

HOUSING COMMISSION OFFICIAL MEETING MINUTES

WEDNESDAY, OCTOBER 27, 2021, 11:30 AM
VIA BOARD ROOM (1021 SAN PEDRO) & VIDEO CONFERENCE

Members Present: Robert Abraham, Member
Pedro Alanis, Member
Jeff Arndt, Member
Kristin Davila, Member
Shirley Gonzales, Chair
Ed Hinojosa, Member
Taneka Nikki Johnson, Member
Amanda Lee Keammerer, Member

Members Absent: Sarah Sanchez, Member

Staff Present: Mark Carmona, *City Manager's Office*;
Verónica R. Soto, *Neighborhood & Housing Services Department*;
Juan Valdez, *Mayor's Office*;
Teresa Myers, *Mayor's Office*;
Jameene Williams, *City Attorney's Office*;
Ian Benavidez, *Neighborhood & Housing Services Department*;
Sara Wamsley, *Neighborhood & Housing Services Department*;
Allison Beaver, *Neighborhood & Housing Services Department*;
Rachel Smith, *Neighborhood & Housing Services Department*;
Crystal Grafft, *Neighborhood & Housing Services Department*;
Sharon Chan, *Neighborhood & Housing Services Department*

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- **Call to Order** - The meeting was called to order by Chair Shirley Gonzales at 11:35 AM.
 - **Roll Call** – Allison Beaver, Housing Policy Manager, called the roll. At the time when roll call was conducted, eight (8) members were present representing a quorum.
 - **Public Comments** – Beaver announced there were two (2) residents signed up to speak for public comment.
 - 1) **Agenda Item 2** - Peggy Pena stated her concern regarding the \$100 million reduction of the Housing Bond proposal. She questioned what caused the initial \$250 million to be reduced and requested transparency. She acknowledged that other resources would be leveraged to cover the reduction but questioned the ethical justification of leveraging \$57 million from SAHA when the waitlist is overflowing and SAHA properties are in need of renovation. She requested the Commissioners advocate for more funding to stave away neighborhood gentrification. Pena stated a champion for deeply affordable housing is needed to carry the mantra of the Housing Policy Framework, “Everyone needs a place to call home.”
 - 2) **Agenda Items 2 and 5** – Rebecca Flores expressed concern regarding the \$100 million reduction of the Housing Bond proposal. She stated the funding could address the housing needs of the lowest income residents, unaddressed by SAHA or

SAHT. Flores noted that SAHA's waitlist is still lengthy and SAHT has given money benefitting residents in the 80% AMI category. She noted the additional funds could assist waiters, day laborers, and battered women and children. Flores expressed further concern over the continued use of the American Community Survey's AMI that includes San Antonio and New Braunfels together as the number does not reflect the true reality of San Antonio. She stated in the 2019 ACS, the income for a household of three in the Metro at 100% AMI was \$62,355; whereas the same parameters for San Antonio alone would be \$53,751, dipping even lower when factoring ethnicity and race. She recited an excerpt from an article in the San Antonio Express News by Gilbert Garcia: "Bond programs provide the City one chance every five years to swing for the fences, to address needs that perpetually outpace our resources. It is responsible not short sighted to challenge assumptions of where that money should go."

Staff note: The Housing Commission deadline for submitted written comment is 24 hours before the meeting. The reason for this is because it takes 24 hours for comments received in a language other than English to be translated. Speakers can leave a voicemail to be played during the meeting up to three hours before the meeting. Speakers can sign up to speak live during the meeting virtually up to 3 hours before the meeting or to speak during the meeting in person up until the meeting starts. Speakers who call past the deadline are given the opportunity to submit a written comment to be included in the minutes but not read during the meeting, and to sign up in advance for the following meeting.

1. Item #1: Approval of the Minutes from the San Antonio Housing Commission meeting on September 22, 2021.

Commissioner Davila requested a correction on Page 4 (Paragraph 4) stating that Commissioner Sanchez requested the clarification on Targeted Industry.

Commissioner Alanis noted Nicole Collazo attended for him in the previous meeting (October 12, 2021). *(Upon further review, no correction was needed.)*

Commissioner Jeff Arndt motioned to approve the amended Minutes for September 22, 2021, Regular Meeting. Commissioner Kristin Davila seconded. Motion carried unanimously.

