



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 28

Agenda Date: November 9, 2023

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

FY 2024 Community Housing Development Organization Operating Expense Funding

SUMMARY:

Ordinance awarding up to \$300,000.00 in HOME Investment Partnerships Program (HOME) funding to the following eligible Community Housing Development Organizations as follows:

- (a) \$100,000.00 to Habitat for Humanity of San Antonio, Inc. (Council District 5);
- (b) \$85,000.00 to Housing and Community Services, Inc. dba Prospera Housing Community Services (Council District 10);
- (c) \$75,000.00 to Our Casas Resident Council, Inc. (Council District 5); and
- (d) \$40,000.00 to Alamo Area Mutual Housing Association, Inc., dba Alamo Community Group (Council District 7).

BACKGROUND INFORMATION:

Neighborhood and Housing Services Department (NHSD) released a solicitation requesting proposals from local, private nonprofit, community-based organizations, also known as Community Housing Development Organizations (CHDO), that have staff with the capacity to develop affordable housing for the community it serves and has a financial need for additional

operating funds. Funding can be expended on eligible operating expenses, including reasonable and necessary costs for the operation of the community housing development organization. Such costs could include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies.

To receive funding, each respondent must meet the CHDO Certification requirements as described in the 2013 HOME Final Rule. In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, capacity, and experience. The requirements and limitations on the receipt of these funds by CHDOs are set by federal law. Each CHDO awarded funding from this solicitation is expected to implement a current CHDO set-aside affordable housing development project or apply for CHDO development funding for a viable affordable housing development project within eighteen (18) months of the effective date of a contract with the City of San Antonio for these CHDO Operating Expense funds.

ISSUE:

On August 3, 2023, pursuant to Ordinance 2023-08-03-0511, City Council approved the FY 2024 Annual Action Plan and Budget (Action Plan) for federal grant programs funded by the United States Department of Housing and Urban Development (HUD). The Action Plan allocated up to \$300,000 in HOME Investment Partnerships Program (HOME) funds set aside for CHDO operating expense funding. This funding will further the ability of each CHDO to develop additional affordable housing in San Antonio. Funding should be provided only to respondents who are certified as Community Housing Development Organizations and based on financial need.

On September 7, 2023, the City released a Request for Proposal (RFP) for FY 2024 CHDO Operating Expense Funding. The RFP was advertised in the HartBeat News, TVSA channel, the City's Bidding and Contracting Opportunities website, the San Antonio e-Procurement System (SAEPS) and an email notification was released to a list of potential respondents. A pre-submittal conference was held on September 12, 2023. The City received four (4) responses on October 6, 2023. All four (4) proposals totaling \$315,000.00 in funding requests were deemed eligible for evaluation.

On October 23, 2023, a selection committee comprised of representatives from the Neighborhood and Housing Department, Department of Human Services, and Development Services Department evaluated and scored the respondents based on the following criteria: Experience, Background, and Qualifications (50 points) and Proposed Plan (50 points). Due diligence conducted for the respondents to the above solicitation included a search of federal and state debarment lists, prohibited political contributions, conflicts of interest, delinquent City/County taxes, outstanding payments to the City, payment of state franchise fees as well as a search of the internet for pertinent business information. No material findings were noted that would prevent the City from awarding to the recommended organizations. Since the RFPs were issued according to Federal Government Grant requirements, the recommended awards are an exception to the Local Preference Program and the Veteran-Owned Small Business Preference Program. Moreover, the Small Business Economic Advocacy Program requirements did not apply.

Staff recommends awarding Community Housing Development Organization (CHDO) Operating Expense funding to each of the following eligible CHDOs: \$100,000.00 to Habitat for Humanity of San Antonio, Inc. (Council District 5); (b) \$85,000.00 to Housing and Community Services, Inc. dba Prospera Housing Community Services (Council District 10); \$75,000.00 to Our Casas Resident Council, Inc. (Council District 5); and \$40,000.00 to Alamo Area Mutual Housing Association, Inc. dba Alamo Community Group (Council District 7).

ALTERNATIVES:

An alternative to awarding this funding to the recommended organizations would be to reject the recommendations; however, the recommended awards meet the established goals set forth in the City Council approved FY 2024 Annual Action Plan and Budget for these federal funds. In addition, any other alternative to appropriate funding would delay the timely commitment and expenditure of these federally sourced funds.

FISCAL IMPACT:

The funding recommendation awards up to \$300,000 in HOME Investment Partnerships Program (HOME) funding.

RECOMMENDATION:

Staff recommends an overall award of \$300,000.00 in HOME Investment Partnerships Program (HOME) funding to the following eligible Community Housing Development Organizations:

- (a) \$100,000.00 to Habitat for Humanity of San Antonio, Inc. (Council District 5);
- (b) \$85,000.00 to Housing and Community Services, Inc. dba Prospera Housing Community Services (Council District 10);
- (c) \$75,000.00 to Our Casas Resident Council, Inc. (Council District 5); and
- (d) \$40,000.00 to Alamo Area Mutual Housing Association, Inc. dba Alamo Community Group (Council District 7).

The contracts were procured by means of a Request for Proposal and the Contracts Disclosure Forms are attached.