

City of San Antonio



Minutes Planning and Community Development Committee

2023 – 2025 Council Members

Dr. Adriana Rocha Garcia, Dist. 4
Phyllis Viagran, Dist. 3 | Teri Castillo, Dist. 5
Manny Pelaez, Dist. 8 | John Courage, Dist. 9

Thursday, October 24, 2024

10:00 AM

Council Briefing Room

The Planning and Community Development Council Committee convened a regular meeting in the City Hall Council Briefing Room beginning at 10:00 AM. Deputy City Clerk Aurora Perkins took the Roll Call noting a quorum with the following Committee Members present:

Members Present: Dr. Adriana Rocha Garcia, *Chair*
Phyllis Viagran, *Member*
Teri Castillo, *Member*
Manny Pelaez, *Member*
John Courage, *Member*

Members Absent: None

Approval of Minutes

1. Approval of minutes from September 23, 2024 Planning and Community Development Committee Meeting

Councilmember Courage moved to Approve the minutes of the September 23, 2024 Planning and Community Development Committee meeting. Councilmember Castillo seconded the motion. The motion carried by the following vote:

Aye: Rocha Garcia, Castillo, Courage
Absent: Viagran, Pelaez

Public Comment

Erin Hahn spoke in support of Item 2 and the need for affordable housing in the San Antonio area and for Housing Bonus Programs.

Nadia Mavrakis, with the non-profit Culturingua, spoke in support of Item 4 and the establishment of a land trust to increase affordable housing options within San Antonio. She spoke to efforts by her non-profit coalition and efforts at the capital and with City of San Antonio staff.

Jazmine and Gilbert Herrera spoke in support of Item 4 and the need for affordable housing under a community land trust. They stated that they worked with the Esperanza Land Trust and spoke to their efforts to keep families in their homes and communities.

Nadia Mavrakis with the non-profit Culturingua spoke in support of Item 5 and the need for the creation of a Community Land Trust Tier Affordable Policy. She provided points to consider in the development of the policy to include specific AMI and income levels.

Briefing and Possible Action on

2. Briefing and possible action on a Council Consideration Request on Affordable Housing Bonus Programs to support equitable construction [Lori Houston, Assistant City Manager; Veronica Garcia, Director, Neighborhood & Housing Services Department]

Assistant Director of Neighborhood and Housing Services Veronica Gonzalez provided an overview of the Affordable Housing Bonus Program which staff recommended. She noted that Councilmember Castillo submitted a CCR 2024-0020 to create the SA: Affordable Housing Bonus Program and stated that the CCR requested that staff evaluate and recommend changes to Sections 35-360 “Bonus Density” and 35-372 “Affordable Dwelling Unit” (ADU) of the Unified Development Code (UDC). Gonzalez noted that the programs would be city-wide with a focus on Equitable Transit-Oriented Development (eTOD), the Downtown Business District, SA Tomorrow Regional Centers, and university neighborhoods. She added that staff would explore feasibility of fees in lieu of production alternatives to producing new affordable units.

Gonzalez spoke to current city codes that applied to bonus density development which included UDC Article III, Division 6, Section 35-360 related to Bonus Density; and UDC Article III, Division 7, Section 35-372 associated with ADUs. She reviewed the definitions and specifications of both articles.

Gonzalez noted that the City of San Antonio currently incentivized affordable housing using City funds under Tax Increment Financing, the Housing Bond, fee waivers and Federal allocations. She noted that the City worked with the Texas Department of Housing and Community Affairs (TDHCA) which awards the State’s allotment of Low-Income Housing Tax Credits (LIHTC).

Gonzalez stated that the CCR was in alignment with current NHSD priorities and those identified in the FY 2025 Budget & Priorities Survey. She noted that providing affordable housing choices throughout the City was a guiding principle of the Strategic Housing Implementation Plan (SHIP) and the SA Tomorrow Comprehensive Plan. Gonzalez added that updating the UDC to remove barriers to affordable housing production was a strategy under the SHIP.

Gonzalez noted that the City already had two density bonus provisions under the UDC although they were unused. She noted that the State of Texas pre-empts from requiring affordability as part of base zoning (inclusionary zoning).

Gonzalez stated that the bonus program would require funding of \$50,000-\$250,000 for varying levels of economic planning consultant support and that there was no specific funding in the NHSD Budget for a Density Bonus Program creation. She did say that NHSD had applied to HUD's Pathways to Removing Obstacle (PRO) to Housing Grant that included funding to support this effort.

