

HOUSING COMMISSION OFFICIAL MEETING MINUTES

WEDNESDAY, JUNE 22, 2022, 11:30 AM
100 W HOUSTON & VIDEO CONFERENCE

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

Members Absent: Ed Hinojosa, Member

Staff Present: Mark Carmona, *City Manager's Office*; Veronica Garcia, *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*; Veronica Gonzalez, *Neighborhood & Housing Services*; Sara Wamsley Estrada, *Neighborhood & Housing Services Department*; Allison Beaver, *Neighborhood & Housing Services Department*; Mona Muro, *Neighborhood & Housing Services*; James McKenzie, *Neighborhood & Housing Services*; Jessica Lozano, *Neighborhood & Housing Services*; Siboney Diaz-Sánchez, *Neighborhood & Housing Services*; Jaime Lalley-Damron, *Neighborhood & Housing Services*; Ann Eaton, *Neighborhood & Housing Services*; Erika Ragsdale, *Neighborhood & Housing Services*; Sharon Chan, *Neighborhood & Housing Services*

- **Call to Order** - The meeting was called to order by Commissioner Kristin Davila at 11:39 AM. She noted that Chair Gonzales was joining remotely and would be assisting in facilitating the meeting.
- **Roll Call** – Allison Beaver, Senior 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 zero (0) residents signed up to speak for public comment.

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 meetings on May 25, 2022.

Davila noted a correction on Page 2, Item 2, Paragraph 3: “introduction” corrected to “introduce”.

Commissioner Jeff Arndt motioned to approve the Minutes from the San Antonio Housing Commission meetings on May 25, 2022. Commissioner Pedro Alanis seconded. Motion passed unanimously.

2. Item #2: Briefing, and possible action related to a Letter of Support from the Housing Commission regarding Unified Development Code (UDC) amendments.

Davila stated Commissioners received the Letter of Support to review and asked for clarification of why the right of way (ROW) tree amendment recommendation was not included. Sara Wamsley Estrada, Housing Policy Administrator, noted the Letter of Support mainly pertained to the Accessory Dwelling Unit (ADU) amendments as they were expected to be the subject of most discussion in upcoming public meetings. The Letter of Support aims to affirm support to the Planning and Zoning Commissions as well as Council when the amendments are presented to them. Davila inquired if there were any other recommendations that were not progressing. Wamsley Estrada stated the ROW tree amendment was recommended for denial from the Planning Commission Technical Advisory Committee (PCTAC). Staff is currently working with the Development Services Department (DSD) for alternative processes for consideration and will reach out the Commission if a separate letter is needed.

Alanis commended the Removing Barriers to Affordable Housing Subcommittee (RBSC) for their work to make positive change as the UDC amendment process comes once every five years.

Commissioner Jeff Arndt motioned to approve the Letter of Support regarding the UDC amendments. Commissioner Pedro Alanis seconded to approve save to include any grammatical corrections. Motion passed unanimously.

Item #3: Briefing and discussion on the development of the 2022-2027 Housing Bond solicitation process.

Davila requested Veronica Garcia, Interim Director, present.

Garcia thanked the Commissioners for assisting in the process for the 2022-2027 Housing Bond passage and staff for their efforts in facilitating the community process. She stated the Bond RFP (request for proposal) will launch in August, so staff wanted to give a high-level overview and gather Commissioner feedback to incorporate in the process. Garcia stated the Bond is divided into five categories:

Homeownership Rehabilitation and Preservation	\$45 million
Rental Housing Acquisition, Rehabilitation, and Preservation	\$40 million
Rental Housing Production and Acquisition	\$35 million
Housing with Permanent Onsite Supportive Services	\$25 million
Homeownership Production	\$5 million

She noted the parameters and framework of the \$150 million were developed by the Housing Community Bond Committee and Housing Commissioners to guide the

implementation and award process. Garcia stated that almost one-third of funds are designated for homeownership preservation as this is one of the community's top priorities. Applications for the slate of home repair and rehabilitation programs are slated to open in August. Staff is currently looking into how to leverage the funding to partner with community members in the same field. Garcia stated the \$40 million for rental rehabilitation will look into assisting larger complexes that have been deferring maintenance first but set aside funds for smaller scale development preservation. She continued that staff is working closely with the Department of Human Services (DHS) and the San Antonio Regional Alliance for Homelessness (SARAH) for best process to assist with Permanent Supportive Housing (PSH). Garcia stated staff is concentrating on prioritizing Rental Housing Production for households making 30% to 50% AMI (area median income) and Homeownership Production for households making 60% to 80% AMI.

