



City of San Antonio

Agenda Memorandum

File Number:15-5576

Agenda Item Number: 3.

Agenda Date: 10/27/2015

In Control: Housing Commission to Protect and Preserve Dynamic and Diverse Neighborhoods

DEPARTMENT: Planning and Community Development

DEPARTMENT HEAD: John Dugan

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing and discussion on the Comprehensive Housing Needs Assessment and Strategic Housing Plan prepared for the City of San Antonio through a technical assistance grant from HUD.

SUMMARY:

This item includes a staff briefing on the Comprehensive Housing Needs Assessment and Strategic Housing Plan prepared for the City of San Antonio through a technical assistance grant from the U.S. Department of Housing & Urban Development (HUD). The staff briefing will be followed by Commission discussion.

BACKGROUND INFORMATION:

The Comprehensive Housing Needs Assessment and Strategic Housing Plan was prepared for the City of San Antonio by the Cloudburst Consulting Group under contract by the U.S. Department of Housing & Urban Development (HUD). The report was completed in June 2013 and has a 5-year implementation time frame. It includes an assessment of demographic, economic, and housing market trends; projections of future affordable housing demand; and policy recommendations based on identified housing needs.

ISSUE:

There is a strong and increasing demand for affordable rental and owner-occupied housing in San Antonio that will not be met with a business as usual approach. The City received approximately \$17.7 million in HUD federal entitlement grants for FY 2014 for affordable housing and community development activities. HUD

federal entitlement grants have decreased 30% since 2005 at a time when the demand for affordable housing has increased. The Comprehensive Housing Needs Assessment and Strategic Housing Plan was prepared under contract by HUD to help the City quantify the future demand for affordable housing and find ways to more effectively leverage declining federal funds with investments from other public and private entities.

Key Findings from the Report:

- The total number of households in the City is expected to increase by 7.6%, or 35,635 households, by 2016
- Median household income is expected to increase from an estimated \$45,457 in 2011 to \$46,397 in 2016. This represents a 7.6% decrease when adjusted for inflation.
- 10,998 (30.9% of) the new households are expected to have incomes that fall below 80% of the median household income with 7,396 (20.8%) falling below 60% of median household income
- There is currently an unmet demand for 142,674 housing units affordable to households with incomes below 80% of the median household income. This demand is expected to grow by 10,998 (7.7%) to 153,672 housing units by 2016.
- Homes in San Antonio are less affordable when the high transportation costs associated with a heavy reliance on automobiles are factored in. Transportation costs can be reduced by focusing on higher density affordable housing development in areas with a mix of uses where public transit options are available
- In employment clusters downtown and north of downtown very few lower-price homes were recently sold, suggesting the City needs to ensure that these areas are accessible to lower-income workers or stimulate the expansion of affordable housing stock in the vicinity

Key Recommendations from the Report:

Target Resources
1. Designate 3-4 central neighborhoods for intense targeting of resources for a predetermined number of years
2. Designate a HUD Neighborhood Revitalization Strategy Area (NRSA) in the Wheatley neighborhood
3. Partner with SAHA to implement an acquisition/rehabilitation initiative focusing on available vacant multi-family properties within one quarter mile of public transit stops and stations and in proximity to major employment centers.
4. Preserve the existing affordable housing stock.
Affirmatively Further Fair Housing
1. Create opportunities for new mixed-income housing in lower income neighborhoods through an aggressive acquisition, demolition, land banking, and new construction initiative.
2. Create opportunities for new affordable housing in the downtown area and outside of the I-410 loop neighborhoods.
3. Develop a Neighborhood and Site Selection policy (similar to the policy required as part of the HOME program) to guide development of affordable rental housing outside of predominantly lower income minority neighborhoods.
4. Create opportunities for high density housing along major corridors served by public transit.
5. Waive or decrease by 50% the building, permit and impact fees for all new rental housing made affordable for households up to 80% of the median income.

6. Ensure that the approval process for new multi-family housing development is objective and consistent with fair housing standards.
Maximize Federal Resources
1. Utilize Tax Increment Financing (TIF) proceeds to retire Section 108 loan debt.
2. Provide incentives to major employers who create employer-assisted housing programs for homebuyers.

ALTERNATIVES:

This item is for briefing purposes only.

FISCAL IMPACT:

This item is for briefing purposes only.

RECOMMENDATION:

This item includes a staff briefing on the Comprehensive Housing Needs Assessment and Strategic Housing Plan prepared for the City of San Antonio through a technical assistance grant from HUD.