



City of San Antonio

Agenda Memorandum

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

Agenda Date: April 24, 2025

In Control: Planning and Community Development Committee

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 2

SUBJECT:

Housing Trust Fund Award for the Rehabilitation of the Dietrich Road Apartments

SUMMARY:

The San Antonio Housing Trust seeks to award a \$400,000 10-year forgivable loan from the Housing Trust Fund to Opportunity Home San Antonio for the rehabilitation of the Dietrich Road Apartments.

BACKGROUND INFORMATION:

On October 18, 2024, the San Antonio Housing Trust (“SAHT”) Board of Trustees approved a Joint Notice of Funding Availability in collaboration with the SAHT Public Facility Corporation. This initiative provides funding for technical assistance that supports nonprofit and mission-driven organizations, while also optimizing resources for the renovation or repair of existing public housing and small multi-family rental opportunities in partnership with nonprofits. The RFA was

released on November 6, 2024, with applications due on January 7, 2025. SAHT received a total of 10 applications totaling \$2.57 million in funding requests.

ISSUE:

On February 21, 2025, the San Antonio Housing Trust Board of Trustees approved \$400,000 in available Housing Trust funds to Opportunity Home San Antonio for the rehabilitation of Dietrich Road Apartments located at 4618 Dietrich Rd, San Antonio, TX 78219 in Council District 2. Additionally, the San Antonio Housing Trust Public Facility Corporation (“PFC”) Board of Directors also approved \$250,000 in available PFC funds which brings the total funding recommendation to \$650,000.

Opportunity Home San Antonio (“OHSA”), a public housing authority, is committed to improving the lives of our residents by providing quality affordable housing and building sustainable, thriving communities. Opportunity Home San Antonio sought SAHT funds in the amount of \$750,000 to complete renovations for a 30-unit multi-family rental property. The property provides for 11 households earning at or below 60% of AMI, and the rest are unrestricted. However, OHSA has agreed to 10 years of affordability provisions for all 30 units for persons at or below 60% of AMI. This is directly in line with SHIP goals for housing preservation.

The property is in dire need of roofing, window replacements, and parking lot resurfacing as well as repair of three balconies with structural failure. The current roof system is approximately 28 years old and has outlived the useful life expectations. The roof repairs have been intermittently addressed as needed, however, the roof is now experiencing water intrusion into units during periods of heavy rainfall. The windows at the property are original to 1977; they suffer from operational issues and lack of energy efficiency. They shall also complete three existing balcony repairs as well as survey and repair other balconies as needed.

The San Antonio Housing Trust requests approval to issue \$400,000 from the Housing Trust Fund as a 10-year forgivable loan to Opportunity Home San Antonio.

FISCAL IMPACT:

There is no impact to the City of San Antonio’s General Fund.

The City’s Finance Department confirmed the San Antonio Housing Trust Fund has more than \$447,091 available above the \$10.46 million reserve requirement as of December 31, 2024, with additional earnings of \$192,131 by the end of FY 2025. As with prior similar funding requests, the \$400,000 would be transferred to the SAHT Foundation to deliver the funding into the project.

Additionally, the San Antonio Housing Trust PFC is contributing \$250,000 for a total assistance package of \$650,000. Due to the small size of the property combined with the historically low rents in the area, this does not leave the property with sufficient cash flow to sustain any level of debt service and meet the capital needs of this asset. These improvements are also not on the capital plan and will be additionally deferred if a grant is not awarded.

Because of the financial constraints, Opportunity Home San Antonio requested funds in the form of a grant. However, OHSA is open to a 10-year deferred forgivable loan with a 10-year affordability provision.

ALTERNATIVES:

The Planning and Community Development Committee may elect not to recommend that City Council approve the award of \$400,000 in available Housing Trust funds as a 10-year forgivable loan to Opportunity Home San Antonio for the Rehabilitation of Dietrich Road Apartments. This will negatively impact Opportunity Home San Antonio's ability to rehabilitate the Dietrich Road Apartments.

RECOMMENDATION:

Staff recommends forwarding this item to the full City Council for approval of an award up to \$400,000 from available Housing Trust funds to Opportunity Home San Antonio for the rehabilitation of Dietrich Road Apartments.