



City of San Antonio

Agenda Memorandum

File Number:20-1676

Agenda Item Number: 22.

Agenda Date: 3/19/2020

In Control: City Council A Session

DEPARTMENT: Neighborhood & Housing Services

DEPARTMENT HEAD: Verónica R. Soto, AICP

COUNCIL DISTRICTS IMPACTED: City Council Districts 1-5

SUBJECT:

An Ordinance approving a Funding Agreement with San Antonio Affordable Housing, Inc. for the implementation of affordable single-family infill housing programs in City Council Districts 1-5 and ratifying the acquisition of eight properties in Council Districts 2 and 3 for the purpose of implementing the Funding Agreement.

SUMMARY:

An Ordinance approving a Funding Agreement for an amount not to exceed \$1,046,000 for the implementation of affordable single-family infill housing development programs in City Council Districts 1-5 and ratifying the acquisition of eight properties in Council Districts 2 and 3 for the purpose of implementing the Funding Agreement. Improved properties are located at 547 E. Villaret, 2826 Spokane, 9354 Yett, 9350 Yett, 4910 Huntsmor, 511 Upland, 9410 Brightview and an unimproved property located at 303 Spofford.

BACKGROUND INFORMATION:

On September 24, 2019, at City staff's request, the San Antonio Affordable Housing, Inc. (SAAH) Board approved adopting two affordable housing programs, the FY20 Affordable Housing New Construction Pilot and the FY20 Affordable Single-Family Rehabilitation Pilot, and entering into an agreement with the City of San Antonio for the implementation of the single-family infill housing development programs in City Council Districts 1-5.

On November 25, 2019, the improved properties located at 547 E. Villaret, 2826 Spokane, 9354 Yett, 9350 Yett, 4910 Huntsmor, 511 Upland, 9410 Brightview were acquired by the City on behalf of SAAH from the San Antonio Housing Authority for a total of \$607,647.35.

On January 10, 2020, the unimproved property located at 303 Spofford was acquired by the City on behalf of

SAAH from the San Antonio Housing Authority for a total of \$39,828.45.

The SAAH Board approved a Resolution to formally enter into the Funding Agreement with the City of San Antonio on February 19, 2020. The Planning and Land Use Committee received a presentation and approved the item to move forward for full Council consideration on March 19, 2020.

FY20 Affordable Single-Family New Construction Pilot

San Antonio Affordable Housing, Inc.'s (SAAH) Single-Family Vacant Lot Pilot Program aims to reduce neighborhood blight through the redevelopment of up to 10 vacant lots that currently exist in San Antonio inner city neighborhoods with a focus on City Council Districts 1 and 5. The brand new affordable homes will be built on these lots for low- and moderate-income homebuyers while improving the quality of life for adjacent neighbors.

SAAH will utilize City funding to incentivize non-profit and private developers to purchase vacant lots in the aforementioned Council Districts to construct new homes and sell them at an affordable price for homeownership. The incentive funds will assist in filling the gap between the total development costs and the sales price in order to ensure these homes are sold to families earning 80% -120% Area Median Income as established by HUD. In addition to the City funding incentives, the City has established a partnership with LISC San Antonio to offer low cost construction financing to qualified small scale developers. Additionally, the City is offering down payment assistance from its existing programs to be layered into the transaction to ensure the homes are affordable to qualifying San Antonio families at 80-120% AMI.

FY20 Affordable Single-Family Rehabilitation Pilot

San Antonio Affordable Housing, Inc.'s (SAAH) Single Family Rehab Pilot Program aims reduce neighborhood blight through the rehabilitation and resale of seven (7) houses acquired from San Antonio Housing Authority in Council Districts 2 and 3. These homes are to be rehabbed and sold to families between 80-120% AMI making them affordable, while improving the quality of life for adjacent neighbors. The City is offering down payment assistance to be layered into the transaction to ensure the homes are affordable to San Antonio families who qualify.

516 Pierce Historic House Relocation

The Board of Directors for San Antonio Affordable Housing, Inc (SAAH) has agreed to accept and relocate a historic home currently located at 516 Pierce in Government Hill Historic District, Council District 2. The home will be donated by its owner, SA Quad Ventures, LLC, and relocated to 303 Spofford in Government Hill, a vacant lot purchased with City funds. A professional home mover has been contracted by SAAH to manage all aspects of the move.

Funds from the REnewSA Affordable Housing Program will be used to pay the home mover and any repairs and utility connection expenses. SAAH will list the home upon completion on MLS and sell to a family earning at or below 120% or Area Median Income (HUD). The City of San Antonio is offering down payment assistance from its existing programs to be layered into the transaction to ensure the home is affordable to San Antonio families. Repayment to REnewSA for funds used in this project will come from the sale of the property.

ISSUE:

City Council consideration is requested for the approval of a Funding Agreement with SAAH in an amount not to exceed \$1,046,000.00 to implement affordable single-family infill housing programs; and ratification of the acquisition of eight properties in Council Districts 2 and 3 for the purpose of implementing the Funding Agreement. Improved properties are located at 547 E. Villaret, 2826 Spokane, 9354 Yett, 9350 Yett, 4910

Huntsmor, 511 Upland, 9410 Brightview and an unimproved property is located at 303 Spofford. Funding is available from the FY20 Affordable Housing Fund and FY 20 Budget.

ALTERNATIVES:

City Council could choose not to approve the Funding Agreement with San Antonio Affordable Housing, Inc. and 18 affordable single-family homeownership opportunities would not be available to San Antonio families.

FISCAL IMPACT:

This ordinance approves a Funding Agreement for an amount not to exceed \$1,046,000.00 for the implementation of single-family infill affordable housing development programs in City Council Districts 1-5. The Funding Agreement includes the acquisition of eight properties, ratified by this ordinance, for \$647,475.80 in Council Districts 2 and 3. The Funding Agreement including the acquisition of the properties will be funded from the City's FY20 Affordable Housing Fund. There is no impact to the City's General Fund.

RECOMMENDATION:

Staff recommends approval of a Funding Agreement for an amount not to exceed \$1,046,000.00 with San Antonio Affordable Housing, Inc. to implement single-family infill housing programs in City Council Districts 1-5 and ratifying the acquisition of eight properties in Council Districts 2 and 3 for the purpose of implementing the Funding Agreement.