

**PLANNING AND LAND DEVELOPMENT
COUNCIL COMMITTEE MEETING MINUTES
MONDAY, May 25, 2021
10:00 AM
VIDEOCONFERENCE**

Members Present:	Councilmember Shirley Gonzales, Chair, <i>District 5</i> Councilmember Roberto Treviño, <i>District 1</i> Councilmember Andrews-Sullivan, <i>District 2</i> Councilmember Rebecca Viagran, <i>District 3</i> Councilmember John Courage, <i>District 9</i>
Staff Present:	Lori Houston, Assistant City Manager; Jameene Williams, <i>Assistant City Attorney</i> ; Aurora Perkins, <i>Deputy City Clerk</i> ; Verónica R. Soto, <i>Director, Neighborhood & Housing Services Department</i> ; Ian Benavidez, <i>Assistant Director, Neighborhood & Housing Services Department</i> ; Sara Wamsley, <i>Housing Policy Manager, Neighborhood & Housing Services Department</i> ; Susan Guinn, <i>City Attorney's Office</i> ; Joseph Harney, <i>City Attorney's Office</i> ; Phil Laney, <i>Development Services Department</i> ; Edgar Olivas, <i>Neighborhood & Housing Services Department</i> ; Patrick Steck, <i>Department of Human Services</i> ; Amin Tomahz, <i>Development Services Department</i> ; Vanessa Rodriguez, <i>City Attorney's Office</i> ; Robert Rinn, <i>City Manager's Office</i> .
Others Present:	Pedro Alanis, <i>Director, San Antonio Housing Trust</i> ; John Lohr, <i>Lennar Homes</i> ; Clifton Karam; Kevin DeAnda, <i>Brown & Ortiz Law Offices</i> ; Daniel Ortiz, <i>Brown & Ortiz Law Offices</i>

1. Approval of the Minutes for the April 26, 2021 Planning & Land Development Council Committee (PLDC) Meeting.

Councilmember Andrews-Sullivan moved to approve the Minutes of the April 29, 2021 Planning & Land Development Council Committee Meeting. Councilmember Courage seconded the motion. The motion carried unanimously by those present.

Public Comment

None.

Consent Agenda

- 2. Resolution of No Objection for Streamline Advisory Partners and Mission DG's application to the Texas Department of Housing and Community Affairs Non-Competitive 4% Housing Tax Credits program for the construction of SoSA at Palo Alto, a 336-unit affordable multi-family housing development, located at the SE Corner of Hwy 16 and Loop 410 in Council District 4. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]**

Councilmember Viagran entered the meeting at this time.

Councilmember Courage moved to approve the Consent Agenda. Councilmember Andrews-Sullivan seconded the motion. The motion carried unanimously.

3. Update on the San Antonio Housing Trust Joint Transition Committee Recommendations [Pedro Alanis, Director, San Antonio Housing Trust]

Pedro Alanis briefed on the recommended realignment of the San Antonio Housing Trust (SAHT) Board entities by the 2019 National Association for Latino Community Asset Builders (NALCAB) which would provide the following:

- Better balance the collective skills and interests of board members
- Promote unified policy development
- Perspective in decision making
- Enhancement of transparency

Mr. Alanis noted that the realignment was necessary due to the following:

- Lack of coordination between the 11-member SAHT/Foundation & five-member Public Facility Corporation (PFC) and Finance Corporation (FC)
- Limited understanding of the roles of each entity and other activities
- No Policy that collectively guides actions of the four boards to pursue common goals
- Real and perceived imbalance in of authority
- Actions require expertise and perspective to make complex decisions

Mr. Alanis noted that a Joint Transition Committee would be created that consisted of three members of the PFC Board and three members of the Trust and Foundation Board to make key recommendations on the governance realignment. He stated that the Committee had met regularly since September 2020 and made the following recommendations:

- Move forward with Governance Board structure that united board members across each legal entity
- Staggered terms
- Board nomination and term limit structure
- Sub-committees for Governance/Policy and Finance/Audit
- Disband Investment Corporation
- Ensure core values were enshrined in formation documents
- Order of Approval Progression
- Process for filing initial vacant Board Member seats
- Provide guidance on a Statement of Purpose
- Asked staff to finalize legal documents and establish consistency between entities
- Agreed to the final Statement of Purpose
- Agreed with process to select community board members
- Recommended moving forward with realignment

