



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 5.

Agenda Date: 7/31/2019

In Control: Housing Commission

DEPARTMENT:

Neighborhood and Housing Services Department

DEPARTMENT HEAD:

Verónica R. Soto, AICP, Neighborhood and Housing Services Department Director

COUNCIL DISTRICTS IMPACTED:

City-wide

SUMMARY:

This briefing is on the proposed Evaluation Criteria for Affordable Rental and Homeownership Housing Development Funding for HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funding.

BACKGROUND INFORMATION:

The City of San Antonio (the City) is a recipient of funding from the U.S. Department of Housing and Urban Development (HUD), which includes CDBG and HOME. The City undergoes an Annual Action Plan process to set aside funding for affordable housing and community development activities. The City has developed Evaluation Criteria that will be utilized as a decision making tool to assess and prioritize requests for Federal funding set aside for the creation or preservation of affordable rental and homeownership housing. HOME funds can be used for acquisition, new construction or rehabilitation and CDBG funds can be used for acquisition, site clearance, infrastructure improvements and rehabilitation and/or reconstruction of affordable rental housing. This funding will help meet the production goals outlined in the Mayor's Housing Policy Task Force Housing Policy Framework.

This Evaluation Criteria was compiled using HUD regulatory requirements, national best practices, Mayor's Housing Policy Taskforce Framework, and input from Community Housing Development Organizations (CHDO) and affordable housing developers.

ISSUE:

The proposed Evaluation Criteria (attached) will allow for a transparent process whereby all applications for CDBG and HOME funding are evaluated in the following three phases:

- Phase I - Threshold Requirements
- Phase II - Project Prioritization and Underwriting
- Phase III - Evaluation Panel Review

Phase I will include a review of the applications by City staff to confirm completeness and ensure threshold requirements are met. Eligible applications will then be assessed utilizing the Project Prioritization Evaluation Criteria outlined in Phase II. The maximum point score is 100 and the categories are outlined below:

Evaluation Criteria	Maximum Points
Experience and Capacity	15
Project Readiness	20
Project Site Characteristics & Amenities	25
HUD Regulatory Conditions	5
Efficient Use of Funds	5
Underwriting	30
Total Points	100

Concurrently, applications will undergo an Underwriting Review to determine financial viability, confirm the applicant's capacity to complete the project, certify the project is cost reasonable, ensure return to applicant is reasonable and verify that the HOME/CDBG gap financing is necessary to complete the project. The third phase includes a review by an Evaluation Panel, consisting of leadership team members who will rank the applications and make funding recommendations.

The Evaluation Criteria will be considered by the Planning and Community Development Committee on August 21, 2019 and City Council on September 5, 2019. The Request for Applications for Affordable Rental Housing Development will be issued on September 6, 2019 and Affordable Homeownership Housing Development will be issued on September 13, 2019.

ALTERNATIVES:

This item is for briefing purposes only.

FISCAL IMPACT:

There is no fiscal impact at this time.

RECOMMENDATION:

This item is for briefing purposes only.