

HOUSING COMMISSION OFFICIAL MEETING MINUTES

WEDNESDAY, JUNE 23, 2021, 4:00 PM
VIDEO CONFERENCE

Members Present: Pedro Alanis, Member
Jeff Arndt, Member
Jessica O. Guerrero, Chair
Taneka Nikki Johnson, Member
Ed Hinojosa, Member
Susan Richardson, Member
Sarah Sanchez, Member

Members Absent: Dr. Paul Furukawa, Member
Robert Abraham, Member

Staff Present: Verónica R. Soto, *Neighborhood & Housing Services Department*;
Juan Valdez, *Mayor's Office*;
Jameene Williams, *City Attorney's Office*;
Ian Benavidez, *Neighborhood & Housing Services Department*;
Edward Gonzales, *Neighborhood & Housing Services Department*;
Sara Wamsley, *Neighborhood & Housing Services Department*;
Edith Merla, *Neighborhood & Housing Services Department*;
Irma Duran, *Neighborhood & Housing Services Department*;
Allison Beaver, *Neighborhood & Housing Services Department*;
Rachel Smith, *Neighborhood & Housing Services Department*;
Crystal Grafft, *Neighborhood & Housing Services Department*;
Colton Powell, *Neighborhood & Housing Services Department*;
Sharon Chan, *Neighborhood & Housing Services Department*

- **Call to Order** - The meeting was called to order by Chair Jessica Guerrero at 4:09 PM.
- **Roll Call** – Irma Duran, Senior Housing Coordinator, called the roll. At the time when roll call was conducted, seven (7) members were present representing a quorum.
- **Public Comments** – Duran announced there were eight (8) residents signed up to speak for public comment.
 - 1) **General** - Leticia Sanchez, Co-Chair of the Historic Westside Association, commended Guerrero's leadership of the Commission. Sanchez asked what plans the City had regarding the ending of the eviction moratorium. She noted that many residents are still in the assistance process and expressed worry about the increase of homelessness when the moratorium ends. Sanchez also noted that the Association was concerned about how the funds from the 2022 Bond would go to affordable housing and rehabilitation programs. She noted that the funds should go to building housing for those below 60% area median income (AMI).

- 2) **General** - Mia Loseff, resident of District 1, inquired with the eviction moratorium ending on June 30th would the City consider extending the moratorium. She noted that due to the health, economic, and long-term detriments of evictions it would be best to extend the moratorium and requested for the City to extend the moratorium or plan for other future assistance.
- 3) **General** - Molly asked for discussions regarding the definition of affordability to be postponed and to discuss the eviction moratorium instead. She expressed that with the expiration date approaching the City is not prepared for the mass homelessness to occur. She noted that follow ups to her requests have not occurred and renters have had tremendous difficulty requesting help from City and County with their eviction cases. She asked for the Commission to discuss evictions and how to help residents facing homelessness.
- 4) **General** - Kayla Miranda, resident of Alazán-Apache Courts, stated that with the end of the eviction moratorium, San Antonio would face a surge in the homeless population. She thanked SAHA for their moratorium extension but expressed it would not be enough. She noted many residents do not earn a livable wage and that the public housing system is not adequate. She stated that EHAP and non-profits were not a viable strategy. Miranda called to prioritize assistance for low-income residents quickly and effectively as housing is a human right.
- 5) **General** - Benjamin Vergil stated that South Alamo Regional Alliance for the Homeless (SARAH) noted a significant decrease of individuals and families staying in shelters across the County from January 2020 to January 2021 and concluded a contributing factor was the eviction moratorium. He noted the ban of encampments around underpasses in the City has now expanded as a statewide ban. Vergil also noted that 1,055 people are currently waitlisted for housing according to SARAH. He urged the Commission to discuss diversifying options and increasing funding to assist the homeless.
- 6) **General** - Adrian Herrera, a Trinity University student, stated that with the expiring eviction moratorium, programs other than public housing options need to be developed and listed potential ideas such as employment assistance, meal benefits, and low interest loans. He was hopeful that the City's new housing bond program to assist 50% AMI and below but stressed that more discussion and questions are needed in that space as well.
- 7) **General** - Jacob Tucker, Unit Here Local 23 member, noted that the housing crisis has been exacerbated by the pandemic. He spoke regarding the financial difficulties of his coworkers. Tucker noted that the increased unemployment benefits are ending alongside the moratorium. He stressed that the Commission should prioritize discussions regarding homelessness assistance and prevention. Tucker noted his group would be meeting on Saturday to protest the ending of additional unemployment benefits.
- 8) **General** - Maureen Galindo stated that trauma informed compassion is necessary in policy making. She expressed frustration regarding the Commission not conveying community input to Council sufficiently and NHSD's handling of the Risk Mitigation Policy (RMP). She stated in previous RMP discussions that the rental relief program idea would not work, and that rent cancellation was recommended. She stressed that more efforts should be made to convey community input to the right channels for effective action.

