



# City of San Antonio

## Agenda Memorandum

**File Number:**  
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**Agenda Item Number:** 4

**Agenda Date:** February 24, 2022

**In Control:** Planning and Community Development Committee

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Verónica R. Soto

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Staff briefing on the San Antonio Affordable Housing, Inc. OPERATION Rebuild Pilot Program to preserve up to 10 affordable, single-family homes.

**SUMMARY:**

The OPERATION Rebuild Pilot Program is a \$1 million partnership between the City, including Neighborhood & Housing Services Department (NHSD), Development Services Department (DSD), Department of Human Services (DHS), and Office of Historic Preservation (OHP), and San Antonio Affordable Housing, Inc. (SAAH) to preserve affordable housing for low-income owner-occupied homes that have been determined to be dangerous premises by the City of San Antonio. The pilot aims to repair or rehabilitate up to ten (10) single-family structures.

The City will prioritize single-family owner-occupied homes with an existing demolition order or designated a dangerous premise, not active DART case and not pending litigation. The program will focus on both the family needs, as well as the building needs.

## **BACKGROUND INFORMATION:**

On September 16, 2021, Council adopted the FY2022 Budget. Included in the budget was approval for the creation of a \$1,000,000 OPERATION Rebuild Pilot Program to prevent the demolition of owner-occupied homes for households at or below 80% AMI to assist qualified homeowners to rehabilitate their substandard and non-code compliant residential properties by providing deferred forgivable loans to cover the cost of the needed repairs.

On January 13, 2022, City Council approved the acceptance and use of \$1,000,000 from the City-initiated Tax Increment Reinvestment Zones (TIRZ's) to fund programs approved in the FY2022 adopted budget to include the OPERATION Rebuild Pilot and authorized the Funding Agreement with San Antonio Affordable Housing Inc. (SAAH) to implement the program.

On January 19, 2022, the Board of Directors for San Antonio Affordable Housing Inc. approved entering into a Funding Agreement with the City of San Antonio – Neighborhood and Housing Services to implement the OPERATION Rebuild Pilot Program.

## **ISSUE:**

The City's FY2022 Budget identified a need to prioritize and establish an OPERATION Rebuild Pilot program to save affordable homes of low-income residents that are at risk of being demolished due to being designated a dangerous premise and are no longer livable without repair per city code standards. The OPERATION Rebuild Pilot Program has been established as an \$1 million partnership between the City, including Neighborhood & Housing Services Department (NHSD), Development Services Department (DSD), Department of Human Services (DHS), and Office of Historic Preservation (OHP), and San Antonio Affordable Housing, Inc. (SAAH) to preserve affordable housing for low-income owner-occupied homes that have been determined to be dangerous premises by the City of San Antonio. The pilot aims to repair or rehabilitate up to ten (10) single-family structures.

The City will prioritize single-family owner-occupied homes with an existing demolition order or designated a dangerous premise, not active DART case and not pending litigation. The program will focus on both the family needs, as well as the building needs. An affordable housing lien and covenant for the value of the rehabilitation will be placed on the property for a duration of 20 years. Loans are forgiven at a rate of 1/20th per year.

The wrap around services related to family needs include assigning a Neighborhood and Housing Services Department (NHSD) Housing/Benefits Navigator to provide wrap around support to ensure the family remains healthy, stable and supported once accepted in the program. NHSD will work with outside agencies and partners to ensure the family has access to benefits and services, any title remediation, identify temporary storage, temporary housing and assist with relocation during the rehabilitation process as appropriate. The project will work to relocate families with a focus on keeping them in the neighborhood. Homeowners will be screened for tax exemptions such as the over 65 tax exemption or historic home tax exemption.

This estimated 18-month pilot program anticipates enrolling its first applicant in April with the rehabilitation process to take 6-8 months, depending on complexity.

**FISCAL IMPACT:**

There is no fiscal impact.

**ALTERNATIVES:**

For Briefing purposes only.

**RECOMMENDATION:**

This staff briefing and update requires no action from the Committee.