2. Item #2: Briefing on the City's Strategic Housing Implementation Plan (SHIP) and next steps.

Gonzales requested Ian Benavidez, Assistant Director, present.

Benavidez stated the Housing Policy Framework (HPF) was accepted in September 2018 to establish the City's affordable housing priorities and set twenty-four strategies with five key action areas. After launching and tracking the production and preservation levels, the City was on pace to exceed the HPF 10-year goals earlier than predicted and a recalibration was proposed. Benavidez noted that the SHIP's analysis identified 95,000 households that were most vulnerable and required affordable housing and/or financial assistance to stay stably housed; the majority of which were 50% and below AMI (Area Median Income).

Two main strategies will address the cost burden felt by families: 1) produce and preserve more income-restricted units and 2) increase/subsidize household incomes. He noted that many programs currently in place assist and subsidize the cost of housing such as housing vouchers, benefits navigation, and job training. Benavidez stated that production and preservation of income-restricted housing relies more on gap financing, tax credits, owner-

occupied repair, ADU (accessory dwelling units) development, and home sharing. The production and preservation housing target would be adjusted to 28,094 units, equating to 2,809 units per year. Another major additional adjustment would be to the AMI targets, focusing on households of 50% AMI and below in accordance with the SHIP analysis. He presented the recalibrated targets as follows:

FY 2022 – FY 2031 Affordable Housing Targets

Household AMI	HOMEOWNERSHIP		RENTAL	
	Production	Preservation	Production	Preservation
0-30% AMI	0	5,786	6,897*	909
31-50% AMI	0	3,200	2,653	1,137
51-60% AMI	0	1,000	1,061	455
61-80% AMI	650	500	0**	2,046
81-100% AMI	650	250	0	0
101-120% AMI	650	250	0	0
Sub Totals	1,950	10,986	10,611	4,547
	12,936		15,158	
Grand Total	28,094			

* Includes 1,000 units of Permanent Supportive Housing

** Production at 61-80% AMI will be tracked for information purposes, but not counted toward City's targets

Benavidez noted that rental production targets cease at 60% AMI to reflect the Definition of Affordability as adopted by the Housing Commission, but 61-80% AMI units would still be tracked as they are an important tool for production of lower AMI units. 1,000 units of permanent supportive housing are included in the rental production targets and will be methodically coordinated with the Department of Human Services (DHS), SARA (South Alamo Regional Alliance for the Homeless). He noted that the targets, broken down by AMI, would focus 49% (13,592) of new/preserved homes to the 0-30% AMI category, reflecting the needs identified in the community. Benavidez stated another shift from the HPF was a focus on housing preservation as 55% (15,533) of the housing targets are to preserve existing stock.

Benavidez noted that updates would be provided monthly to the Commission and online via the Commission's dashboard. He stated regarding the 10-year funding plan, an analysis was done using existing projects and their funding source requirements. From the analysis, approximately \$1 billion dollars over the next ten years would be used to leverage \$2.3 billion dollars of layered funding sources. The projection will be tracked and adjusted based on market conditions and any new funding sources that may become available. He shared some specific funding sources including, the Housing Bond (which needs to be voter approved in May 2022), City funding (general funds, the affordable housing fund, fee waivers, CDBG/HOME), Federal funding (ARPA), income generated by the San Antonio Housing Trust (SAHT), and Federal capital funds allocated for rehabilitation of public housing under San Antonio Housing Authority (SAHA). Benavidez noted that a 5-year funding plan was recently presented by Lori Houston, Assistant City Manager, and how it fit into the SHIP's 10-year housing plan. Staff adjusted the housing bond request for \$300 million over two bond cycles (\$150 million in FY2022; \$150 million in FY2027). The leveraging of additional source will still allow the target goals to be met. Benavidez noted the funding projection was a very conservative approach and further additional sources could potentially be leveraged as they become available in the future .

He stated that the SHIP draft was distributed to Commissioners and included thirty-six strategies including some of the initial strategies in the HPF. A variety of additional planning documents and strategies related to housing were included in the draft to ensure they were carried forward with the SHIP. Stakeholders that were engaged in the thoughtful creation of each strategy were listed in the front of the draft. Benavidez highlighted that the biggest lift would be for the adopting partners to work collaboratively.