Staff note: The Housing Commission deadline for comment is 4 pm the day before the meeting. The reason for this is because it takes 24 hours for comments received in a language other than English to be translated. Speakers who call past the deadline are given

the opportunity to submit a written comment to be included in the minutes but not read during the meeting, and to sign up in advance for the following meeting.

1. **Item #1: Approval of Minutes for May 26, 2021 Regular Meeting and May 21, 2021 Special Meeting.**

Commissioner Jeff Arndt motioned to approve the May 21, 2021, Meeting Minutes. Commissioner Pedro Alanis seconded. Motion carried unanimously.

Commissioner Arndt motioned to delay approval of the May 26, 2021, Meeting Minutes to the next regular meeting. Commissioner Nikki Johnson seconded. Motion carried unanimously.

2. **Item #2: Discussion and Possible Action on Amendments to the Housing Commission's Proposed Definition of Affordability.**

Guerrero asked Sara Wamsley, Affordable Housing Administrator, to present.

Wamsley noted that the definition will create a common language to use across City programs but would not set funding priorities or refer to actual income of residents. Wamsley reviewed the previous discussion highlights and introduced Michael Taylor, (Cross Timber Homes), Kristin Davila (Merced Housing Texas), and Jennifer Gonzales (Alamo Community Group) to present.

Gonzales listed the Community Housing Development Organizations (CHDOs) who are non-profit affordable housing providers that discussed the amendments to the Definition and thanked them for also attending the meeting. She expressed that many of the public comment statements were similar to what the non-profits hear every day. She stated many of the attending non-profits provide social/resident services and supportive housing. Gonzales noted the intention with the recommended changes for the Definition was to be consistent, concise, and workable for all providers.

Davila noted that the Definition should align with state, regional, and nation definitions and not redefine public and permanent supportive housing or be used to articulate community need. She noted that the Definition creation is to set the language.

Taylor presented the recommended Definition by the CHDOs consisting of three key components of affordable housing that included the following:

Affordable Housing – Housing that is **Income Restricted** with a **Housing Ratio Requirement** that ensures the occupant pays an affordable percentage of gross income on housing costs, as determined by the US Department of Housing and Urban Development. Affordable housing units that are rented are limited to households with incomes at or below sixty percent (60%) of the area median income and affordable housing units that are purchased are limited to households with incomes at or below one hundred and twenty percent (120%) of the area median income. Income limits are for the San Antonio – New Braunfels HUD Metro FMR Area and adjusted for household size. Affordable housing units must include an **Affordable Period** based on public investment level and specific assistance program requirements.

Taylor noted that the affordability period distinguishes true affordable housing from naturally occurring affordable housing that could become market rate at any time.

He presented the following matrix revisions:

Program Type	Area Median Income (AMI) Served (San Antonio – New Braunfels HUD Metro FMR Area Adjusted for Household Size)				
	0-30%	31-60%	61-80%	81-100%	100-120%
Rental Development & Preservation	<u>Critically Affordable</u>	<u>Very Affordable</u>	Affordable		
Homeownership Development & Preservation	<u>Deeply Affordable</u>			Affordable	

Taylor noted that the majority of the matrix shifted to align more with HUD's limits, but certain terms (underlined) were merged with the Commission's Definition.