Garcia stated one of the largest issues raised by housing entities is the dramatic increase of housing production costs. Projects that were that were slated to start production find themselves with larger gaps in financing. She also highlighted that the need for home repair was still high and staff was developing an online application to open in August to help streamline the process. Garcia stated that though there is a sense of urgency to quickly disperse funds, some will be set aside so staff is able to explore different strategies to leverage the funding. Currently, staff is discussing ideas with stakeholders and receiving feedback for adjustments to the RFP process. Commissioners will have a more detailed briefing of the RFP process in July before the process is presented at a Council B-Session for mid-August and released. She stated the RFP would have a six-week duration which is a typical timeframe. Proposals would be reviewed by the Scoring Committee, brought to the Commissioners for briefing, and presented for Council consideration. Funds would be released in December 2022 which would align with the development community's timeline for federal funding.

Garcia stated the RFP process is different than a Public Works RFP where project specifications have been set and contractors bid to work on said project. The Housing Bond RFP would be more generalized to set parameters of where a development would be constructed and scoring prioritization based on the types of units in the development. The RFP documents would clearly display the parameters and framework developed by the Commission and Bond Committee that includes prioritizing vulnerable populations; ensuring wide geographic availability working to decrease racial and social economical segregation; integrating universal design, energy efficiency, and digital affordability; and prioritizing projects containing extended affordable housing covenants that will not cause direct, involuntary displacement of residents. Garcia shared Scoring Committees would be chosen for each category except for Homeownership Rehabilitation and Preservation as it already has a set process. Committees would contain City representatives, technical representatives, and advisors to help guide the Committee. Projects that have been reviewed by the Scoring Committees will also be evaluated by the Housing Commission before final consideration by City Council to ensure accountability.

Garcia noted staff has begun to reach out to various stakeholders to brief and incorporate feedback. Other innovative ideas being reviewed for Housing Bond funding include but are not limited to land banking, land trusts, and buying down rents in existing developments to incorporate deeper affordability.

Commissioner Keammerer asked for clarification on how much funding would be reserved for future endeavors versus being distributed through the current RFP. Garcia stated that the funding distribution would still align with the Bond Committee's parameters, but there may not be enough qualifying projects for the initial RFP as most projects would need to be far along their development process for consideration. After the first awarded projects, staff would re-assess the RFP requirements and relaunch in Spring 2023. Keammerer asked if Scoring Committees would be aware of the timeline. Garcia stated the RFP guidelines would be clear in stating the project timeline requirements and the Committee members would only be asked to serve in the Fall. They could volunteer again for the Spring.

Commissioner Johnson inquired about community members serving on the Scoring Committees. Garcia noted that the community's input for the RFP has been key to developing the scoring criteria and highlighted that Bond Committee members are also community members that can volunteer to serve as a member of the Scoring Committee in an advisory role. She stated the staff and Bond Committee members scoring would be guided by the guidelines set from community input. Jameene Williams, Assistant City Attorney, noted that the Housing Commission is also charged to be a public engagement body to hear the community's feedback and to help incorporate feedback for scoring criteria for staff and Council. The Commission also has the Public Engagement and Outreach Subcommittee that can gather input to incorporate.

Commissioner Abraham inquired about the leveraging of the bond funding and HUD's expected participation for future funding. Garcia stated there is a separate annual RFP that is released around August or September to vet developments requesting federal funding, like CDBG and HOME funds. Staff is coordinating to launch both RFPs at the same time so developers can submit proposals to both and the Scoring Committee can determine which funds would be best. She estimated that there would be an additional \$7 million from HUD that could help rental and housing development, rehabilitation, and homeownership production. Abraham highlighted how the \$45 million toward homeownership preservation was greatly needed to not create more homelessness due to poor living conditions. He expressed his excitement on the good the bond would be bringing to the community.

Alanis noted regarding Slide 18 that universal design standards refer to a design standard rather than a visibility standard and that it may help to distinguish what is meant by universal design especially that it goes above local building code. He inquired if there would be a deadline set for projects to use their awarded funding by before funding being released back for future RFPs. Garcia stated that projects have a nine-month timeframe to break ground, where 50% of funds would be made available immediately after contract, 40% after construction, and 10% once completed. Alanis inquired regarding Slide 19 and if the underwriters would be doing an initial financial review. Garcia stated the underwriters would be doing an initial assessment for the Committee members to review and advise members with any questions that arise. Ian Benavidez, Interim Deputy Director, noted that final underwriting would happen before the award distribution.