Gonzalez requested input from the Committee on what AMI categories should be included in the program provisions, other considerations, and how collection of funds should be performed.

DISCUSSION

Chair Rocha Garcia stated that she supported the three different bonus programs but she wanted to make sure that each program was specific to areas and addressed barriers. She noted that this might be an Item for the Removing Barriers to Housing Subcommittee to review to gain insight. Chair Rocha Garcia asked for clarification on the two current bonus programs that were in place but not used and asked as to why. Gonzalez stated that the current programs might not be well known and they needed to be better communicated to developers and when it should be used.

Chair Rocha Garcia asked if a fee in lieu of a development option was to be explored and asked for staff to explore how many waived fees would be excessive or counterintuitive to the program. She added that this might be an Item for the Removing Barriers to Housing Subcommittee to look at.

Councilmember Castillo thanked staff and those who spoke in support of the Item. She stated that she supported a closer look at AMI levels for consideration at the 30 and 50% AMI. Councilmember Castillo stated that it was important to look at the density of housing currently in place and that affordability was needed in some areas. She stated that there were opportunities to look into this based on SHIP priorities and fees in place. Councilmember Castillo stated that she was eager for the program to begin.

Councilmember Courage stated that the housing crisis made the Item a high priority to address homelessness and affordable homes for all. He stressed that fiscal limits and costs to housing were the largest barrier to building affordable housing and that the proposed bonuses would assist developers in building more affordable housing.

Councilmember Courage stated that developers and investors had to consider return on investments when determining how much affordable housing units that they could build. He stated that he proposed a Housing Bond of \$5 million dollars to be dedicated to affordable housing which could increase bonuses to developers, housing vouchers for families, and other efforts. He stressed that the City needed to invest more in housing affordability.

Councilmember Viagran stated that she supported the Item and that it was important to see what HUD had in place to build on these programs. She also stated that it was crucial to work with Opportunity Home to build vertical housing and other affordable home options within the same facility. She looked forward to options brought forward for the City Council to review.

Councilmember Viagran stated that it was important to also analyze who needed affordable housing such as seniors, disabled, families, etc. She stated that she supported further review by the Affordable Housing Subcommittee. She stressed that it was important to build vertical housing facilities.

Councilmember Castillo stated that the cost of construction was crucial to look at with Opportunity Home and the San Antonio Housing Trust to build more homes at an affordable rate and availability. She stated that it was a great opportunity for the bonus to address inner-core housing.

The Item was for briefing purposes only.

3. Briefing and possible action on a Council Consideration Request by Councilmember Phyllis Viagran (District 3) on the Planning Commission Diversification. [Debbie Racca-Sittre, City Clerk]

City Clerk Debbie Racca-Sittre introduced the Item and provided a background on CCR 2024-0019 which was submitted by Councilmember Viagran directing the Office of the City Clerk (OCC) to increase community engagement and elicit Planning Commission applications from all areas of the City; and directing staff to explore options and develop an Ordinance establishing a process that allowed City Council to ensure diverse representation on the City's Planning Commission. Racca-Sittre noted that she and her staff worked closely with the Development Services Department (DSD) to review the requests of the CCR.

Racca-Sittre stated that currently OCC and DSD worked jointly to provide outreach for vacancies to the Planning Commission which began with board liaisons completing a board recruitment promotion to begin the advertising process. She noted that OCC worked with the Communications & Engagement Department (C&E) in creating various promotional materials which included website postings and social media content over various channels. Racca-Sittre added that DSD distributed or notified vacancy information to all social media contacts to include SASpeakUp and all registered neighborhood associations and community organizations city-wide.

Racca-Sittre noted that the At-Large Commission Appointment Process was different from single district appointments to boards and commissions. She reviewed the process and noted that the process included the collection of applications, vetting by the City Attorney's Office, creation of an ad-hoc Committee to review 10 or more applications and identify a short list to interview. Racca-Sittre added that once the shortlisted applicants were identified, they were brought in for interviews by the Governance Committee and the full City Council would approve the recommended nominees to the Commission.