Benavidez noted that the SHIP had been built upon several areas of public input including eighty stakeholders, multiple public meetings, and other planning documents that have had their own public engagement processes. To further the engagement process, three hybrid (in-person and virtual) meetings would be held, and recordings would also be available afterwards online. The SHIP draft would be posted online starting November 1, 2021, in English and Spanish with a highlight/summary document. Printed copies could be requested, and a public feedback/comment form would be on the SHIP website. The scheduled hybrid meetings are as follows:

- November 1, 2021 | 6:00-7:00PM | UTSA Westside Community Center
- November 4, 2021 | 6:00-7:00PM | St. Philips College
- November 9, 2021 | 6:00-7:00PM | Igo Library

A SHIP briefing would be presented to the Planning and Community Development Committee tomorrow and to Council B-Session on November 3, 2021, before full Council consideration in early December. Staff is coordinating with SAHT and SAHA to present to their respective Boards and with the County for Commissioners' Court adoption.

Gonzales paused for public comment.

Gonzales inquired about the progress of the SHIP's coordinated effort. Mark Carmona, Chief Housing Officer, noted during his first three weeks in office, he had seen elements of natural links for a well-coordinated system, but a need to recognize how systems impacts each other. He stated his goal for the different agencies and systems is to agree on moving in the same direction collaboratively and highlighted that most everyone agreed with the SHIP goals and framework. As the SHIP would be laying out a roadmap to achieve the goals, collaboration points are needed for the different systems. He expressed that the plan would need a multidisciplinary approach and willingness to collaborate. Gonzales thanked Carmona for the update and agreed that with everyone having the same housing priority will allow us to make tremendous progress. Carmona agreed and noted that over a 10-year period, many systems would evolve into the equation as well.

Gonzales inquired about the funding plan (Slide 23) and requested clarification on the amounts. Verónica R. Soto, Director, stated the \$1 billion-dollar ARPA (American Recovery Plan Act) has several categories of funding that were distributed not only to cities, but other entities such as school districts and community colleges. The HOME Program from HUD was given additional funding to distribute and the City was granted \$20 million (\$2 million was subtracted for administrative costs from the diagram). State and local recovery funding was also distributed, and the City is holding public input sessions on how to utilize the funding. She stated that the funding can be used for housing, but the community sentiment may want more funding distributed in categories other than housing. Gonzales inquired if the \$20 million minus administrative costs were to go to permanent supportive housing (PSH). Soto agreed it could and explained HOME funds are directed to serve eligible populations

like people experiencing homelessness and domestic violence survivors. PSH falls into that category.

Commissioner Davila inquired if the state and local recovery funding could also cover the supportive services, resident services, and the resident services coordinator associated with PSH as that is the main factor that drives up the cost. She recommended looking into the healthcare systems as an example of how support services are accomplished. Benavidez stated staff is looking closely at the supportive services component and working to leverage the federal funding for the supportive services. Davila encouraged a broader scope for the supportive services to assist households living in the 50-60% AMI range. Benavidez acknowledge staff was also including higher AMI ranges in the scope but used PSH as an example. Carmona noted many organizations that could handle supportive services that NHSD and DHS could coordinate with. He stated that there were also nonprofit organizations that budget supportive services already and can be utilized as well.

Benavidez stated LISC is doing a study regarding the affordable housing ecosystem. Once completed, the analysis will be presented to the Commission. Gonzales asked for the timeframe of completion. Benavidez noted early 2022 but would follow up to confirm.

Commissioner Abraham inquired when the Public Engagement and Outreach subcommittee (PEO) could distribute the SHIP public meeting flyers. Benavidez noted there would be an upcoming PEO meeting to discuss distribution while the summary documents are being created and translated into Spanish. Abraham inquired on Slide 26 how would the nonprofit organizations also fit into the responsibilities. Benavidez noted the critical role the nonprofits play in the strategies and would be working to increase their capacities for either developing housing or supportive services so the strategies can be rolled out. Further detail would also be listed in the SHIP draft.

