestenbaum, Member
Richard Milk, Filling in for David Nisivoccia, Member
Nicole Collazo, Member
Sarah Sanchez, Member

Members Absent: Keith Hom, Member

Staff Present: Lori Houston, *Assistant City Manager*; Irma Duran, *Neighborhood & Housing Services Department*; Ian Benavidez, *Neighborhood and Housing Services Department*

- **Call to Order** - The meeting was called to order at 4:05 P.M. by Lourdes Castro-Ramirez, Chair, and the roll was called by the Administrative Assistant II.
- **Roll Call**
- **Citizens to be Heard** - Rich Acosta addressed the Commission with Recommendations on what a renter's commission could work on if established. The recommendations were put together by renters and advocacy groups listed that publicly support an independent renter's commission and more are signing in as supporters. The Housing Commission has an important task of ensuring the housing framework is upheld, and having attended most meetings in recent months, it has mostly been a presentation of the great work NHSD is doing, but the Housing Commission is also supposed to guide implementation. Looking at the timeline and work towards implementation of the five action items, how could the Housing Commission ever have time to address the many items renters need to be worked on immediately? You all are working on far reaching policies that will take much time to review and discuss and some of these recommendations are more detailed. The ability for Renters Commission to solely focus on their types of issues is a must. Renters have had no real seat at the table. Renters represent about 50% of the population. The framework doesn't think about renter's issues. Renters do not feel like they have been represented through a President or ex-President of SAHA that are on this Commission. This does not mean the Housing Commission cannot work with the renters easily. Telling the renters' community they have to go through a Housing Commission to ask permission for their concerns to be addressed is again not putting them first.

Amelia Adams, Fair Housing researcher and advocate in San Antonio, spoke about households, renters and homeowners, who they are working with that are struggling to access housing choice and also to maintain their housing stability. The myth that many have grown up with is that if you cannot afford a lawyer one will be appointed for you, but this is

not true in civil cases. Those civil cases deal with some of the toughest issues including evictions or child custody battles. Even though the consequences of these cases are life altering or devastating for families, there is no guarantee for legal assistance in civil cases. The issue of eviction deserves particular attention. Renters in Bexar County are facing an enormous tide of eviction filings. According to Bexar County Justice of the Peace records, for the past five years the number of annual eviction filings has hovered around 16,000. Tenants are very rarely represented in these cases, so it makes sense that they very rarely win those cases. The legal process for evictions is very complicated, unfamiliar and intimidating for even the most informed renters. Having no legal assistance in the process makes it often guarantee that the tenant is going to lose the case. As a result, families are branded with an eviction record, and often pushed into limited housing choices. The numbers for eviction cases was stated. There are limited resources to help tenants with legal aide in their cases. Right to Counsel ensures that the City provide funding for designated attorneys who can represent tenants fairly and impartially enabling a more balanced deliberation and their rights are able to be recognized and upheld. Results from other cities have shown that this saves more money than it costs. The National Coalition for the Civil Right to Counsel has information on this subject.

1. Approval of Minutes for July 31, 2019 Meeting

Commission Member Marianne Kestenbaum and Jessica O. Guerrero submitted feedback for changes to the minutes.

COMMISSION ACTION:

The motion to approve was made by Commission Member Dr. Paul Furukawa and the motion carried unanimously.

THE MOTION CARRIED

2. Commissioner's Report – Verónica R. Soto, Director, Neighborhood and Housing Services Department, presented.

Commission Chair, Lourdes Castro-Ramirez began by explaining the new item which provides an opportunity for Members who are serving on other committees to speak and share information. The first is the Removing Barriers Committee and the second item is the Neighborhood Improvement Advisory.

