

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL,
SIGNED ORDINANCE ADOPTED BY THE CITY COUNCIL.**

ORDINANCE

APPROVING AND ALLOCATING FUNDING FOR TWO AFFORDABLE HOUSING PROJECTS AS PART OF THE REQUEST FOR PROPOSALS FOR RENTAL HOUSING PRODUCTION AND ACQUISITION AND RENTAL HOUSING ACQUISITION, REHABILITATION AND PRESERVATION UTILIZING THE 2022-2027 AFFORDABLE HOUSING BOND; AND AUTHORIZING DEVELOPMENT AGREEMENTS AND OTHER NECESSARY DOCUMENTS FOR THE APPROVED PROJECTS.

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WHEREAS, on December 16, 2021, the City adopted the Strategic Housing Implementation Plan (**SHIP**), a comprehensive policy created to implement the City’s Housing Policy Framework goals as developed through the work of the Mayor’s Housing Policy Task Force; and

WHEREAS, as recommended by the SHIP, on May 7, 2022, voters approved the City’s 2022 Capital Improvements Bond, which included funds in the amount of \$150 million to fulfill the public purpose of creating and preserving affordable housing in the City of San Antonio (**Housing Bond**); and

WHEREAS, on April 7, 2025, after a pre-solicitation briefing to City Council on December 4, 2024, the City issued three Requests for Proposal (**RFPs**) for the following development categories: Rental Housing Production and Acquisition, Rental housing Acquisition, Rehabilitation and Preservation (**Rental Housing**), Homeownership Production, and Permanent Supportive Housing utilizing funds from the Housing Bond, Community Development Block Grant, and HOME Investment Partnerships Program; and

WHEREAS, a total of \$21.4 million was available from the Housing Bond in the Rental Housing category; and at the conclusion of the RFP evaluation process and a post-solicitation briefing to City Council on June 5, 2025, staff recommended approval and award of funds to six projects in accordance with the criteria outlined in the RFPs, two of which are the subject of this Ordinance and funded solely by the Housing Bond; and

WHEREAS, these projects are expected to increase affordable housing production and preservation in San Antonio by producing or preserving approximately 440 affordable housing units, including 172 affordable rental housing units for families earning at or below 50% of the Area Median Income (**AMI**); and

WHEREAS, the projects recommended for City Council approval meet the established affordable housing goals set forth in the City’s 2022-2027 Housing Bond Parameters and Evaluation Framework as approved by the City’s Housing Commission, the City’s FY 2024 Affordable Housing Budget and are aligned with the SHIP; **NOW THEREFORE**,

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 TEXAS:**

SECTION 1. The City Council approves the allocation and award of funds for the projects identified in the chart below with the associated projected unit mixes, and in the amounts and from the funding sources specified (**Projects**):

Funding Category	Projects	Developer	Total Units	30% AMI	50% AMI	60% AMI	70% AMI	80% AMI	Recommended Award
Rental Housing (Rental Rehab)	Sacred Heart Villas	Cesar Chavez Foundation	89	48	40	1*			Up to \$6,000,000
Rental Housing (Rental Production)	Central at Commerce	Union Development /Annex Group	279	42	31	67	139		Up to \$6,000,000
TOTALS			440	101	71	129	139		\$16,743,730**

*Includes one manager’s unit.

** Any remaining Affordable Housing Bond funding or funding that is returned from projects unable to continue will be allocated towards creating funding to support SHIP implementation with a focus on strategic land acquisition for affordable rental housing and permanent supportive housing.

SECTION 2. The City Manager or their designee, or the Director of Neighborhood and Housing Services or their designee, are hereby authorized to initiate, negotiate, and execute any and all documents and contracts (**Contracts**), that are necessary for: (a) ensuring the completion of the Projects in accordance with the requirements of the Housing Bond and each Project’s respective RFP; (b) implementation of the funding awards as set forth in this Ordinance; and (c) compliance with the Housing Bond program policy. Staff may adjust or align budgets and plans as necessary and consistent with this Ordinance without further action of the City Council.

SECTION 3. Execution of the Contracts for the Projects approved in this Ordinance shall be contingent upon final negotiations between the City and the project developer(s), the successful

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completion of underwriting for each project, staff's approval of all construction plans, and the developer's receipt of all required permits, along with all other requirements of each individual contract which, in staff's discretion, are necessary to ensure successful completion of each Project.

SECTION 4. The City Manager, or their designee, or the Director of Neighborhood and Housing Services or their designee, are each authorized to: (a) in the event that line item costs overrun or are anticipated, approve budget adjustments within project allocations to conform with actual expenditures; and (b) adjust the number of units being constructed or the number of units assigned to an AMI category under the Contract as necessary to adhere to underwriting requirements or through final Contract negotiations.

SECTION 5. Funding for each Contract is hereby appropriated and payments are authorized for the Projects listed in the amounts specified for each project in Section 1 of this Ordinance. All authorized payments are limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

SECTION 6. The budgets in Fund 45099000, Project Definitions 23-04048 & 23-04050 are authorized to be increased/decreased per the table below.

Amount	WBS Element	GL Account
-6,000,000.00	23-04050-01-05-02-01	5201140
6,000,000.00	23-04050-13-05-02-01	5201140
-10,743,730.00	23-04048-01-05-02-01	5201140
6,000,000.00	23-04048-14-05-02-01	5201140
4,743,730.00	23-04048-15-05-02-01	5201140

SECTION 7. The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer, City of San Antonio. The Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 8. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED on this 12th day of June, 2025.

AH
06/12/2025
Item No. [#]

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M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

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