



City of San Antonio

Agenda Memorandum

File Number:

POSTING LANGUAGE: Ordinance approving Substantial Amendment #4 to the FY 2025 U.S. Department of Housing and Urban Development (HUD) Annual Action Plan and Budget reprogramming \$1,545,630.82 in HOME Investment Partnerships Program (HOME) funds, and awarding funding in an amount not to exceed \$5.5 million for three projects as part of the release of solicitations for Rental Housing Production and Acquisition and Affordable Single-Family Housing solicitations. [Lori Houston, Assistant City Manager; Veronica Garcia, Director, Neighborhood and Housing Services Department]

Agenda Item Number: 25

Agenda Date: June 26, 2025

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUMMARY:

This is an ordinance approving three (3) awards from the FY 2025 Affordable Housing Development Gap Funding solicitations for Multi-Family Rental Housing and Single-Family Development Gap Funding with an estimated total value up to \$5.5 million. This ordinance also amends the HUD Annual Action Plan and budget by reprogramming \$1,545,630.82 in HOME Investment Partnerships Program (HOME) funds made available from prior year program savings to be used for affordable single-family homeownership

The Neighborhood and Housing Services Department released three Request for Proposals (RFPs) on April 7, 2025, asking affordable housing developers and service providers to submit affordable housing projects that require gap funding from the City. The sources of funds for the gap funding include \$4.27 million from HOME and CDBG and \$3.26 million from the 2022-2027 Affordable Housing Bond. Developers could submit projects for one of four categories: (1) Affordable Single-Family Homeownership Production; (2) Rental Housing Production and Acquisition; (3) Permanent Supportive Housing; and (4) Rental Housing Acquisition, Rehabilitation and

Preservation. A pre-solicitation briefing was presented at City Council B-Session on December 4, 2024.

Responses were due on April 28, 2025. Nineteen (19) multi-family rental affordable housing development proposals, two (2) single-family homeownership affordable housing development proposals, and one (1) Permanent Supportive Housing (PSH) affordable housing development proposal were received. The proposals were evaluated based on developer's experience, project readiness, financial feasibility, affordability of housing, project location and access to transit, inclusion of energy efficient systems and universal design, quality of displacement plan and residential protections, and timeline.

The recommendation awards \$3.3 million to two affordable single family housing developments that will yield 51 single family homes priced for families making 80% of the Area Median Income. The recommendation also awards \$2.2 million for 1 affordable housing rental project that will yield 78 units at or below 60% of the Area Median Income.

Project Type	Project	Developer	Total Units	30% AMI	50% AMI	60% AMI	80% AMI	Recommended Award
Single-Family Homeownership	Rancho Carlota, Phase VI	Habitat for Humanity of San Antonio	42				42	Up to \$2,590,000
Single-Family Homeownership	Westside Reinvestment Initiative, Phase II	Opportunity Home San Antonio	9				9	Up to \$671,519
Multi-Family Rental Housing Production	6802 Marbach Lofts	NRP Group & CHR Partners	78	12	28	38		Up to \$2,200,000
TOTALS			129	12	28	38	51	\$5,461,519

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived as the SBEDA Program cannot be applied to HOME and CDBG funding associated with these recommended awards. The San Antonio Housing Commission received a briefing on the RFP process and recommendations on June 4, 2025, and City Council was briefed on these awards on June 5, 2025.

Additional projects from the solicitation will come forward to City Council at a later date after they receive confirmation from the Texas Department of Housing and Community Affairs that the project secured 9% Competitive Housing Tax Credits.

FISCAL IMPACT:

This ordinance will approve Substantial Amendment #4 to the FY 2025 HUD Annual Action Plan and Budget to reprogram \$1,545,630.82 in HOME funds made available through prior year program savings to Affordable Single-Family Homeownership. In conjunction with \$1,385,744.25 in FY 2025 CDBG funds and \$2,530,143.93 in FY 2025 HOME Funds, this ordinance approves funding awards up to \$5.5 million in HOME and CDBG grant funding to three (3) affordable housing development projects.

There is no Fiscal Impact to the City's General Fund Budget.