Commissioner Jessica O. Guerrero spoke about Removing Barriers to Affordable Housing meetings. The first two meetings were to set goals and establish common goals for the group. In the last meeting the group decided to create a couple of work groups to look more closely at some of the priorities, one of them being looking at regulatory cost. Updates will be provided after group has first meeting. There was a meeting today for an Outreach work group, and that group followed up on a conversation that started in the general Committee where the need was identified to consider how to bring in the public and community into that committees work. It is a critical piece and important to break down those barriers between public engagement in all of these issues and the actual working towards decision making and policy making in these areas. There was a commitment to continue the conversation and start to look at how to bring in more people and get into the work of that committee, but also offer that as a trial to come back to the Housing Commission on how

we fulfill that part that is maintaining and connecting with the communities that were engaged in the task force process. This is an agenda item that we could possibly look at in the future to dedicate some time to the original conversation of how the Commission will fill the charge of connecting or maintaining community engagement.

Commissioner Marianne Kestenbaum reported on the May 14 meeting with the Neighborhood Improvements Advisory Committee. Marianne mentioned that she was thrilled with the presentation that staff made on a recommendation that they would take to OUR-SA. They were reporting on two finalists who were close in terms of the evaluation. What set the two apart were the affordability criteria. There are 50 points available in meeting certain levels of affordability in the units developed. That exceeds the maximum points of any other category so you can tell how highly weighted is the affordability issue. It showed that the criteria reflected the staff's commitment and intention to support the spirit and specific guidelines of the housing policy framework. The Advisory Committee did support this but the decision makers are those who are in the Office of Urban Redevelopment. The presentation showed that developers were looking at 50% minimum of affordable housing, but were also going further. The Urban Redevelopment plan does describe six (50%) of the units be affordable at or below 80% AMI level of affordability, but the non-profit partner of the developer awarded the contract wanted 5 units at or below 60% AMI and one unit at 30% AMI, but it is not documented in the contract. The concern and disconnect was the inability to understand the disparity in the actual contract and requirements. The questions that need answers are about realistic expectations about how demanding the contract can be, and how far future contracts would be from the spirit and specific guidance from the Housing Policy Framework.

Castro-Ramirez clarified that there may be a disconnect between the Housing Policy Framework that prioritized resources and investment and units that are 60% below AMI and how the City has aligned or embedded the policy priority in the housing bond in the Urban Renewal Plan. She asked if there was an expectation through this process that more units are dedicated or funded that are deeply affordable.

Verónica Soto, Director, answered that the Urban Renewal Plan was adopted in January of 2017, and the Mayor's Policy Housing Task Force was appointed in October of 2017. There was some expectation in the Urban Renewal Plan and how the City of San Antonio for the first time was able to have housing on the bond. Some members of the former Housing Commission will acknowledge it was a very difficult process because of limitation toward city charter that continues to be a challenge. We were trying to get something adopted in 2017 that had to get Attorney General opinions in order to make it reality here to fit something that was accepted by City Council in August, 2018. As we have aligned the Housing Bond and other RFP's and RFA processes we know deeper affordability than just 80% AMI is what's desired, so there are point systems that we allocate when scoring development proposals. It is through the scoring system of responses where the deeper affordability is incentivized. Developers see that if they give more units at this income level they will get more points. It is through how we score these that we are incentivizing and helping to realize the intention of the 2018 Housing Policy framework. There are limitation to the Housing Bond, and suggest that we provide an update on how the \$20 million in the bond has been invested, and challenges we have had.

Castro-Ramirez agreed that there should be a presentation on the Housing Bond to get better insight and see challenges and what has been accomplished. The Mayor's Office will

be helping to lead a process for charter review and we have had conversations within the Housing Commission and the taskforce about the importance of a charter amendment to allow for a true affordable housing bond.

Guerrero mentioned a question from the Removing Barriers Committee is to consider defining affordable, because it sometimes becomes a term and other moments it is connected to specific AMI percentage ranges, and becomes different things depending on HUD regulations and other things. The recommendation is that the Housing Commission looks at this.

