



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: {{item.number}}

Agenda Date: November 20, 2024

In Control: San Antonio Housing Commission Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing and update on solicitations for affordable housing development gap funding

SUMMARY:

Briefings on Request for Proposals for Rental Housing Production, Rehabilitation, Preservation and Acquisition, Permanent Supportive Housing (PSH) and Homeownership Production with funding from the 2022 - 2027 Affordable Housing Bond, HOME, HOME-ARP and CDBG programs.

BACKGROUND INFORMATION:

2022 - 2027 Housing Bond Program

On May 7, 2022, voters approved six propositions for the City's 2022 – 2027 Bond Program totaling \$1.2 billion. Proposition F, the Housing Bond, authorizes the City to issue bonds in the amount of \$150 million to create and preserve affordable housing in five (5) funding priority categories, listed below. The funding will be used to facilitate development of single-family, multi-

family or mixed-use housing for public purpose of safe, quality, and affordable housing consistent with the Housing Bond Committee's parameters and the Housing Commissions Bond Evaluation Framework.

Four separate rounds of Housing Bond funds have been distributed to projects that will preserve and build affordable housing in the community.

CDBG and HOME Affordable Housing Development Gap Funding

On August 8, 2024, City Council adopted the nearly \$27.8 million FY 2025 Annual Action Plan and Budget for the four federal grant programs funded by the U.S. Department of Housing and Urban Development (HUD). The Annual Action Plan included HOME Investment Partnerships Program (HOME) funds and Community Development Block Grant (CDBG) funds set aside for affordable multi-family rental and single-family homeownership housing development projects in need of gap funding. All projects should meet the intent of the HOME Final Rule to provide safe, decent, and affordable housing to lower-income persons. Multi-family rental projects should primarily serve households at or below 60% of the Area Median Income (AMI), with a priority to serve those individuals or families at 30% or lower of the AMI.

The City is working on releasing Request for Proposals (RFP) for federal funding and the remaining Affordable Housing Bond funding for the production and preservation of housing. Funding for Rental Production & Acquisition and Rental Housing Acquisition, Rehabilitation and Preservation is being combined into a single solicitation to streamline the procurement process. The combined, single solicitation Rental Housing Production, Rehabilitation, Preservation and Acquisition and the Permanent Supportive Housing (PSH) solicitation will make available federal and Affordable Housing Bond funds. A solicitation is also planned to be released for Homeownership Production projects with federal funding. The proposed issuance date for the RFPs is December 10, 2024, with responses due January 24, 2025.

ISSUE:

Staff will provide a briefing on the development of the Requests for Proposals (RFPs) for Rental Housing Production, Rehabilitation, Preservation and Acquisition, Permanent Supportive Housing (PSH) and Homeownership Production categories. The Rental Housing Production, Rehabilitation, Preservation and Acquisition solicitation will make available both bond and federal funds for affordable housing production and preservation. The PSH solicitation will make available bond funds for the creation and preservation of permanent supportive housing and federal funds for supportive services. The Homeownership Production solicitation will only make available federal funds for single-family homeownership housing development.

The scoring committees are comprised of internal City staff and external stakeholders, which will include Citizens Housing Bond Committee Members. The scoring committee will evaluate projects on scoring criteria that reflects the City Council adopted parameters as well as the Housing Commission's evaluation framework.

The RFPs will continue to include the Displacement Impact Assessment (DIA) utilized in previous

rounds for new rental construction projects. The DIA assesses vulnerability in the community surrounding the proposed development.

FISCAL IMPACT:

There is no fiscal impact at this time.

ALTERNATIVES:

This item is for briefing and discussion only.

RECOMMENDATION:

This item is for briefing and discussion only.