Davila highlighted the need for housing solutions for households earning 0-15% AMI as pointed out by the Commission and public comments. She noted that the CHDOs felt that developing a SHIP (Strategic Housing Implementation Plan) strategy rather than adding a separate category would be the most effective way to develop solutions for this population. She noted that currently there is a strategy for permanent supportive housing that would develop over 1,000 units over the next two years. Davila stated that currently there are no programs for 0-15% AMI range other than project based subsidized housing but welcomed input for new potential solutions.

Gonzales noted that the HUD standard is also used by financing vehicles for development. Financiers become more apprehensive on approving projects when there are major changes implemented at a local level.

Commissioner Sanchez signed off at 5:05 PM.

Arndt inquired if Commissioners that attended the last discussion would like to comment on the dialogue. Guerrero noted that the Special Session held at the beginning of June was attended by Commissioners Alanis, Johnson, Richardson, Abraham, and herself. Afterward, a small work session was held on June 21, 2021 with the CHDOs and three Commissioners (Johnson, Richardson, Guerrero). A community representative was invited but was not able to attend.

Staff Note: Arndt and Hinojosa were also present for the June 9, 2021 session.

Johnson stated during the work session, the CHDOs presented amendments to the definition that were discussed heavily for an hour. Afterward, a vote was requested to see what amendments would be presented to the full Commission. Johnson stated that the attending Commissioners felt uncomfortable making a hasty vote on the amendments as they were not sent the presentation prior to the session. She noted that the Commissioners did not collaborate on the current proposal.

Richardson stated that everyone had agreed that there was a need to address assistance issues for the 0-15% AMI range; however, she expressed difficulty in understanding how

the breakout of 0-15% AMI in the matrix would create more difficulties for developers. She noted she had the same difficulty with the current presentation on how the SHIP process would be more simple than having the category defined in the matrix. She stated that the Housing Policy Framework's Action Item #3: Increase affordable housing production, rehabilitation, and preservation with a priority to create housing opportunities for the most vulnerable residents. She expressed as Commissioners it was their duty to mediate community discussion and compile written recommendations from the community in a presentable format.

Guerrero concurred that the critical discussion was whether to divide the 0-30% AMI. She noted that during the initial Commission discussion the division was seen as an important distinction but during the work session the CHDOs stated that the separation would leave them at a critical disadvantage for funding. Guerrero stated that the current proposed Definition is useable in various spaces and landscapes but still may need refinement to fit all spaces. She expressed hope that the Definition would also provide a point for organizations to collaborate to fulfill the need.

Alanis expressed that there was a potential misunderstanding between the Definition and the strategies that will be provided by the SHIP process. He stated that the Definition would state the maximum limit of what is deemed affordable, but it would not eliminate potential programs that fall within the lower affordable ranges. There is a distinction between the Definition and subsequent strategies that would come with the SHIP process. For example, if the focus was to have a voucher program concentrating on 0-15% AMI or a homebuyer program to focus on 0-80% AMI, both would fall in the defined range of affordable. There is a consensus that affordability should be 0-60% AMI for rental, but the most important part is to look forward to the SHIP process and develop strategies to assist the community.

Hinojosa noted that (SAHA) has a 30%-unit category; however, many residents in the units are in the mid to high 20% AMI range. He expressed that having the subcategory captures the need in this range for strategies to address. Arndt inquired if the 0-30% AMI category from the non-profits adequately captured the need. Hinojosa stated that the category did not adequately capture the need as there is a distinction between the income limitation and the percentage of income spent on rent. Many earn less than the mid to high 20% range and would not qualify for housing without a subsidy.

Davila agreed with Alanis that this is only a definition and not an overlying strategy. To highlight a specific range would be more beneficial in the SHIP process where strategies could be developed to address the need rather than the Definition. She agreed with Hinojosa that in tax credit properties, very few individuals can qualify for 30%-units and would need to be subsidized. Davila recommended that through the SHIP, the City should raise funds through HUD 202 (older adults) and HUD Section 811 (persons with disability) for increased subsidies, but the emphasis should not come in the Definition.