Castro-Ramirez stated that the recommendation is also to look at future meetings for a presentation from the Removing Barriers with a focus on defining affordability. There was an attempt to define it in the Mayor's Policy Taskforce and we are having a much richer conversation now as a community, but it still stays at that 80%, which is market rate. It was asked that this be added to future meetings.

Kestenbaum added that despite the language in the Urban Renewal Plan and RFP for the project that refers to at least 50% and 80%. At this time it is not realistic to codify the good intentions of a developer. The language of both the Urban Renewal Plan and the RFP refer to "at least" and did not specify this is what you have to do. The contract ended up with a less rigorous standard. Soto mentioned that this is not a business environment, but we have two sets of attorneys to review everything for the housing bond so maybe it was as we went through that process. Once we bring it back as a full item, we can get further into those details.

3. Director's Report – Verónica R. Soto, Director, Neighborhood and Housing Services Department, presented.

Director started by presenting the business plan. This plan aligns with the Mayor's Policy Taskforce and is very focused on the first three years. This was adopted as the working plan for the department and partners. We are in the process of revising the business plan to include more details and reflect the items that were mentioned by Lori Houston in the last meeting related to the budget.

Castro-Ramirez stated that this is our first full year implementing the housing plan and laying a strong foundation. There are still concerns that we may not have the resources to continue laying a strong foundation and taking on all these pilot programs. We have a 10 year plan that requires continued investment in the staff and investment in Neighborhood and Housing Services and developing capacity across the city. Soto answered the department grew in this first year and has more programs and funds, but cannot be the only department responsible for delivering on the Mayor's Policy Taskforce. The approach for next year is that partners help with that. There are a lot of non-profit organizations in the city that can do work similar to what the department has been delivering.

Castro-Ramirez asked for examples on how outside organizations can help. Soto explained that one item received this year was a less than half million dollar pot of money for minor repair that we delivered in-house, and are proposing to outsource next year. Instead of staff being the ones to do intake, applicants, scope, contractor we are hoping that can be outsourced and have non-profit or for profit sector bid through RFA process and deliver

work. Another example is the Owner Occupied Rehab Program. This went from 20 to 30 units a year to 81 units. This is an area where it grew due to more intake people, fiscal people, and more contractors on board. Goal is to take about \$950,000 out of \$6.5 million and outsource that portion so instead of city staff delivering on \$6.5 million, they will deliver on \$5.5 million in a RFA process so the number of families we serve remains the same. Not all of the projects and programs that Lori mentioned as pilots are going to be delivered by NHSD but will deliver in partnership with other departments as well.

Castro-Ramirez asked for clarification on outsourcing activities. Soto stated that currently construction is outsourced but not the intake of clients, qualifications of clients, final inspections or payments. The intake, selection of contractor, and paying the contractor will be outsourced. Castro-Ramirez continued by clarifying that the family will have one point of contact from beginning to end. Soto explained that there is one department intake person, and one person who walks them through the construction management who gives them their keys back. It is staff that processes payment to contractors.

Commissioner Robert Abraham asked about getting retired Executives, etc. to do the documentation and paperwork to unload from department staff and get done ahead of time, taking three or four families and stick with them and hand off to Commission. Soto stated interns currently volunteer, and have used Service Corp when Risk Mitigation started and we will continue to use them. NHSD also receives light duty work employees as well.

Kestenbaum recapped discussion on the Coordinated Housing System and mentioned how it provided clarification that we are all moving in the same direction, but in different orders. She stated that the Coordinated Housing System envisioned reaching out and expanding the capacity of the City and bring in others outside of the City. They also envisioned integrating everything in the city. Kestenbaum expressed the importance to have an Executive and oversight. There needs to be supervision and someone accountable for the quality that comes from an integrated system.

