



# City of San Antonio

## Agenda Memorandum

**File Number:**  
**{{item.tracking\_number}}**

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**Agenda Item Number:** 5

**Agenda Date:** August 16, 2024

**In Control:** Governance Committee Meeting

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Council Consideration Request on Community Land Trust Tiered Affordability Policy

**SUMMARY:**

Council Consideration Request on creating a formalized policy of disposing city owned land to local community land trusts to create deeply affordable housing.

**BACKGROUND INFORMATION:**

On June 12th, Councilmember Teri Castillo filed a Council Consideration Request (CCR) related to disposing city-owned land to local community land trusts for the creation of deeply affordable housing. According to the CCR, community land trusts are one tool for preserving permanent affordability in neighborhoods near the center city. This effort would complement existing initiatives under development, including those focused on land banking, transit-oriented development, and a community land trust registration policy.

The Office of Urban Redevelopment San Antonio (OURSA) is the City's Urban Renewal Agency, governed by seven commissioners, who are appointed by the Mayor. OURSA has an affiliate nonprofit entity, San Antonio Affordable Housing, Inc (SAAH). The City has previously conveyed surplus properties to SAAH for the development of affordable housing. Typically, properties are conveyed from the City with parameters for SAAH's use such as the type of development to be constructed and income limits to be served, most often ranging from 80-120% of the area median income (AMI). Land alone is typically not enough to incentivize affordable housing; additional subsidy is required. SAAH can provide additional subsidy when acquisition is coupled with funding (when available). Properties are competitively bid and scored on a variety of criteria, including development experience, capacity, funding request and affordability

Empowering non-profit organizations to establish Community Land Trusts is a strategy in the Strategic Housing Implementation Plan. A key first step in this process is implementing a state-required designation policy for CLTs. The state requires the designation from the local municipality for the CLT to receive a special appraisal method from the appraisal district. A policy is expected for City Council consideration this fall.

## **ISSUE:**

Council has requested staff to prepare a policy for the Office of Urban Redevelopment and San Antonio Affordable Housing Inc. that, upon disposing of City owned land to local community land trusts, there is priority in selecting the community land trust so long as:

- the local community land trust has a history of or intent to develop deeply affordable housing
- the local community land trust has the capacity to redevelop such properties into deeply affordable housing units within a specified timeframe;
- the local community land trust has a governing structure that provides effective representation and governing powers for tenants of community land trust units, staff of the community land trust, and residents of the community land trust area boundaries.

The policy should create a tiered priority disposal system that prioritizes development proposals from local community land trusts based on the proposed development's residential unit affordability in the following order:

- Highest priority to developments that would serve households earning 30% and below the area median income.
- Next priority to developments that would serve households earning 50% and below the area median income.
- Next priority to developments that would serve households earning 60% and below the area median income.
- Next priority to developments that would serve households earning 80% and below the area median income.
- Lowest priority to developments that would serve households earning above 80% the area median income.

NHSD can work with the board of OURSA/SAAH and community stakeholders on a policy to prioritize CLT's while ensuring properties are developed for affordable housing, balancing all other development criteria. This may also include a pilot to allow CLT's to gain experience with infill development and the City to understand the cost of CLT development.

**FISCAL IMPACT:**

This item is for briefing purposes only.

**ALTERNATIVES:**

This item is for briefing purposes only.

**RECOMMENDATION:**

Staff recommends this CCR go to the Planning & Community Development Committee for review.