

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

ORDINANCE

APPROVING AND ALLOCATING FUNDING FOR AFFORDABLE HOUSING PROJECTS AS PART OF THE SECOND ROUND OF REQUESTS FOR PROPOSALS UTILIZING THE 2022-2027 HOUSING BOND, FEDERAL HOME AND CDBG, AND OTHER INCENTIVE PROGRAMS; AND AUTHORIZING DEVELOPMENT AGREEMENTS AND OTHER NECESSARY DOCUMENTS FOR THE APPROVED PROJECTS.

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WHEREAS, on December 16, 2021, the City adopted the Strategic Housing Implementation Plan (SHIP), a comprehensive policy created to implement the City's Housing Policy Framework goals developed through the work of the Mayor's Housing Policy Task Force; and

WHEREAS, as recommended by the SHIP, on May 7, 2022, voters approved the City's 2022 Capital Improvements Bond, which included funds in the amount of \$150 million to create and preserve affordable housing in the City of San Antonio (Housing Bond); and

WHEREAS, on August 4, 2022, pursuant to Ordinance No. 2022-08-04-0543, City Council approved the FY 2023 United States Department of Housing and Urban Development (HUD) Action Plan and Budget; and

WHEREAS, funding from these sources will be used to facilitate development of single-family, multi-family or mixed-use housing for the public purpose of providing safe, quality, and affordable housing for the citizens of San Antonio; and

WHEREAS, on February 3, 2023 the City issued three (3) Requests for Proposals (RFP's) for Homeowner Production; Rental Production; and Rental Preservation, Rehabilitation, and Acquisition, announcing that a total of \$33.6 million was available from the Housing Bond and Federal funding sources; and

WHEREAS, at the conclusion of the RFP evaluation process, staff recommended that 14 projects, totaling \$32,122,547.00 from Housing Bond, Community Development Block Grant (CDBG), and HOME Investment Partnerships Program (HOME), proceed to City Council for consideration, said funds being awarded in the form of loans with terms set by staff in accordance with the terms prescribed in the RFP's:

WHEREAS, if the funds are awarded to the recommended projects, these projects are expected to produce or preserve a total of 2,138 affordable housing units, approximately 559 of which of those units produced or preserved will be deeply affordable units reserved for families below 50%

of the Area Median Income (AMI) for rental and below 80% AMI for homeownership, and 414 units will be public housing or income-based housing; and

WHEREAS, the projects recommended for city council approval meet the established affordable housing goals set forth in the City's 2022-2027 Housing Bond parameters/evaluation framework, the City's HOME-ARP allocation Plan and Budget, and the City's FY 2023 Affordable Housing Budget and are in line with the City's Strategic Housing Implementing Plan (SHIP) to increase affordable housing production and preservation in San Antonio. **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS:

SECTION 1. The City Council hereby approves the award of funds for the projects identified in the charts below (Projects) with the associated AMI levels, in the amounts, and from the funding sources specified therein:

Homeownership Production			
Project & Developer	Projected Units	20-80% AMI	Round 2 Funding Award
Build for SA - Yucca (Habitat for Humanity)	22	22	\$900,000 <i>(\$400,000 Housing Bond & \$500,000 CDBG Federal)</i>
***Riverside Terrace (ROC USA)	46	46	\$1,551,021 <i>(Housing Bond Round 2)</i> \$1,300,000 <i>(Housing Bond, SHIP Strategy Set-Aside)</i> \$250,000 <i>(City and SAWS Fee Waivers)</i>
Westside Reinvestment Initiative (Opportunity Home)	20	20	\$801,144 <i>(HOME Federal)</i>
Total	88	88	\$4,802,165

*** Includes funding being awarded from Housing Bond Set Aside and fee waivers.

Rental Production						
Project & Developer	Projected Units	30% AMI	50% AMI	60% AMI	80% AMI	Round 2 Funding Award
***Cattleman Square Lofts	138*	21	14	103		No Round 2 Housing Bond Funds

(Alamo Community Group)						\$1,000,000 (HOME Federal) \$350,000 (Inner City Incentive Fund) \$1,000,000 (General Fund reprogram from Babcock-North Rehab)
Ellison Apts. (Lincoln Avenue Capital)	308	47		261		\$2,520,382
Culebra Road Apts. (Tirol Housing)	199	21		178		\$1,750,000
Memorial Apts. (San Antonio Alternative Housing Corporation)	30	3	9	6	12	\$1,500,000 <i>(\$714,990 Housing Bond & \$785,010 HOME Federal)</i>
Cloudhaven Apts. (NRP Group)	65	8	25	32		\$3,000,000
Legacy Sr. Residence (Cornerstone Housing Group)	180	18		162		\$2,100,000
TOTAL	920*	118	48	742	12	\$13,220,382

*Total includes 782 new Rental Production units for affordable housing pipeline, plus 138 units from Cattleman Square Lofts, which were counted.

*** Funding award is for \$2,350,000 in new funding only. No Round 2 Housing Bond funds are awarded.

Rental Rehabilitation, Preservation and Acquisition							
Project and Developer	Projected Units	30% AMI	50% AMI	60% AMI	Market	Income Based/ Public Housing**	Round 2 Funding Recommendation
Vista Verde Apartments	192	20**		170**	2	190	\$4,250,000

(Prospera Housing Community Services)							
Victoria Plaza Apartments (Opportunity Home)	185	185**				185	\$2,500,000
Midcrowne Senior Pavilion (Opportunity Home)	196	39**		157		39	\$2,500,000
The Ravello (Opportunity Home)	252	26		226			\$2,500,000
Westwood Plaza	305	35		270			\$5,250,000
TOTAL	1130	305	0	823	2	414	\$17,000,000

** Public Housing and Income-Based units. These units provide rents based on household income and adjust as income changes. The balance of rent is covered through additional subsidy.

SECTION 2. The City Manager or his designee, or the Director of Neighborhood and Housing Services or her designee, or the Grants Administrator of the Division of Grants Monitoring and Administration, are hereby authorized to initiate, negotiate, and execute any and all documents and contracts (Contracts), that are necessary for: (a) ensuring the completion of the Projects in accordance with the requirements of the Housing Bond and each Project's respective RFP; (b) implementation of the funding awards as set forth herein; and (c) compliance with the U.S. Department of Housing and Urban Development (HUD) rules, regulations, and procedures, and to submit all certifications and such other information to and as required by HUD for projects receiving federal funds as identified herein. Staff may adjust or align budgets and plans as necessary and consistent with this Ordinance without further action of the City Council.

SECTION 3. Execution of the Contracts for the Projects approved in this Ordinance shall be contingent upon final negotiations between the City and the project developer(s), the successful completion of underwriting for each project, staff's approval of all construction plans, and the developer's receipt of all required permits, along with all other requirements of each individual contract which, in staff's discretion, are necessary to ensure successful completion of each Project.

SECTION 4. The City Manager, or his designee, the Director of Neighborhood and Housing Services or her designee, or the Grants Administrator of the Division of Grants Monitoring and Administration are each authorized to: (a) in the event that line item costs overrun or are anticipated, approve budget adjustments within project allocations to conform with actual expenditures; and (b) adjust the number of units being constructed or the number of units assigned

to an AMI category under the Contracts as necessary to adhere to underwriting requirements or through final Contract negotiations.

SECTION 5. Funding for each Contract is hereby appropriated and payments are authorized for the Projects listed herein in the amounts specified for each project in Section 1 of this Ordinance.

SECTION 6. Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved operating and/or capital budgets for current and future fiscal years.

SECTION 7. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 8. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED on this 8th day of June, 2023.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney