



# City of San Antonio

## Agenda Memorandum

**File Number:**16-4356

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**Agenda Item Number:** 4.

**Agenda Date:** 8/25/2016

**In Control:** Housing Committee

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**DEPARTMENT:**

Department of Planning & Community Development

**DEPARTMENT HEAD:**

Bridgett White, Interim Director

**COUNCIL DISTRICTS IMPACTED:**

2, 5, and 6

**SUBJECT:**

HOME Investment Partnership Program Funding Recommendations

**SUMMARY:**

Briefing and possible action authorizing the allocation of \$1,250,000 in FY 2017 HOME Investment Partnership Program (HOME) funding for the development of Lord Road Apartments, and the allocation of \$174,400 in FY 2017 HOME Community Housing Development Organization (CHDO) funds for the Our Casas Resident Council Scattered Sites project. Additionally, the allocation of \$1,045,600 in FY 2017 HOME CHDO funds in combination with a reprogramming of \$484,400 in FY 2016 HOME funds for the development of Lenwood Heights Subdivision-Phase II project.

**BACKGROUND INFORMATION:**

On August 4, 2016, City Council approved the FY 2017 HOME Investment Partnerships Funding Budget, which included \$1,250,000 set aside for Multi-Family Rental Housing Development and \$1,220,000 set aside for Community Housing Development Organization (CHDO) Single-Family New Construction development. In addition, \$484,400 in FY 2016 HOME funding is being reprogrammed for CHDO Single-Family New Construction development.

**ISSUE:**

The Department of Planning and Community Development issued a Request for Applications for Multi-Family

Rental Housing Development and CHDO Single-Family New Construction on June 16, 2016. Applications were due on July 15, 2016. Two separate panels comprised of City executives and senior managers evaluated the applications utilizing evaluation and scoring criteria. This panel evaluated the applications based on experience of the developer, efficient use of HOME funds, project feasibility, loan terms, site characteristics, transit amenities, project readiness, resident services and their Section 3 Utilization Plan.

#### *Multi-Family Rental Housing Development*

A five-member panel evaluated four applications with funding requests totaling \$3.5 million. The highest scoring application was Lord Road Apartments with a total score of 128 points from a possible 163 points. The NRP Group is proposing a 324 unit, \$49 million multi-family rental housing development, located at Lord Road and W.W. White Road in Council District 2. This 100% affordable development will consist of eight HOME-assisted housing units restricted to households at 80% of area median income (AMI) and three HOME-assisted housing units restricted to households at 50% of area median income.

#### *CHDO Single-Family New Construction*

A six-member panel evaluated two applications with funding requests totaling \$1.9 million. The highest scoring application was for Lenwood Heights Subdivision-Phase II with a total score of 170 points from a possible 181.5 points. Habitat for Humanity is proposing the development of 15 single-family units located at 259 S. Acme Road (south of Commerce) in Council District 6. This development will assist households at or below 80% of area median income (AMI).

The second highest scoring application was for Our Casas Residential Council Scattered Site Project with a total score of 141 points from a possible 181.5. Our Casas is proposing the development of five single-family units located in Council District 5. This development will assist households at or below 80% of area median income (AMI).

#### **ALTERNATIVES:**

An alternative to appropriating HOME funding set aside for Multi-Family Rental Housing development and CHDO Single-Family New Construction development to the recommended projects would be to reject the recommendations and issue a new Request for Applications for these activities; however, the recommended projects meet the established evaluation criteria. In addition, any other alternative to appropriate funding would delay the timely commitment and expenditure of these federally sourced funds.

#### **FISCAL IMPACT:**

There is no impact the City's General Fund. This ordinance authorizes the allocation of \$1,250,000 in Multi-Family Rental Housing development and \$1,220,000 in Single-Family New Construction from HOME funds appropriated in the FY 2017 Action Plan and Budget. Additionally, this ordinance reprograms \$484,400 in FY 2016 HOME funds for Single-Family New Construction.

#### **RECOMMENDATION:**

Staff recommends forwarding to the full City Council approval of a \$1,250,000 allocation in FY 2017 HOME funds to Lord Road Apartments, located Lord Road and W.W. White Road in Council District 2; a \$1,045,600 allocation in FY 2017 HOME CHDO funding along with \$484,400 in FY 2016 HOME funds being reprogrammed as HOME CHDO funds for the Lenwood Heights-Phase II Project located at 259 S. Acme Road (south of Commerce) in Council District 6; and a \$174,400 allocation in FY 2017 HOME CHDO funding to Our Casas Scattered Site Project located in Council District 5.