

Item #34
Affordable Housing Gap Funding
Request for Proposals

City Council A Session

June 12, 2025



Summary



- Consideration of \$12 M for two (2) projects as part of the release of solicitations for Rental Housing Production and Acquisition and Rental Housing Acquisition, Rehabilitation and Preservation (Rental Housing)
 - Funding from the 2022-2027 Affordable Housing Bond

Affordable Housing Bond

2022-2027
BOND
PROGRAM
City of San Antonio

Helping Homeowners Fix Their Homes

Homeownership
Rehabilitation and
Preservation



\$45M

Improving Rental Homes

Rental Housing
Acquisition,
Rehabilitation and
Preservation



\$40M

Building Affordable Rental Homes

Rental Housing
Production and
Acquisition



\$35M

Connecting Unhoused Neighbors to Housing with Resources

Permanent Supportive
Housing



\$25M

Building Homes to Own

Homeownership
Production



\$5M

Community Engagement

Creative Projects (SHIP)

- Strategic Land Acquisition
- Community Land Trust
- Casitas / Accessory Dwelling Units (ADUs)
- Mobile Home Park Conversion
- Demolition Diversion

Housing Commission Framework & Bond Parameters

- **Deep Affordability**
 - **Prioritize deeper affordability** (units for families below 30% AMI, public housing and income-based housing)
- **Design & Construction Priorities**
 - **Shovel-ready projects**
 - 100% of units with **universal design**
 - **Sustainability** features beyond City Code
 - Integrating **high-speed internet** & mobile infrastructure
 - **Family-sized units**
- **Equity & Location**
 - Ensuring **wide geographic availability** & working to decrease racial and economic segregation
 - Proximity to Advanced Rapid Transit to support **Transit-Oriented Development**
- **Displacement & Resident Services**
 - **New construction projects** must complete a **displacement impact assessment**
 - Prioritize projects that include **meaningful, onsite resident services**

Pictured: NOVA Lofts (65 homes) rental production development in District 10.



Area Median Income (AMI)

30% AMI



Consuelo is a single mother of two children, Carlos (4) and Sofia (6).

Consuelo is a home health aide. She also works at a grocery store part-time to supplement her income.

\$11.49 HOURLY
\$460 WEEKLY
\$23,900 ANNUALLY

50% AMI



Javier and Maria have a young son, Juan, who is 5 years old.

Javier works as a truck driver, while Maria works part-time as a cashier at a retail store.

\$19.15 HOURLY
\$766 WEEKLY
\$39,850 ANNUALLY

60% AMI



Nicole is a receptionist at a dental office and cares for her two children, Julia (8) and Mario (10).

Mario was diagnosed with Autism at an early age and received Supplemental Security Income (SSI).

\$22.99 HOURLY
\$920 WEEKLY
\$47,820 ANNUALLY

80% AMI



Tina and her two adult children have lived in the same house for over 15 years.

Tina works as an administrative assistant, and the adult children have work-study positions in their universities.

\$30.65 HOURLY
\$1,226 WEEKLY
\$63,750 ANNUALLY

Area Median Income (AMI) – Previously Awarded Projects

- The Affordable Housing Bond prioritizes housing developments with **deeper affordability**
 - Up to 50% AMI for rental with a priority for 30% AMI
 - Priority for public housing and income-based housing
- **35%** of Affordable Housing Bond funded homes (1,466) have deeper affordability in line with adopted Housing Bond priorities
 - Includes Permanent Supportive Housing, rental homes up to 50% AMI and new homes to own up to 80% AMI
 - 929 units of Public Housing or Income-Based Housing
 - 242 Permanent Supportive Housing units



Pictured: Towne Twin Village (41 tiny homes) permanent supportive housing community in District 2.

Solicitation Overview



- Solicitations for **rental housing**, **homeownership production** & **PSH** developments in need of gap funding.
 - Combined Rental Production & Rental Rehabilitation to streamline process.
 - Prioritized rental projects with family-sized units and deep affordability
 - Minimum of 15% of total units reserved for families earning up to 30% AMI
- In alignment with FY 2024 Annual Action and Budget Plan, Strategic Housing Implementation Plan and Housing Bond Parameters.
- Three RFPs released April 7, 2025.

Solicitation Type

- Request for Proposals (RFP)

Proposed Terms

- Terms based on development schedule

Estimated Value

- Total – \$34 Million

Funding Source

- Affordable Housing Bond & Federal

Current Contract Status

- New Contracts

Recommended Awards

- **Today's consideration is for 2 developments funded by the 2022 Affordable Housing Bond**
 - Supports the creation & preservation of **368 rental homes**
 - Adds **161 deeply affordable units** (44%) and **204 family-sized rental units** (55%) to the community
 - Invests in **2 transit-oriented developments** located in the inner city and within ¼ mile of Advanced Rapid Transit (ART)
 - Funds developments with **supportive services**, **universal design** and **sustainability** features



Pictured: Commons at Acequia Trails (201 homes) Permanent Supportive Housing project in D3 (top), Rancho Carlota – Phase V (63 homes) homeownership production project in D4 (middle), and Vista at Silver Oaks (79 homes) rental production project in D9 (bottom).