Commissioner Keammerer noted the nine ARPA meetings and three SHIP meetings and inquired if there was a way to have information at both sessions since it may be hard of a community member to attend multiple meetings. Benavidez noted they could work with GPA (Government and Public Affairs) to have the information at both meeting sites. A recording summarizing the SHIP and the meeting recordings would also be posted online for the public unable to attend meetings. Keammerer inquired if notes would be posted as sometimes the video is difficult to download due to size. Sara Wamsley, Affordable Housing Administrator, stated that notes aren't typically posted for meetings, but the information materials at all meetings would be provided online and the SHIP summary video can be streamed on the webpage. Benavidez noted staff attempted to make the material more accessible by providing summary documents and online and paper feedback forms so attendance to the meetings would not be necessary to receive the information. Keammerer noted that with the SASpeakUp system, comments can be posted online and stated notes would be preferable to display potential shows of support for housing. She requested if notes could be asked from GPA. Benavidez noted that summaries could be provided for the SHIP meetings and would ask GPA for the same.

Keammerer noted that UTSA Westside Community Center was a smaller space and inquired if there were plans for overflow. Wamsley stated that previous meetings in the Center did not have overflow issues but would most likely recommend to overflow participants to join in virtually as an option to attend. Keammerer inquired if TV News

could be used as an outreach option. Benavidez stated they could work with GPA to inquire about TV posting.

Keammerer asked for clarification regarding Slide 22 and City-owned assets. Benavidez noted that the assets mainly referenced underutilized land that could be redeveloped or placed in a land bank situation.

Commissioner Johnson inquired regarding the SHIP meetings if individuals preferred to attend in person, could VIA riders receive free transfers to the meeting locations. Commissioner Arndt stated that free transfers would be possible but would require VIA Board approval and they did not meet until mid-November. Johnson requested the consideration be for future meetings as many residents attempt virtual attendance but have barriers to a workable meeting experience. Benavidez stated staff could work with Commissioner Arndt for future coordination.

Commissioner Hinojosa noted regarding Slide 23 and SAHA funding, the last maintenance study done specified a cost of over \$300,000 for deferred maintenance alone. \$50-\$100 million was a small fraction of the total needed to preserve their housing as it has been underfunded for several decades. Hinojosa requested clarification regarding Slide 21 and the leveraged funding. Benavidez stated staff analyzed previously funded projects and projected how the City would fund future developments with tools such as housing tax credits to lower the rentable price (ex. 50% AMI units to 30% AMI units).

Arndt inquired if the new targets were based on the midpoint count of the HPF or reset. Benavidez stated the goal were reset for the full totals listed but noted there were some units in previous development that when finished would be added towards the current count. Arndt asked regarding the previous target (18,681) and current target (28,094) not being greatly different. Benavidez stated the refinement to target deeper affordability in housing to reach towards the 30% AMI units. He noted that the assistance to the 95,000 households wouldn't be only new production and preservation but providing assistance in the form of job training and private sector assistance.

Arndt noted regarding outreach methods, VIA has bus cards that can be used for public announcements to bus riders. He noted that only having three days before the first meeting was a short turnaround for public engagement. Benavidez concurred but stated staff was hopeful for good virtual attendance in the first session as the event had been placed on extensive networks.

Commissioner Alanis requested confirmation that the SHIP draft and summaries would have Spanish translations. Benavidez confirmed Spanish language drafts and summaries. Alanis requested the SHIP draft acknowledge the extent of the work for affordable housing accomplished by nonprofits. He also acknowledged the healthcare communities help with wraparound services. Alanis inquired about Bexar County's role in the SHIP. Benavidez stated that the County was developing their own plan for more housing involvement to be presented to Commissioners' Court. The plan would greatly overlap and align with the SHIP's strategies. Alanis recognized the inclusion of City-owned assets but noted that other public entities have land surpluses that potentially could be used for affordable housing. Benavidez agreed other surpluses would be beneficial to investigate.

Johnson asked for clarification on which community members would be included in the ARPA distribution decision. Benavidez stated all public can provide input for the distribution. Johnson inquired why was the funding not initially directed to housing. Benavidez stated the open option was made from Council direction to hear more from the community of where they would like the funding to be utilized.

3. **Item #3: Briefing and possible action related to the appointment of members to the Removing Barriers to Affordable Housing (RBAH) subcommittee of the Housing Commission.**

Gonzales asked Wamsley to present.