Commissioner Dr. Paul Furukawa had comments on items listed in the business plan. He expressed that he was impressed with the presentation given on the Accountability Dashboard. The dashboard may serve several different functions, one having to do with public accountability, in which as a Commission and as a department we are keeping track of how we are doing in terms of our goals. It is also apparent that there are needs of all citizens to be able to make use of a mechanism by which they can ask questions about housing and engage others, including City employees and volunteers who can give information about housing and affordable housing in a way that will be helpful to them. Furukawa continued to discuss the importance of words and how they are used to describe certain things that we are trying to achieve. He gave examples such as the words Preservation and Rehabilitation and the differences between the two. At a Bexar Senior Advisory Committee, he was impressed by a presentation given. District 1 Councilman and Architect Roberto Treviño very proudly spoke about the Under One Roof program and the powerful impact it has. He also spoke about the possible expansion of the program throughout Texas and also nationally. Furukawa gave compliments to the powerful duo of Verónica Soto and Lori Houston for the budget presentation given to City Council.

Guerrero respectfully maintains that we remain behind schedule and cannot have a successful Coordinated Housing System without hiring an Executive, which was labeled as an immediate action. Guerrero would like to hear from the City Manager on the intention

for the hiring process, what the Housing Commission's role will be, and clarification on what was recommended by the task force on a position that oversees the effective coordination of the whole housing system and what he is bringing on. She also asked if the changes to the business plan would be available to the Housing Commission before the Council vote; and if there are any anticipated specific changes on cost amounts or changes in timelines.

Ian Benavidez confirmed that the business plan is updated without going to Council, but want to update it to reflect what is adopted in the budget. Before the next one is released, we can send it to the Housing Commission. Castro-Ramirez asked to have significant changes summarized in terms of the business plan and the budget. Castro-Ramirez expressed the importance of hiring an individual within the City structure to help coordinate across the spectrum of housing, from homelessness to home ownership. She also conveyed the need for the involvement of the Housing Commission in understanding the job description for the Housing Officer, and should have some advisory role in the process.

Soto continued and introduced Mike Etienne as the one who oversees the Fair Housing team that delivers on the Risk Mitigation Policy. A group of stakeholders has convened on the first year of the policy assessment, which will include details on surpassing the 200 clients projected to be served this year. Castro-Ramirez asked about the current budget or support that we provide through other entities, and if we are recommending an increase in 2020. Another question was about the numbers presented and what is the thinking in terms of steadying the tide of evictions and how that correlates to risk mitigation, anti-displacement, and our effort to try to assist families to be housed. Soto replied by stating that an answer will be provided in two weeks after reaching out to partners for accurate numbers.

Guerrero commented on the Risk Mitigation Policy assessment process about mutual education between community members and staff members. A hope is that through this process we are establishing higher standards, new precedence, and better models for community engagement in policy making. A huge finding is seeing that by not allocating funding for administering services from the \$1 million or elsewhere is proving to be a challenge for delivering quality services that the City intends to deliver. This is something to consider as we make decisions around allocating additional funds from the same fund for other services. This effort connects to the ongoing conversations about public participation, community engagement, and the importance of impacted communities representing themselves when they come to the table.

Soto moved on to discuss the ForeveryoneHome initiative. The Department was selected and is working with national experts, and the anti-displacement agenda is being developed out of that. A Community Engagement Consultant is being hired to do this work as well as getting word out to neighborhoods to get feedback. One high priority item will be selected to implement in April with the Grounded Solutions Network. Updates are being made to the Housing Tax Credit Policy for how we award resolutions to 4% and 9%. Updates will be provided in the October-November timeframe.

4. Briefing and Possible Action on Evaluation Criteria for Affordable Housing and Homeownership Housing Development Funding – Verónica R. Soto, Director, Neighborhood and Housing Services Department; Laura Salinas, Administrator, Grants Monitoring and Administration, presented.

Laura Salinas provided a briefing on evaluation criteria that will be utilized for HUD funded affordable housing activities. The goal with the funding is to provide safe, decent and affordable housing for low income residents. These criteria are split into three phases: threshold requirement; project prioritization; and evaluation criteria. Salinas provided a summary on each phase to include the scoring process. This item is scheduled to be taken to Council on September 5th. Upon approval, we will issue the Request for Applications on September 6th, and issue the one for rental housing development on September 13th.