Gonzales responded to Richardson's comment noting that the matrix would be better refined in the SHIP process rather than in an all-encompassing Definition that is too specific. She stated that the CHDOs are not concerned about funding, but rather about the ability to produce affordable housing for the neediest families in the community. She requested the Definition to better align with their efforts.

Brad McMurry with Prospera stated that the classification of CHDO (Community Housing Development Organization) denoted further parameters including having one-third of the governing representatives be low-income residents; currently, many serving live in the CHDOs own projects. He noted that with the priority and critical need for 0-15% AMI efforts, though CHDOs would like to partner with SAHA, they have not found workable solutions for developments and are competing for the same funding. McMurry stated with the competitiveness of 4% and 9% Housing Tax Credits (HTC) programs that require gap funding from the City, the current Definition would be difficult for CHDOs as SAHA is the only organization that can commit the subsidy funding during the underwriting process.

Johnson noted that one concern for her during Monday's session was the heavy discussion regarding lack of funding from the inclusion of 0-15% AMI category. She stated she was glad to know that one-third of the CHDOs boards include low-income residents that are impacted by these decisions as the intent on Monday seemed more about who was and who was not get funding. She wanted to collaborate more with the CHDOs to consider their proposal with what they have already heard from their work with the community.

Arndt concurred with Alanis that too much time has been spent on forming a Definition rather than creating strategies and policies to address the issues. He noted the consensus of the Definition excluding the 0-15% AMI area and hoped to come to a resolution this afternoon.

Richardson favored the Three Key Components of Affordable Housing on Slide 16. She suggested the that Three Keys be used as the Definition while including the matrix as a strategy guide. Guerrero asked Richardson how the Three Keys and matrix would be presented as the initial intent was to present both a narrative and matrix as the Definition. Richardson agreed that the Three Keys, as the narrative, and matrix would all be included.

Alanis supported using the Three Keys for the Definition. He stated the main discussion centered around the matrix and creating names and ranges for AMI. Alanis stressed that the ranges do not preclude creating strategies to help target areas within the ranges, such as the 0-15% AMI range that would be created in the SHIP process. Alanis expressed that the Three Keys was more streamlined and easier to understand for practitioners.

Hinojosa noted that the HTC programs would not be able to solve the current housing issues. New and "outside of the box" funding solutions would need to be researched during the SHIP process.

Guerrero supported Richard's suggestion to incorporate the Three Keys with the Commission approved matrix as the Definition. She noted that the 0-15% AMI distinction is important to create visibility for the most vulnerable. She stated that this Definition is a critical moment where opportunities for partnerships and changes can occur to set a new model.

Commissioner Richardson motioned to adopt the proposed Definition of Affordability to include the "Three Key Components of Affordable Housing" and previously approved Affordable Housing Matrix. Commissioner Hinojosa seconded.

Wamsley noted that several Commissioners requested staff record the unit productions in each matrix range, particularly in the 0-15% AMI range; however, CHDOs would not be

able to report any production numbers for the 0-15% range as it is not part of their underwriting criteria. As there would be no numbers to report, the Commission's Annual Report would not have direct data in the 0-15% category and it would be more deducing from census data from other categories.

Natalie Griffith with Habitat from Humanity illustrated the AMI ranges in hourly wages. She stated that two seniors on a 30% AMI fixed income earn each \$4.28 per hour. Griffith expressed that the family is also in a critical need situation and acknowledged that percentages can create a disconnection from reality. She noted an unaddressed affordability issue is cost burden (ex. rent may be deemed affordable, but renter is spending 50-60% of their income towards rent). She noted that the term "fairly" in the matrix would grossly mislead the public to think that range is not in need and expressed that wording should be carefully chosen.