Wamsley stated the Removing Barriers to Affordable Housing Development & Preservation subcommittee (RBAH) was convened in July 2019 by the Mayor to address regulatory barriers to affordable housing in line with the UDC (Uniform Development Code) amendment process and was paused due to the pandemic. In the previous special session, the Commission approved creation of the RBAH subcommittee as the UDC amendment process had restarted.

The charge of the RBAH was to identify regulatory barriers to affordable housing development and preservation, propose amendments to the City's UDC by February 1, 2022, and engage with the UDC amendment process through Council adoption. RBAH goals would continue work on ADU (accessory dwelling unit) incentives and awareness and recommend ways to align City plans around development and code. Wamsley noted the public engagement work from the previous iteration of the RBAH workgroup would be assigned to the already formed PEO subcommittee.

Wamsley noted the short timeframe for the charge of the RBAH to be complete. The RBAH subcommittee would need to have frequent meetings in November to December for UDC amendment development followed by public outreach and comment in January. Updated recommendations following the public comment process would be presented at the January Housing Commission meeting before the February UDC amendment submission deadline. The RBAH would participate in the continuing amendment process while publicly recruiting potential appointees for the RBAH. Finally in October 2022, the Development Services Department (DSD) will head to Council to request adoption of the new amendments. She stated that the composition of the subcommittee would be 2 Commissioners and 7 non-Commission members. Jim Bailey and Cynthia Spielman, former Tri-Chairs of the RBAH, worked on identifying appointees with technical knowledge base needed for the group's effectiveness. Wamsley highlighted that the public would be welcome to attend and participate in the meetings but members with technical expertise would be best given the UDC's heavily technical wording. She presented the recommended appointments as follows:

- **2- Community Representatives with technical expertise or knowledge of need**
 - o Nikki Johnson, Commissioner
 - o Jordan Ghawi, Beacon Hill & Tier One NA
- **3 – Development/Affordable Housing Finance Representatives**
 - o Pete Alanis, Commissioner
 - o Jose Gonzalez II, Development Consultant
 - o Monique Chavoya, Urban Progress & McCormack Baron Salazar
- **1 - Architect Representative**
 - o Jim Bailey, Alamo Architects, Inc. (Chair)

- **1- Accessibility Representative**
 - o Melanie Cawthon, disABILITYsa
- **1 – Small Infill Affordable Development Representative**
 - o Michael Taylor, CrossTimber Homes (Habitat for Humanity)
- **1 – Engineering Representative**
 - o Taylor Allen, WGI Engineering & Consulting

Wamsley noted that Jim Bailey and Monique Chavoya were in attendance and requested if Bailey speak on the selection process.

Bailey spoke regarding the composition of the group and noted after the deadlines, he hoped to have a more deliberate recruitment process later. He noted that meetings would include the attending community and representatives in open discussion with a meeting-wide consensus for each issue.

Gonzales recognized Chavoya and Bailey and their willingness to serve in the RBAH.

Commissioner Kristin Davila motioned to approve Nikki Johnson, Jordon Ghawi, Pete Alanis, Jose Gonzalez II, Monique Chavoya, Jim Bailey, Melanie Cawthon, Michael Taylor, and Taylor Allen to the Removing Barriers to Affordable Housing Subcommittee. Commissioner Pedro Alanis seconded. Motion carried unanimously.

4. Item #4: Briefing related to recommended changes to the City’s policy for the issuance of Resolutions of Support and Resolutions of No Objection for applicants seeking Housing Tax Credits (HTC) from the Texas Department of Housing and Community Affairs (TDHCA).

Gonzales requested Wamsley present. Wamsley stated Beaver would present.

Beaver stated that HTCs, also known as Low Income Housing Tax Credits (LIHTC), were one of the major funding sources for affordable housing and was administered at the State level through TDHCA as they create rules for high development standards and oversee compliance through their annual inspections. She stated the Competitive 9% HTC option covers more development costs, runs only once per year, and typically has 3-4 projects awarded in San Antonio. The Non-Competitive 4% HTC option happens on a rolling basis as funds are available and have typically 10-13 projects awarded in San Antonio. Developers initially apply for Resolutions of Support or No Objection from the City as a factor in their applications to TDHCA. Beaver noted the City’s Resolutions don’t guarantee the project’s approval but factors into the State’s decision.