Mr. Alanis reviewed the current and proposed governance structure:

Existing Governance Structure			
Trust	Foundation	Public Facility Corp.	Finance Corp.
11 Appointed Trustees by each Council District & Mayor	11 Appointed Directors by each Council Districts & Mayor	5 Council Directors appointed by the Mayor	5 Council Directors appointed by the Mayor
1 City Trustee*			
Proposed Governance Structure			
Trust	Foundation	Public Facility Corp.	Finance Corp.
5 Council Trustees	5 Council Directors	5 Council Directors	5 Council Directors
3 Community Trustees (Housing Expert)	3 Community Trustees (Housing Expert)	3 Community Trustees** (Housing Expert)	3 Community Trustees** (Housing Expert)
3 Community Trustees (Community Rep)	3 Community Trustees (Community Rep)	3 Community Trustees (Community Rep)	3 Community Trustees (Community Rep)
1 City Trustee*	1 City Director*	1 City Advisor*	1 City Advisor*

*City Member is Advisory only

**Community Advisory can vote, if elected as an officer

Mr. Alanis stated that the Mayor would nominate the five City Council board members and the six Community Board Members would be nominated by the SAHT Governance Committee. He noted that the City Council would approve all Board Members and that the members would serve four-year staggered terms. He added that each legal entity would elect a president, vice president, secretary, and treasurer.

Mr. Alanis stated that the Board President would be able to create ad-hoc committees for specific tasks necessary to exercise its authority. He noted that the Governance Committee would be responsible for evaluation of new Directors, overall policy development, and executive director evaluations.

Mr. Alanis stated that the Finance and Audit Committee would review and prepared the annual budget and conduct audits as needed. He added that each standing committee would have at least one Council Director and one community member. He reviewed the community board qualifications related to community representative or housing expert status.

Mr. Alanis provided an overview of the community board selection process which included:

- After City Council approves board realignment, Office of the City Clerk (OCC) prepares applications for the new board
- SAHT commence announcement campaign to educate and invite persons to apply
- OCC accepts applications and forwards to City Attorney for standard vetting
- Joint Transition Committee (JTC) would receive vetted applications and meet to provide six community board selection recommendations
- City Council to vote to consider JTC recommendations
- Upon City Council approval, organizational documents would be filed and JTC disbanded

Mr. Alanis provided an overview of Housing Commission comments related to the realignment:

- Four years is long time to commit for a volunteer board member
- Several Commission members wanted to see Community “advisors” vote across all four entities
- SAHT should reach towards equitable practice and participation as there are different burdens for different stakeholders
- General agreement on the Statement of Purpose and appreciated focusing on equitable outcomes
- Change from inner city/downtown focus was a good change

Mr. Alanis reviewed the proposed realignment schedule for the Committee noting that:

- City Council A Session Realignment Approval – June 10, 2021
- Community Board Member Application/Selection – July 2021
- City Council A Session Board Member Approval – August 2021
- Recording and Filing with Office of the City Clerk and State – August 2021

Councilmember Courage requested that the recommended board selections be vetted through the Governance Council Committee since it had been normal practice for other boards and commissions.

Councilmember Viagran stated that she felt this was a good realignment recommendation and thanked the SAHT and JCT for their work and recommendations.

Councilmember Treviño voiced his support for Item 3 and thanked SAHT staff for their efforts on the realignment recommendation.

Councilmember Viagran moved to approve Item 3. Councilmember Trevino seconded the motion. The motion carried unanimously.

4. Briefing on the Somerset Grove proposed petition initiated TIRZ located at 9300 IH-35 South and 9400 Somerset Road in southwest San Antonio in Council District 4. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]

Veronica Soto provided an overview of the proposed Somerset Grove Tax Increment Reinvestment Zone (TIRZ). She noted that a TIRZ was governed under Chapter 311 of the Texas Tax Code where a portion of collected taxes were contributed to a TIRZ fund. She explained that the year a TIRZ was designated was considered the base tax year and that TIRZ fund revenue was an increment or portion of the increment from the base year.

Ms. Soto noted that a TIRZ could either be designated as either a City-initiated or Petition-initiated TIRZ.