Racca-Sittre reviewed the legal components of the CCR which included the establishment of the Commission under City Charter Article IX, Section 117 which stated that the Planning Commission, which shall consist of nine members, who shall be appointed by the City Council as nearly as practicable from various areas of the City, for overlapping two-year terms. She noted that under State legal restrictions, members could not hold any other public office for which compensation was paid by the State of Texas or any political subdivision. She noted that City Ordinance (2010-11-18-0985) was passed on November 18, 2010 which amended Chapter 35 of the UDC establishing the Planning Commission.

Racca-Sittre stated that any changes to the Planning Commission structure might require a Charter Election specifying the changes to representation make-up. She clarified that if any Proposition passed in the November 5, 2024, Charter Election, any additional sought-out changes to the City Charter could not be considered until November 6, 2026. She added that elections cost approximately \$850,000. Racca-Sittre reviewed the current Planning Commission composition and terms and spoke to current applications on file for consideration. She noted that five of the current commission member terms had expired and they were in holdover status until new members were appointed.

Racca-Sittre asked for input from the Committee to include considerations for outreach, and suggestions for meeting the objectives of the CCR.

DISCUSSION

Chair Rocha Garcia thanked Councilmember Viagran for submission of the CCR and noted the lack of diversification of the Planning Commission since there was no representation on the Commission from Council Districts 3, 4, or 5 or south of Highway 90. She spoke to her concerns of fair representation and education of matters impacting the South Side.

Chair Rocha Garcia asked for clarification on the tasks of a Sunset Commission on reviewing the makeup of different boards and commissions and the needs of individuals to be able to serve on boards and Commissions to include childcare, free parking, or transportation. She asked if the Sunset Committee was the only committee to address the sunset of committees and related needs/makeup of boards and commissions. Racca Sittre clarified that the City Code provided that a Sunset Committee comprised of members of City Council to review all committees/boards every two years to determine if any should be sunseted or consolidated. She added that at the recent Governance Committee it was discussed having the Sunset Committee meet to look at all committees to see if they should be sunseted or to address any concerns associated with them.

Chair Rocha Garcia asked if the Sunset Committee was the only committee that could address diversification. Racca-Sittre clarified that there was not any other Committee to address this but the Sunset Committee could address it. Chair Rocha Garcia stressed that a review needed to be performed.

Councilmember Viagran stated that the CCR was brought forward due to concerns for her and neighboring council districts needed for Planning and Zoning considerations that would bring more quality development into those council districts. She noted that the lack of diversification was due to no representation from those council districts.

Councilmember Viagran stated that staff met the requirements for outreach and thanked staff for those efforts. She also stated that she did not have to have representation from the South Side but she did want representatives that lived on the South Side but they were familiar with what the culture and needs were in the area.

Councilmember Viagran stated that it was important for the advocacy of the South and West Sides. She asked what Councilmembers were represented on the different Commissions including Planning, Zoning, and Board of Adjustments. She stressed that it was important to make sure that those who served were dedicated to serve the community and not run for government office. She was eager to get input from her colleagues and moving forward with a review by the Sunset Committee.

Councilmember Courage stated that he served on the Planning Commission for two years and spoke to his frustrations of reviewing items with members who were not familiar with zoning issues. He stressed that staff was very educated and provided support to the Committee. He asked if there was a City Charter requirement on the makeup of the Committee. Racca-Sittre stated that the City Charter did not define who could be on the Commission.

Councilmember Courage asked if any of the zoning and planning boards could be changed through a

Sunset Committee. Racca-Sittre stated that the Committee could review all boards and commissions that were not set by State Law. Councilmember Courage stated that he supported a Sunset Committee review and the diversification of the makeup of boards and commissions. He noted the challenges faced in trying to diversify boards and commissions and to see how the City Council could assist in the process.

Chair Rocha Garcia stated that she agreed with a review by City Council.

Councilmember Castillo stated that more conversation was needed to address the lack of diversity on boards and commissions and the need for more direct outreach within the underrepresented council districts and how to work with council districts to conduct that outreach. She stated that areas of the South and West Side were drastically growing, and that representation was needed but reiterated that it was important for council districts to find quality representatives.

Councilmember Castillo spoke to factors that impacted the makeup of boards and commissions applicants and how to address barriers for increased representation and applicants.

Councilmember Castillo recognized OCC staff for the training and outreach sessions they provided to boards and commissions which she attended and that provided training to board members. She also recognized OCC for their efforts in surveying stakeholders that served on committees to gain valuable input. She requested that OCC share survey results with the City Council for their review so that they could gain insight on what people needed to serve on boards/commissions.