Beaver highlighted every two years, the City reviews and updates its HTC policy to better align with City goals and TDHCA. A developer/practitioner survey and meetings took place from July through September 2021, a public survey and meeting were completed in September, and regular updates had been provided through the process to the Commission and to Planning and Community Development Committee (PCDC). She stated as the 9% HTC application process will begin soon, the updates would need Council approval in November. Beaver noted that updates in the policy align with the SHIP’s strategies including encouraging deeper affordability from developers and reserving 10% of units be reserved for 30% AMI and below households in the 9% HTC projects. She presented the scoring changes as follows:

Category	2020 Points	Recommended
Owner/General Partner/Property Management Experience	15	7
Nonprofit Organization Participation, HUB, SBEDA	5	5
Use of local businesses and contractors	-	2
Targeted Areas	10	10
Transportation	-	10
Proximity to Jobs	5	5
Project Feasibility & Readiness	15	11
Project Amenities & Resident Services	20	20
Deeper Affordability	20	20
Public Engagement	10	10
Total	100	100

Gonzales inquired about the difference between the Targeted Areas and Proximity to Jobs. Beaver stated the Target Area refers to the region the development would be in (ex. if the development is in a TIRZ region, 8 points awarded) compared to Proximity to Jobs where points are awarded on how many jobs are within a one-mile radius of the development (ex. proximity to 13,000 jobs, 5 points awarded).

Alanis asked what the minimum score was to receive a recommendation. Beaver stated Resolutions of No Objection were set at 60 points and Resolutions of Support were set at 75 points. Alanis asked if the minimum score had changed from previous iterations. Beaver confirmed the minimum score hadn't changed.

Johnson inquired what were the highest and lowest scores developers could receive. Beaver stated that, technically, a developer could receive 0 points if none of the criteria were met or 100 points if all categories were achieved.

Gonzales inquired if the projects were located only in the city or also in the unincorporated regions of Bexar County. Beaver stated that if a development is in the ETJ (Extra-territorial Jurisdiction), the development would need to apply with the City and County for separate Resolutions of Support/No Objection.

5. Item #5. Director's Report.

Gonzales requested Soto present.

Soto stated that the SHIP draft was emailed to all Commissioners and offered paper copies by request. She noted in the interest of time the SA Ready to Work briefing would be rescheduled.

Soto stated that there were considerations for program changes to the HUD-funded programs. Due to the higher cost of construction and increases to the median home price, staff has proposed increasing the limits to the following programs:

Program	Current Max Assistance Limit	Proposed Max Assistance Limit
Owner-Occupied Rehabilitation & Reconstruction – Rehabilitation Projects	\$100,000	\$130,000

Owner-Occupied Rehab & Reconstruction – Reconstruction Projects	\$130,000	\$145,000
Homeownership Incentive Program – Down Payment Assistance	\$15,000	\$30,000
Homeownership Housing Development Subsidy	\$50,000	\$75,000

Soto stated the recommended changes would be placed for public comment from November 1-17, 2021. Afterward the proposal would head to PCDC on November 8, 2021, and for Council consideration on November 18, 2021.

Soto continued by discussing the HOME/ARPA program and noted the public meeting dates hadn't been finalized but staff would inform the Commission and PEO subcommittee when dates were released. The State and Local Recovery Fund could support categories such as public health expenditures, address COVID-19 mitigation efforts, medical expenses, behavioral healthcare, public health and safety of staff, address negative economic impacts (economic harm to workers, households, and small businesses), small business impacted industries, the public sector (replace revenue from the public sector, provide premium (healthcare) pay to essential workers, support water infrastructure, expand access to broadband internet). Soto noted that housing was also a category that could receive funding but would have Council approved guidance on how to distribute the funding.

Soto concluded with upcoming public meetings including PCDC, ARPA, and Citizen Bond Committee.

Alanis thanked staff regarding Slide 51 in recognizing the increased costs of construction, particularly with older, potentially historic, structures. He recommended a mechanism for an increase to the max limit over time to adjust for inflation or construction index as it would lessen the lag time of requesting additional limit increases.

Closing-

There being no further discussion, the meeting was adjourned without contest at 1:22 PM.