Ms. Soto noted that in April 2021, Lennar Homes of Texas Land and Construction applied for the creation of the proposed TIRZ located at 9300 IH-35 South and 9400 Somerset Road in Council District 4. She stated that the proposed single-family residential development encompassed 128.92 acres with 603 single-family houses with two-car garage. She reviewed the development details as follows:

- 25% of homes priced at \$175,000-\$224,999
- 50% of homes priced at \$225,000 - \$265,999
- 25% of homes priced may be priced above \$266,000
- Total development cost was approximately \$77,049,819
- Public infrastructure reimbursement request of \$21,701,910

Ms. Soto stated that staff was recommending a 25-year term with the City participating at 85%. She noted that if approved by the Committee the City would negotiate and draft agreement in May and June 2021 and then present to the developer. She added if terms were agreed to by the developer the item would go to City Council for approval in June 2021.

Committee Chair Gonzales noted that Councilmember Rocha Garcia was supportive of the development in Council District 4.

Daniel Ortiz stated that his firm had been involved in the property's rezoning over the previous two years. He noted that the property had faced challenges to include significant drainage issues during major rain events and convenient and dry access to IH-35.

Mr. Ortiz stated that the development would provide for on-street parking, homes with masonry designed front façades, and affordable home prices. He noted that these home amenities were not normally offered in the local vicinity at an affordable price.

John Lohr stated that Lennar Homes excited to offer quality affordable homes in the area.

Committee Chair Gonzales asked which school district the development fell under. Mr. Ortiz stated that it fell completely under the South San Antonio Independent School District with school taxes benefiting the school district.

Councilmember Viagran asked if the development addressed the drainage challenges associated with current homeowners in the area. Mr. Ortiz stated that the developer would address the drainage challenges for the development area and not for existing homeowners adjacent to the development. He noted that City staff and other potential entities would address the adjacent areas drainage issues.

Councilmember Viagran asked if the development would have egress and ingress access to IH-35. Mr. Lohr confirmed that egress and ingress access to the interstate would be developed. Councilmember Viagran asked if the development was a gated community. Mr. Lohr stated that it was not.

Councilmember Viagran asked if the development would be included in the new Source of Income Discrimination Policy. Ms. Soto stated that this was a for sale subdivision and not for rental so it would not fall under the policy guidelines and clarified that the policy only addressed rental housing voucher incentives.

Councilmember Courage asked of the expected timeline for the development. Mr. Lohr noted that the development had begun horizontal construction of its Phase 1 location and anticipated another 10 months to a year to complete. He stated that home construction would begin once the horizontal component was completed and anticipated approximately 50-60 homes would be sold per year with a total of 603 homes being built.

Councilmember Courage asked if the increasing cost of lumber and materials would increase the price of the homes. Mr. Ortiz stated that while the cost of materials would be challenging, the builder had agreed to the original housing prices as part of the City's agreement. He noted that the agreement did allow for price changes due to inflation, but he was confident that the homes would be kept affordable.

Councilmember Courage asked for clarification on the profit margins for the developer since it was roughly estimated that the cost of building a home was \$91,000 and asking price for homes begun at \$225,000. Mr. Lohr noted that the cost for construction would be considerably higher than \$91,000 per unit, considering the cost of public improvements and increased cost of materials. Councilmember Courage asked that he be provided additional information but stated she was supportive of the project.

Ian Benavides noted that City staff would continue to analyze the pricing components and reimbursements throughout the project's progression.

Councilmember Viagran asked for clarification on the site's location to the City limits boundary. Ms. Soto stated that staff would provide the Committee with a map depicting the development's location to the City limits boundary.

Councilmember Viagran moved to approve Item 4. Councilmember Andrews-Sullivan seconded the motion. The motion carried unanimously.

5. Briefing of the Valley Sol proposed initiated TIRZ located West of IH-35 and Fischer Road in southwest San Antonio in Council District 4. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]

Ms. Soto reviewed the proposed Valley Sol petition initiated TIRZ project. She noted that the proposed TIRZ would follow the same process as the Somerset Grove proposed TIRZ. She stated that in April 2021, Lennar Homes of Texas and Construction applied for the creation of the TIRZ, located west of IH-35 and Fischer Road in southwest San Antonio in Council District 4.

Ms. Soto stated that the proposed project would be comprised of 657 single-family homes with two-car garages on 122.1 acres. She noted that the total development cost was approximately \$94,080,153 and had a public infrastructure reimbursement request of \$22,762,681.

Ms. Soto stated that staff recommended a 25-year term with the City participating at 85%. She noted that if the Committee approved the Item, staff would begin to negotiate and draft agreement with the developer and present to the full City Council in June 2021 for approval.

