



City of San Antonio

Agenda Memorandum

File Number:14-497

Agenda Item Number: 25.

Agenda Date: 3/20/2014

In Control: City Council A Session

DEPARTMENT: Department of Planning and Community Development

DEPARTMENT HEAD: John M. Dugan

COUNCIL DISTRICTS IMPACTED: District 4

SUBJECT:

FY 2014 HOME CHDO New Construction Contract Award

SUMMARY:

An Ordinance authorizing the appropriation of \$500,000 in FY 2014 Home Investment Partnership (HOME) Community Housing Development Organization (CHDO) New Construction Set-Aside funds for the Coleman Ridge Unit III Subdivision development Project; revising the project budget; and providing for payment.

BACKGROUND INFORMATION:

Through Ordinance 2013-08-01-0499, the City of San Antonio approved FY 2014 Action Plan and Budget for the fiscal year beginning October 1, 2013. Included in the adopted budget, the HOME program established a \$500,000 set-aside for Community Housing Development Organizations (CHDO's) to develop new affordable single family housing.

On December 20, 2013, staff released a Request for Applications (RFA) seeking applications from Community Housing Development Organizations for the purpose of constructing and selling affordable single family homes to persons at or below 80% of the area median income.

The City received one responsive application from Habitat for Humanity for the development of the Coleman Ridge Unit III Subdivision Development. In accordance with the Project Selection Procedures for the Division of Grants Monitoring and Administration, evaluation committee was established to score and rank applications.

The application was evaluated based on:

1. Experience, Background, and Qualifications
2. Proposed Plan
3. Section 3 Utilization

Evaluation Team members consisted of supervisor and management level staff from the Department of Planning and Community Development and the Center City Development Office. The evaluation concluded the applicant met the threshold requirements of the application and is certified as a CHDO. With a score of 84 the Coleman Ridge Subdivision Unit III was recommended for award.

The Habitat for Humanity of San Antonio application proposed a Unit III to the Coleman Ridge Subdivision located on 43.85 acres between Old Pearsall and Cento Road in Council District 4. Habitat for Humanity has completed both Unit I and II utilizing prior year U.S. Department of Housing and Urban Development (HUD) assistance in the amount of \$2.6M creating 125 new affordable housing units.

ISSUE:

Coleman Ridge Subdivision Unit III will provide 33 new homes to first time homebuyers between 25% and 60% of area median income. Specifically, HOME funds will be utilized for infrastructure related costs to begin housing construction including streets, driveways, sidewalks, drainage, utilities, and other related costs. Habitat for Humanity determined infrastructure related cost estimates by consulting with a qualified engineer and conducting a review of similar activities.

Prior to executing an agreement with Habitat for Humanity, staff will complete due diligence on the proposed development including credit underwriting analysis and an environmental review. Infrastructure improvements are scheduled to begin in early summer of 2014.

Coleman Ridge Subdivision Phase III

The Habitat for Humanity of San Antonio application proposed a Unit III to the Coleman Ridge Subdivision located on 43.85 acres between Old Pearsall and Cento Road in Council District 4. Habitat for Humanity has completed both Unit I and II utilizing prior year U.S. Department of Housing and Urban Development (HUD) assistance in the amount of \$2.6 million creating 125 new affordable housing units.

Unit III will provide 33 new homes to first time homebuyers between 25% and 60% of area median income. Specifically, HOME funds will be utilized for infrastructure related costs to begin housing construction. Infrastructure improvements are scheduled to begin in early summer of 2014.

ALTERNATIVES:

City Council may elect not to approve staff recommendation and the City would issue a new Request for Applications.

FISCAL IMPACT:

This proposed action will have no impact on the General Fund budget and will be funded with HOME funds set aside in the FY 2014 Action Plan and Budget.

RECOMMENDATION:

Staff recommends appropriating \$500,000 in FY 2014 Home Investment Partnership Community Housing Development Organization New Construction Set-Aside funds for the Coleman Ridge Unit III Subdivision development.