Commission Member Sarah Sanchez asked about site characteristics and if there is any consideration for locating along public transit routes. She also questioned the use of renewable energy, such as solar. Salinas answered that with regard to the second one, they can include anything that they want, and it is not limited to the list. There is also opportunity for other things that are not mentioned so they can give reason as to why their site is special.

Castro-Ramirez questioned if there is anything in the evaluation criteria for additional points for projects that are increasing the number of deeply affordable units. Salinas replied with yes and this can be found under section F.

Richard Milk, filling in for David Nisivoccia, asked if information can be shared about any other ways in which this evaluation criteria support the goals of the Housing Commission. Salinas stated that this is indicated individually in the evaluation criteria. Resident services for rental and education for homeownership is something else that is also mentioned. Specifically it is related to development of affordable housing.

Castro-Ramirez asked for a motion to recommend that this move forward. Commissioner Nicole Collazo motioned to approve and motion carried unanimously.

Castro-Ramirez asked for Assistant City Manager, Lori Houston to provide briefings on the process for the Housing Policy and an update on the Chief Housing Officer. Houston began with the Housing Policy and the progress that has been made. We are about 80% through, with strategies underway or complete, which were identified in the housing framework. A scope is being developed, and we want to seek a consultant to help create a document that clearly identifies what the policy is for the city of San Antonio. That policy must express the public benefits of housing investment across income levels and housing types, and must clarify the rules and responsibilities of various housing agencies and entities. The scope will be provided to the Housing Commission in advance to get feedback prior to the October meeting. Regular updates will be provided, Commission Members will be interviewed throughout the process, and we would also like to use the Housing Commission as a public input process along with other partners like the Housing Authority and Housing Trust.

Castro-Ramirez had questions in regards to the scope coming back to the Housing

Commission in October and clarified that the RFP to secure a consultant will not happen until after we hear from the Housing Commission. Houston replied that we will not solicit a consultant or hire staff until we have a scope that is agreed upon. Castro-Ramirez asked to add to the list of items addressed that the Removing Barriers Committee would like help from the Housing Commission to develop the definition of affordable housing. Other items to add are the term of affordability, and working with SA2020 to translate the policy through their work.

Guerrero is concerned that we are hiring another consultant to consider something that has everything to do with hiring the Housing Executive, so details from the City Manager is being requested to get more insight on how these pieces align.

Houston explained that the plan is to officially post for the position in late October and the job description will be provided in advance. It is anticipated that a selection will be made in early spring of 2020. Castro-Ramirez reiterated the importance of having the Housing Commission be part of the whole process and weigh in on the scope or the job description.

Kestenbaum expressed concern that once the Executive is hired we will be six months into the business plan. Discussion that we have had has led to an expectation that there will be more Housing Commission feedback in terms of developing the business plan and that may help to mitigate the consequences.

Furukawa asked about qualifications, qualities, and experience

5. Presentation on the Annual Report – Verónica R. Soto, Director, Neighborhood and Housing Services Department, presented.

Ian Benavidez provided a briefing on the Annual Report; he had previously provided examples of annual reports from across the country. The report would cover housing conditions, programs administered and the goals. Benavidez will resend the outline of the report to commissioners in order to receive feedback. Report will have success stories to humanize it. A draft report will be provided to commissioners prior to September meeting.

Guerrero asked when the report will be finalized. Benavidez responded that as it is an annual report, it will be finalized after programs close their end of year reports, should be available by November.

6. Discussion and Possible Action on future agenda items.

Castro-Ramirez asked that we look into using the same venue for the September meeting and check in with Commissioner Keith Hom.

The next meeting will be held on Wednesday, September 25 at 4:00 p.m.

There being no further discussion, the meeting was adjourned at 6:13 p.m.

Respectfully Submitted,

DRAFT