Chairwoman Gonzales asked which school district the project was located in. Mr. Ortiz stated that the development project was located in the Southwest Independent School District.

Chairwoman Gonzales asked of the available amenities in the vicinity of the project. Mr. Ortiz noted that the project had initially begun as a zoning case for a master plan concept which included residential, commercial, and retail development. Mr. Lohr noted that the area was a hub for job growth with the recent announcement of an Amazon Fulfillment Center construction project and proximity to the Toyota Manufacturing Plant, Navistar, and other retail establishments.

Councilmember Viagran asked if water and sanitary sewer line improvements were included in the project and noted that it was important to expand services in the area and this type of investment in the Southside of San Antonio. Mr. Lohr confirmed that the project would expand water and sanitary sewer lines into the community.

Chairwoman Gonzales stated that Councilmember Rocha Garcia was in support of the project.

Councilmember Courage asked what the Area Median Income (AMI) was for individuals seeking to purchase one of these homes. Mr. Benavides stated that the median income for a family of four was approximately \$80,000 which was 120% AMI. He noted that the average price point of the homes in the development was \$240,000 which was considered affordable for that AMI.

Councilmember Viagran moved to approve the Item 5. Councilmember Andrews-Sullivan seconded the motion. The motion carried unanimously.

6. Briefing on the City's Strategic Housing Implementation Plan (SHIP) and the City's ForEveryoneHome (FEH) anti-displacement initiative's progress and next steps. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]

Ms. Soto stated that the Strategic Housing Implementation Plan (SHIP) built on the Mayor's Housing Policy Framework and its foundation rested on the Mayor's Housing Quality Taskforce.

Mr. Benavides stated that the ForEveryoneHome Initiative (FEH) was the City's anti-displacement and inclusive growth initiative that was informed by the community.

Mr. Benavides reviewed the actions taken by staff under the Initiative and individuals on the team:

- Meaningful engagement with individuals and communities impacted by policy and environmental changes
- Coordinated Housing System progress with community partners, City partners on core team with representation from the Development Services Department, Neighborhood and Housing Services Department, San Antonio Housing Trust, San Antonio Housing Agency, and SHIP.
- Racial equity lens
- Four deliverables
 - Needs Assessment
 - Anti-displacement & inclusive growth agenda
 - Develop two implementation plans

Mr. Benavides noted that the committee had completed all of the proposed phases and was currently in the development of the implementation plans.

Mr. Benavides reviewed the input process under the Initiative which included public surveys and four virtual meetings. He stated that the priorities noted from the survey related to the following:

- Formal eviction, information eviction and lease non-renewals are too high, and they will rise when national and local moratoriums end
- City investments and new development increase displacement pressure

Mr. Benavides reviewed the process for selecting the two implementation strategies which would be headed by Grounded Solutions, Inc. He stated that the strategies would be established based on the following factors:

- Policy feasible
- Financially feasible
- Impactful community benefit
- Advances deep and lasting affordability

Mr. Benavides stated that the review members recommended that the City Council adopt a policy to withhold any City support to include land sales, tax abatements, tax reimbursements, fees waivers or zoning changes, to development projects that would displace low-income residents or discriminate against veterans or individuals with housing vouchers. He stated that a challenge to the policy was defining displacement and determining the appropriate impact assessment tools to mitigate displacement. He added that potential stakeholders included Neighborhood and Housing Services Department, Center City Development and Operations Department, and the San Antonio Housing Trust.

Mr. Benavides clarified what the SHIP addressed as follows:

- Translates Housing Policy Framework vision into specific goals and strategies
- Creates action plan for cross agency, cross sector commitments and accountability
- Puts the lived experiences at the center of the work and extends it to population scale transformation

Mr. Benavides reviewed the process of the SHIP goals as follows:

- Recalibration of Target Goals – 100% completed
- Definition of Affordability – 80% completed
- Funding Plan – 80% completed
- Implementation Plan – 60% completed

Mr. Benavides stated that all the stakeholder forums (Real Estate, Policy, Affordable Housing Community, Resident & Community) had met multiple time to workshop recommendations, developed four to eight strategies from each forum and would make final recommendations to the SHIP.