Alanis noted that "fairly" was previously changed to "very" in the approved proposed Definition. He proposed that the terms from 61-80% onward be eliminated as they were above affordable. Alanis stated that as HUD releases their data starting at the 20% AMI category, it would be better to start at 0-20% AMI. He asked Hinojosa what the reasoning was to start at 0-15% AMI. Hinojosa stated during the initial conversation, 0-15% was proposed to divide the 0-30% range to highlight the most vulnerable population but noted that the matrix potentially did not capture the entire city need. Alanis noted that with the Definition there should be a standard equivalent in the industry and proposed that the baseline be 0-20% AMI to align with HUD's data. Hinojosa stated that the difference between a 15% AMI family and 30% AMI family could be \$5,000 annually; however, the 15% AMI family is more cost burdened. Alanis acknowledged that the lowest income should be prioritized, but the funding prioritization and strategy would come from the SHIP process not from the Definition.

Guerrero stated that the Commission was tasked to propose a Definition to guide priorities established by the Housing Policy Taskforce (HPTF) and the Three Keys and matrix aligns with this task. She noted that there would be others using the Definition, not just the non-profits; therefore, the Definition is best presented with the narrative and matrix together.

Commissioner Alanis motioned to amend the recommendation of the proposed Definition of Affordability to include the "Three Key Components of Affordable Housing" and remove the previously approved Affordable Housing Matrix. Commissioner Arndt seconded.

AYE(S): Arndt, Alanis

NAY(S): Guerrero, Richardson, Johnson, Hinojosa

Not Present: Abraham, Furukawa, Sanchez

Motion failed.

Commissioner Richardson motioned to adopt the recommendation of the proposed Definition of Affordability to include the "Three Key Components of Affordable Housing" and previously approved Affordable Housing Matrix. Commissioner Hinojosa seconded.

AYE(S): Guerrero, Richardson, Johnson, Arndt, Hinojosa

NAY(S): Alanis

Not Present: Abraham, Furukawa, Sanchez

Motion passed.

3. Item #3: Director's Report.

Guerrero asked Verónica R. Soto, Director, to present. She requested Items C, D, E, F be presented first.

Soto presented Item C, key dates for the FY2022 City budget planning. She noted that the priority setting session will be on June 25th and include affordable housing in the discussions. The proposed budget will be presented on August 12th but will have additional opportunities to public comment before adoption.

Soto stated NHSD is working on the HUD five-year consolidated plan and the FY2022 action plan concurrently, Item D. The consolidated plan is to prioritize HUD entitlement grants (i.e. CDBG, HOME Program, ESG, HOPWA). A draft proposal had been released this month for public comment. The first public hearing took place last week and a second public hearing is scheduled on August 4, 2021, at the City Council meeting.

Item E was presented regarding ARPA (American Rescue Plan Act), other additional funding, and distribution. She noted that \$49.7 million was allocated to EHAP (Emergency Housing Assistance Program) and \$20.04 million was allocated to the HOME Program from HUD but guidance on the distribution would not come out until fall. The FY2021 Action Plan will be amended to include the additional funding and activities.

Soto continued to Item F, the Bond Program. She stated that the new Councilmembers are considering Housing Bond Committee appointments. Committees start meeting in July and run through December. The proposition will be finalized by February 2022 and bond election held in May 2022.

Guerrero noted, at the Commission retreat, the mayor shared a letter to reconnect the vision and direction of the HPTF. She stated the key points from the letter were as follows:

- Stay engaged and informed the community
- Align EHAP for a post pandemic timeframe with the Risk Mitigation Program (RMP) framework
- Develop a framework informing the 2022 Housing Bond to accomplish the following:
 - Advancing goals to connect people
 - Improving public health outcomes
 - Making systems more resilient

Alanis asked regarding the HOME Program if there were any specific federal focuses on the distribution of funds other than the focus for people experiencing homelessness. Soto stated that the congressional bill noted a focus for homeless services. She noted there is initial guidance from the current HOME Program, but the expected guidance will help finalize an action plan. Alanis inquired if there was a deadline for the expenditure of the funds. Soto noted that the deadline to expend funds was around 2030 and no commitment deadline. Alanis asked if there was a distinction made between people in danger of being

homeless versus currently experiencing homelessness. Soto noted the language stated “people at risk of homelessness” and made no distinction.

