



City of San Antonio

Legislation Details (With Text)

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In control: Audit and Accountability Committee

On agenda: 11/13/2018

Title: Gap Financing for Rental Housing Developments [Peter Zanoni, Deputy City Manager; Verónica R. Soto, Director, Neighborhood and Housing Services Department]

Sponsors:

Indexes:

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Attachments: 1. Staff Presentation

Date	Ver.	Action By	Action	Result
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CITY OF SAN ANTONIO Neighborhood and Housing Services Department INTERDEPARTMENTAL MEMO

TO: Sheryl Sculley, City Manager

FROM: Verónica R. Soto, Neighborhood and Housing Services Director

COPY: Audit and Accountability Committee; Ben Gorzell, Jr., CPA, Chief Financial Officer; Kevin Barthold, City Auditor; Troy Elliott, CPA, Deputy Chief Financial Officer; Peter Zanoni, Deputy City Manager

SUBJECT: Post-Solicitation Briefing for Rental Housing Development

DATE: November 13, 2018

In an effort to create and preserve affordable housing, the Neighborhood and Housing Services Department (NHSD) will utilize \$4.5 million in CDBG and HOME funds to provide gap financing for both new construction and rehabilitation of affordable rental housing units for low income households. Funds will be used to support affordable housing development through acquisition, construction, rehabilitation, clearance, site improvements and neighborhood infrastructure.

On August 31, 2018, a Request for Applications (RFA) was released seeking applications for affordable Rental Housing Development projects. The total amount of funds available for this solicitation is \$4.5 million.

The RFA was advertised in the San Antonio Express News and on the City's website on August 31, 2018. Responses were due on October 2, 2018 and a total of five applications were received for Rental Housing

Development. A selection committee consisting of the following staff members evaluated and ranked the applications: Peter Zaroni, Deputy City Manager, City Manager's Office; Veronica R. Soto, Neighborhood and Housing Services Director; Melanie Keeton, Assistant Finance Director, Finance; Mike Etienne, Neighborhood and Housing Services Assistant Director; Michael Rodriguez, Neighborhood and Housing Services Assistant Director; and Laura Salinas-Martinez Neighborhood and Housing Services Grants Administrator.

The evaluation process included review of a self-scoring application which consisted of the following criteria totaling 163 points: Experience, Background, and Qualifications (20 points); Efficient Use of Funds (20 points); Project Feasibility (25 points); COSA Loan Maturity (20 points); Project Site Characteristics (25 points); Project Readiness (20 points); Residential Services (10 points); Build SA Green (9 Points) and Section 3 Utilization Plan (14 points).

The second part of the evaluation process was a preliminary underwriting review conducted by the City's underwriting consultant, National Development Corporation in partnership with TDA Consulting. The underwriting review ensured the development projects were financially viable, in need of the funding award, and within the City's Program Policies. This resulted in the final funding recommendations for the top three rental housing development firms.

This item is tentatively scheduled for Council consideration on December 6, 2018.