Funding

Funding Category	Gap Funding Available	Total Amount Requested	Awards for Consideration – June 12th
Rental Housing*	\$25,701,903.54	\$115,851,560	Up to \$12,000,000
Homeownership Production^	\$3,261,519.00	\$3,261,519	N/A
Permanent Supportive Housing	\$5,132,433.00	\$935,428	N/A
Total	\$34,095,855.54	\$120,048,507	\$12,000,000

Additional awards to be considered by City Council at a later date.

*For Rental Housing, includes returned Bond funding from Alazán Expansion (\$8.2 M) and returned federal funding from Memorial Apartments (\$785 K). Of the \$21.4 M of Bond funding, approximately \$13.2 M is for Rental Rehabilitation not awarded in Spring 2024. For PSH, includes returned Bond funding from Towne Twin Village (Phase 3) and unallocated HOME-ARP funding.

^ Includes \$3,100,000 in HOME funding not awarded in last single-family solicitation and \$161,519 in HOME funding from program savings.

Rental Housing Production, Rehabilitation, Preservation & Acquisition (\$12.5 M – Production; \$13.2 M - Rehab)

- Single solicitation for Rental Production & Rental Rehabilitation
- Priority on housing that serves households earning up to 30% AMI, as well as public/income-based housing.
 - **At least 15% of units for families earning up to 30% AMI**
- Scoring panel included subject matter expertise and Community Bond Committee Representatives.
- Bond and federal funding should leverage other funding opportunities.
- Displacement Impact Assessment (DIA) for all new rental production projects to calculate vulnerable factors.



Pictured: Arbors at West Avenue (234 homes) rental rehabilitation development in District 1.

Rental Housing – Recommended Awards

Rental Housing*									
Developer	Project	District	Project Type	Total Units	30% AMI	50% AMI	60% AMI	70% AMI	Total Recommended Funding (Not to Exceed)
Cesar Chavez Foundation	Sacred Heart Villas	5	Rental Rehab & Production	89	48	40	1**		\$6,000,000.00
Union Development Holdings, LLC	Central at Commerce	2	Rental Production	279	42	31	67	139	\$6,000,000.00
TOTAL				368	90	71	68	139	\$12,000,000.00

Additional award recommendations are scheduled for City Council consideration at a later date.

* Awards are contingent on contract negotiations and meeting underwriting standards, including securing all leveraged funding.

**Includes one manager's unit

Sacred Heart Villas

Rental Rehabilitation & Production

- **Location:** Council District 5
- **Developer:** Cesar Chavez Foundation
- **Recommended Award:** **\$6,000,000 repayable loan (0% interest)**
- **Prior Funding:** Existing HUD 202 Loan
- **Total Development Cost:** \$22 million
- **Units:** 89 units
- **Project Overview:**
 - **89 1-bedroom, 2-bedroom & 3-bedroom apartment homes**
 - **40 year affordability covenant period**
 - Preservation of 48 rental homes & creation of 41 rental homes
 - 4% Low-Income Housing Tax Credit project
 - Older Adults are the target population
 - Case management, education, financial literacy and referral services to keep clients stably housed
 - Nutrition education, cooking classes, food distributions, laundry, meal preparation, medical plan application & health education class services for the property residents.
 - Located in the **inner city, within walking distance to Silver Line**
 - Will meet BSAG Level 2 & Universal Design Level 2
- **Partners:** Opportunity Home San Antonio
- **Project Completion:** June 2027



30% AMI	50% AMI	60% AMI*	Total Units
48	40	1	89

*Manager's Unit

Central at Commerce

Rental Production & Acquisition

- **Location:** Council District 2
- **Developer:** Union Development Holdings, LLC (the Annex Group)
- **Recommended Award:** **\$6,000,000 repayable loan (0% interest)**
- **Prior Funding:** None
- **Total Development Cost:** \$82 million
- **Units:** 279 units
- **Project Overview:**
 - **279 1-bedroom, 2-bedroom & 3-bedroom apartment homes**
 - **40 year affordability covenant period**
 - 4% Low-Income Housing Tax Credit project
 - Potential services may include after-school programs, wellness center offerings, Ready to Work job training, or a food pantry
 - Amenities include playground, gathering areas, pool, fitness center, business center, community room, and secured bicycle parking spaces
 - Will meet Build San Antonio Green Level 2 & Universal Design
 - Located within **the inner city on the Silver Line**
- **Partners:** Opportunity Home San Antonio
- **Project Completion:** September 2027



30% AMI	50% AMI	60% AMI	70% AMI	Total Units
42	31	67	139	279

RFP Timeline



RFP Release	Monday, April 7, 2025
Pre-submittal Conference	Monday, April 14, 2025
Deadline for Questions	Monday, April 21, 2025
Responses Due	Monday, April 28, 2025
Evaluation Complete	Wednesday, May 21, 2025
Housing Commission	Wednesday, June 4, 2025
Post-Solicitation Briefing (A-Session)	Thursday, June 5, 2025
City Council A-Session Award (Batch 1)	Thursday, June 12, 2025
City Council A-Session Award (Batch 2)	Thursday, June 26, 2025 or later

Next Steps

- Approval of additional Gap Funding awards on **June 26, 2025 or later**
- Allocation of SHIP Implementation Creative Funding
 - Casita (ADU) Incentive Program Council Consideration
 - Community Land Trusts (CLT) Funding
 - Strategic Land Acquisition for Affordable & Permanent Supportive Housing





Questions?

SA.gov/nhsd

THANK YOU!

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