Racca-Sittre stated that her office would circle back with DSD and the City Attorney's Office to discuss committee input and report back to the Committee at a future meeting.

Councilmember Courage stated that he would like to have staff review how different committees such as Zoning and Planning worked and he requested that Zoning and Planning have different recommendations made by each body. Racca-Sittre stated that this was a different request from the CCR, but that DSD could provide more detail. Interim DSD Deputy Assistant Director Melissa Ramirez stated that DSD could provide the Committee with additional information on the review processes of the Zoning Commission and Planning Commission but summarized that one addressed land development and the other zoning requirements.

No action was taken on the Item.

4. Briefing and possible action related to the creation of a Community Land Trust Designation Policy.
[Lori Houston, Assistant City Manager; Veronica Garcia, Director, Neighborhood and Housing Services Department]

Neighborhood and Housing Services Development (NHSD) Director Veronica Garcia provided an overview of the creation of a Community Land Trust (CLT) Designation Policy and provided a specific definition of a CLT. She noted that a CLT was a non-profit organization that owned and stewarded land permanently which created and maintained lasting affordability of homes. She noted that CLTs typically had a defined service area, corporate membership, and a tri-partite board.

Garcia reviewed how CLTs worked and stated that versus traditional homeownership, CLT homeownership separated the home from the land where the homeowner would own the home and leased

the land from the CLT. She noted that the resale price of homes was determined by the set ground lease and that homeowners earned equity and paid taxes based on the ground lease.

Garcia noted that CLT ground leases typically were for 99 years and included a capitalization rate which determined the amount of equity the homeowner earned. She added that the CLT set the monthly fee for land rental.

Garcia stated that the CLT model was in line with the SHIP and that State Legislation required that cities designate CLTs and CLTs currently existed in the Cities of Austin and Houston.

Garcia reviewed the proposed designation process which began with a non-profit forming a CLT structure who then applied for designation from the City. According to Garcia, once a non-profit received designation it would have to report the designation to the local appraisal district. She noted that homes in a CLT were taxed to protect long-term affordability.

Garcia noted that initial CLT designations required full City Council approval and that designations were renewed annually which could be done administratively. She stated that the goals of the Designation Policy were to support lasting affordable and healthy CLTs in San Antonio; make it possible for local CLTs to get the tax treatment State Laws provided; and to ensure that local CLTs that received a designation had the capacity to steward the organization and its assets.

Garcia reviewed the policy development process staff initiated which included review of peer city programs, stakeholder conversations to include non-profits input, an initial draft from stakeholder feedback, refined second draft that added a 50% City tax exemption option, and a final draft and City Council approval.

Garcia provided an overview of the policy components under statutory requirements, local requirements, and other considerations. She noted that the largest change to the initial draft of the policy was the inclusion of a City Tax Exemption which included an optional 50% City tax exemption that applied to property held only by a CLT and would require a full audit process.

Garcia reviewed the timeline for the approval of the policy to include full City Council consideration in October 2024 and receiving applications in June 2025.

DISCUSSION

Chair Rocha Garcia stated that she supported the Item and recommended that City Council provide input on the policy.

Councilmember Viagran stated that she supported the Item and addressing of more affordable housing. She requested additional conversations with the San Antonio Conservation Society to address concerns of legacy homes and historic preservation requirements which could be cost-prohibitive to the homeowner. She stressed that it was important to determine what could be preserved, remodeled, or rebuilt. She asked that this consideration and direction be added to the policy.

Councilmember Courage stated that he still had many questions on the CLT policy but he did support affordable housing policies. He requested more information on taxing incentives, insurance policy costs and values, and remodeling/renovation programs to assist in CLT efforts. He stated that there were concerns for

generational wealth of homeownership and consistency of home values within the same areas. He requested to be provided with more conversations and information on City, County, and State impacts under CLTs.

Councilmember Castillo stated that she had reviewed the Community Land Trust Ordinance and visited other cities CLT areas. She thanked staff for the work to get to this point in the CLT development. Councilmember Castillo stated that non-profits had different models but it was important to take advantage of CLTs.

Garcia clarified that the AMI levels that were eligible for CLT homebuying options. She stated that the application review process for non-profits to apply would still need to come before the full City Council for consideration. Chair Rocha Garcia stated that it was important to provide education such as financial literacy and homeownership and not just generational wealth of homeownership.