Mr. Benavides provided examples of the strategies being work shopped by the forums:

- Real Estate & Development
 - Demolition Diversion Program
 - Multifamily Rehab Program
 - Single-Family Preservation and Funding
- Housing Policy
 - By-right Zoning
 - Transit Oriented Development with a focus on affordable housing
 - Review housing incentives including an Economic Incentive Policy
- Affordable Housing Community

- Advocate to enact legislation for Medicaid expansion in Texas
- Embed financial counseling as a foundational and central up-stream service
- Add 1,000 units of site-based permanent supportive housing to San Antonio/Bexar County over the next two years
- Residents & Community
 - Eviction Diversion/prevention
 - Establish a resident-owned (co-op) mobile home park
 - Actualizing Principles of Public Engagement in SHIP implementation

Mr. Benavides noted that the next steps would be a presentation to the full SHIP Committee and Housing Commission, and then return to the Planning and Land Development Committee in the late June 2021 for final approval to forward recommendations to City Council.

Chairwoman Gonzales asked for clarification on the number of boards or committee members involved in the review process. Mr. Benavides stated that the full SHIP Committee was comprised of 30 members mostly comprised of City and governmental agencies to include the Office of Historic Preservation, Department of Human Services, Neighborhood and Housing Services Department, Center City Development & Operations Department, and other agencies. He added that staff had worked closely with the Housing Commission and the San Antonio Housing Authority. Assistant City Manager Houston provided additional clarification of the SHIP's working structure and reporting to the Planning and Land Development Committee and ultimately the full City Council. Committee Chair Gonzales requested that future presentations reference the review process and involved entities.

Councilmember Treviño noted the focus on the \$20 million that the City of San Antonio was set to receive from the America Rescue Plan Act. He asked if the City were to purchase a hotel with Rescue Plan Act funding would it be considered permanent supportive housing or affordable housing and if it aligned with the goals of the SHIP, ForEveryHome Plan, the Homeless Strategic Plan, or the Housing Policy Framework. Ms. Houston stated that many of the strategies identified under the SHIP and Homeless Strategic Plan were eligible for expenses under the Act and staff would present this funding to the City Council on June 2, 2021. She added that the June 2nd presentation would include the proposal of hotels for housing and an update to the COVID-19 Recovery Resiliency Plan.

Councilmember Courage asked of the plan to address the rise in property values and gentrification in areas that had not seen large scale home development in the past. Mr. Benavides stated that the issue had been discussed at length as part of the SHIP and utilizing such things as neighborhood and carbon zones, homestead preservation districts, and possible lobbying at the State level to address needed legislative changes to include tax exemptions.

Councilmember Viagran stated that recommendations needed to include the need for advocacy for legislation to offset the methodology the State used when it came to home appraisals especially in the area of affordable housing and displacement. She stressed that a balanced approach would be needed in addressing the needs and concerns of legacy homeowners and need for capital infrastructure improvements and amenities.

Councilmember Viagran asked for clarification on the definitions of public support or mention of needed City support in relation to property owners' rights. Mr. Benavides stated that extensive discussions had been had by staff and effected residents related to concerns of increased taxes and

needed support. He noted that continued discussions would be needed in the areas of area investments, displacement and needed legislative actions and current zoning rules.

Councilmember Viagran asked for clarification on the review of housing incentives including economic development incentive policy for single family or multi-family developments. She also asked for clarification on the homeowner workshops format. Mr. Benavides stated that the ForEveryHome and SHIP Initiatives would work closely with developers to build public comment forums for public input.

Councilmember Andrews-Sullivan stated that the Eviction Diversion and Prevention Program was a good program but there was a need for public education on program use. She asked that information resources be made available to individuals. Mr. Benavides stated that staff would work with the San Antonio Apartment Association to provide this information and identify other areas to make information available to individuals leasing properties.

Councilmember Andrews-Sullivan asked if the Demolition Diversion Program addressed demolition versus deconstruction of homes. Mr. Benavides stated that Program worked very closes with the Development Services Department in identifying properties that may be scheduled for demolition due to neglect or unsafe living conditions and identified ways to possibly preserve the property.

Councilmember Andrews-Sullivan asked if formerly incarcerated individuals would be considered under supportive housing initiatives. Mr. Benavides stated that staff would look into the possibility and be sure to discuss in stakeholder forums.

Adjourn

There being no further discussion, the meeting was adjourned at 11:47 AM.

Shirley Gonzales, Chairwoman

Respectfully submitted,

*Aurora Perkins
Office of the City Clerk*