Guerrero recommended a continuum of support to help at risk and current vulnerable people as it is an ever-evolving issue. She noted that many solutions had not been enacted yet from the HPTF and she hoped that they would be improved and executed with the SHIP.

Soto stated that a packet for follow up questions was sent to Commissioners prior to today’s meeting. She noted regarding the FEH (ForEveryoneHome) update, the two policies that were selected to be developed into implementation plans were as follows:

- Strategy 2A: Develop a Housing Preservation Network
- Strategy 5A: Cease Public Support for market rate development that displaces residents

Soto mentioned that many of the proposed strategies would also be folded into the SHIP. Regarding the SHIP progress, with this meeting, the Definition recommendation has been finalized for Council consideration and will also help finalize the recalibrated target goals. Soto noted several stakeholder meetings will be happening in July and more time has been allotted for critical finalizing conversations.

Soto noted regarding the Chief Housing Officer selection there has been little movement, but the position is still posted on the City’s webpage and accepting applications.

Soto stated that the Public Engagement & Outreach (PEO) subcommittee and Dashboard & Annual Report (DAR) subcommittee have finalized the Commission members and will be moving forward to their first meeting and discussions. She stated there will also be a Renter’s subcommittee that was approved by the Culture and Neighborhood Services Committee (CNSC). The details of this subcommittee will be addressed in a future meeting.

Lastly, Soto noted the upcoming events, including the budget work session (June 25th), CHDO meeting (July 7th), next Commission meeting (July 28th), and Know Your Rights Training (June 24th).

Richardson requested Slide 29 to review the Renter’s subcommittee charge and composition.

Alanis inquired who would oversee the renters and property manager/owner appointments in the Renter’s subcommittee. Wamsley stated that the Commissioners will oversee the appointment process and can jointly utilize the PEO application and process. Staff recommends that the application be shared through council offices as Mayor and Council are closely following this item.

Richardson asked for clarification if the CNSC vote included current Councilmembers. Wamsley stated that not all Councilmembers who voted are still present; however, some are still on the Council and have tasked the Commission with this matter.

Johnson asked if once the Renter’s subcommittee advises on items to the Commission, would the Commission be able to act on the items. Wamsley stated that the subcommittees

are only able to advise and recommend to the Commission. The Commissioners will vote on the item and choose to take the recommendation to Council.

Guerrero inquired if there were any additional presentations made to CNSC regarding the subcommittees. Wamsley stated the presentation was requested by Councilmember Trevino. The item was prepared in February for CNSC but was postponed. The current presentation included updated information regarding the PEO, DAR, and Agenda subcommittees, but the same information that was presented to the Commission in January regarding the Renter's focus groups and survey results. Guerrero asked if the details reflected an approved staff recommendation. Wamsley stated that the Councilmembers amended staff recommendation to include nine members (4 renters, 3 property manager/owners, 2 Commissioners) instead of seven members (3 renters, 2 property manager/owners, 2 Commissioners).

Guerrero expressed regarding the FEH update that the strategy selection process deviated from the initial purpose and vision of community input. She noted that Strategy 2A was supported by various institutions and City departments. She stated the strategy that requested assistance for gap financing for the 30% AMI families was supported by impacted communities was not chosen. She expressed disappointment with the decision and did not feel confident regarding the SHIP process.

Guerrero commented regarding PEO to be respectful and responsible to the communities engaged and keep in mind the burdens some may have. She noted that DAR had an important charge to report on the Commission's activities and progress.

Richardson commented that looking to other commissions, such as Planning or Zoning, was a beneficial to stave away the silo effect and view different aspects of housing and policymaking. She noted that many of the Housing Commission's topics are broad and extensive, and a lot of work is placed into this effort by Commissioners and staff.

Closing-

There being no further discussion, the meeting was adjourned without contest at 7:10 PM.