Councilmember Viagran stated that it was important to address generational wealth of homeownership and to approve the policy and then the City could provide more guidance on each application. She agreed that it was important for San Antonio to build a CLT program as done in other cities.

Councilmember Pelaez stated that he had reviewed the CLT when he first entered office and that this was an important policy to move forward. He noted his support of the Item and provided a history and importance of the development of CLTs.

Councilmember Courage reiterated that he supported affordable housing policies but that he needed more information and would abstain.

Councilmember Castillo moved to Approve and move to the full City Council for consideration. Councilmember Viagran seconded the motion. The motion carried by the following vote:

Aye: Rocha Garcia, Viagran, Castillo, Pelaez
Abstain: Courage

5. Briefing and Possible action on a Council Consideration Request on creating a Community Land Trust Tiered Affordability Policy. [Lori Houston, Assistant City Manager; Veronica Garcia, Director, Neighborhood and Housing Services Department]

Neighborhood and Housing Service (NHSD) Deputy Director Ian Benavides provided an overview of CCR 2024-0017 submitted by Councilmember Castillo requesting consideration of a formalized Community Land Trust (CLT) Tiered Affordability Policy of disposing City-owned land to local community land trusts to create deeply affordable housing.

Benavides spoke to the current efforts addressing the CCR which included the Public Works Department managing City property inventory and the disposition of surplus property, which included decommissioning City facilities, remnant parcels, and properties acquired over time. He added that NHSD was developing a CLT Designation Policy to assess existing acquisition tools and recommend additional strategies for acquisition and disposition.

Benavides added that staff regularly monitored City property inventory and recommended disposition to San Antonio Affordable Housing (SAAH) if the land was suitable for development. He stated that an ordinance would be required to convey properties that typically specified development requirements. Benavides noted

that the most recent property conveyance to SAAH was in 2022.

Benavides stated the CCR was in community alignment with the City's and NHSD goals since affordable housing was a high-priority area in the Community Satisfaction and Budget Priorities Survey.

Benavides spoke to legal components of the CCR which fell under Texas Local Government Code Chapters 253 and 272. Locally, Benavides noted that Chapter 37 of the City Code applied and that the City Council had the authority to dispose of surplus City property in accordance with applicable local and State codes, and to impose restrictions on the property to ensure desired development.

Benavides stated that the policy did not require funding, however, funding would be necessary to acquire additional properties in desired areas that were suitable for residential development. He noted that funding varied by project needs and currently there was not a dedicated funding source specifically set aside for property acquisition, site preparation, or construction. According to Benavides, a variety of funding sources including Bond and Federal funding could be used to support this effort.

Benavides requested input from the Committee on CLT prioritizations and balancing criteria considerations, types of properties to be included in the policy, affordability considerations, and if a pilot program should be considered.

DISCUSSION

Chair Rocha Garcia stated that it was important to prioritize AMI levels and she looked forward to future presentations to the Committee.

Councilmember Viagran requested a list of lands that had Texas Commission on Environmental Quality (TCEQ) issues and how the policy could be rolled out within the community. She wanted more clarification on how cities purchased properties for added transparency.

Councilmember Castillo stressed that it was important that the City-owned land was used for affordable home development and to be in line with the SHIP. She supported the development of community land trusts to produce affordable homes but stated that the policy needed to balance homeownership and rental options at an affordable level.

Councilmember Castillo stated that she understood that this initiative could cost money but she was eager for the 2025 Housing Bond to address the purchase of properties and development.

Councilmember Courage stated that he advocated for City-owned properties to be used for affordable housing. He asked if these properties would be used for CLT or land banking options. Benavides stated that a consultant would be hired to analyze options for housing development and types of homes to be built.

Councilmember Courage asked for clarification on a land bank or CLT. Benavides stated that a land banking option could be used for possible housing options for longer periods of time and that CLTs would be shorter time options with each meeting development needs and increasing affordable housing stock.

Councilmember Pelaez noted his support of the Item.

Councilmember Castillo requested a focus on areas that experienced increased populations or development

that had increased value.

No action was taken on the Item.

Consent Agenda Adjournment

There being no further discussion, the meeting was adjourned at 11:51 a.m.

Approved

Adriana Rocha Garcia, Chair

Debbie Racca-Sittre, City Clerk