Davila inquired regarding Slide 18 that why nothing was stated for prioritization of developments with resident services though the SHIP (Strategic Housing Implementation Plan) which calls for meaningful supportive services. Garcia stated that resident supportive services would be in the scoring criteria. Davila recommended to applicants show evidence of relationships with other supportive service entities as some developers may state the project will provide services but end up not providing services. She also recommended

regarding the PSH RFP that if a developer is not self-managing the PSH, they have a management agent that is experienced in resident services on the team. If they do not, there may be conflicts of the goals for PSH residents. Benavidez noted that staff is working closely with SARA (South Alamo Regional Alliance for the Homeless) to ensure that resident services are properly weighted in the scoring criteria.

Gonzales inquired regarding how the bond would leverage other funds like incentives and fee waivers. Garcia agreed that respondents would be listing their different sources of funding, so the Scoring Committee is able to take them into consideration as well. Gonzales inquired if unused funds from awardees would be channeled back and reused to award future RFP respondents. Garcia stated the intent is for unused award funds to go back into the pot to be redistributed. There could be flexibility on a case-by-case basis if the project had extenuating circumstances.

Gonzales asked if Housing Rehab applicants that were waitlisted would need to reapply the following year for funds. Garcia stated that if a resident was not assisted in the year they applied due to funds being exhausted, they would need to reapply the following year as their income and qualifications would need to be reverified. Typically, within a year, households are awarded, and alternates are selected in case the initial awardee is not able to finalize their process. Garcia noted that with the increase of funds due to the Bond, a waitlist could be considered. Gonzales suggested the applications could be done on a rolling basis if funds were available as resubmitting applications is a tedious process. Gonzales inquired how to streamline the qualification and distribution process for home rehabilitation. Garcia stated that federal funding requires homes to go through an extensive environmental review process that is reviewed by the State, whereas the Bond funds would have less requirements and could cut down processing time from 90 to 45 days. Staff is also looking into leveraging non-profits to help in rehabbing homes.

Gonzales noted regarding Slide 17 envisioning a holistic approach to investing in developments and considering growth in the area from other bond projects. Garcia stated that with the current federal RFP process, information about surrounding amenities is requested. She agreed that information about amenities that are slated in the upcoming three to five years would be beneficial to scoring. Mark Carmona, Chief Housing Officer, also noted that he has met with several department directors, such as Public Works and Metro Health, for SHIP implementation to coordinate current resources and department projects underway and these would be included in the RFP equation.

Keammerer inquired if the coordination between the Commission framework and Committee's parameters had been sorted. Garcia stated the comparison and blending of the framework and parameters have been outlined and noted on the slides. Keammerer asked if there was a more comprehensive document for all conflicting items. Benavidez stated that staff could follow up closer towards the finalization of the RFP document.

Arndt inquired regarding Slide 23 if the innovations would be funded from the \$150 million and if any funds would be reserved for these items. Garcia stated the innovations would be funded from the \$150 million depending on the response from the RFPs. She noted she did not want to hold funds from projects that could start a development immediately versus a land banking opportunity for affordable housing in the future.

3. **Item #4: Briefing and possible action related to Displacement Impact Assessment (DIA) pilot project for new construction, bond-funded development proposals.**

Davila requested Wamsley Estrada present.

Wamsley Estrada stated the Displacement Impact Assessment Strategy was part of the initial Housing Policy Framework in 2018. Staff worked with stakeholders on the ForEveryoneHome initiative to identify drivers of displacement as well as prevention and mitigation strategies. In 2019, NHSD collaborated with Metro Health to develop a neighborhood risk tool that identified census tracts undergoing change. The Housing Bond Committee required new construction projects to undergo a Displacement Impact Assessment (DIA) therefore a consultant was engaged to help frame the mindset and process for this policy.

Wamsley Estrada noted that during staff's best practices review, only New York had something similar in place as part of their City Environmental Quality Review (CEQR) for social economic conditions. As such the DIA pilot would be the first of its kind. The DIA is an information gathering tool that would be used to assess potential displacement risk and reasons. The DIA would be required of all new construction developments applying for Housing Bond funds. Applicants seeking housing bond funds for new construction projects would go through an initial screening assessment. Depending on their responses to the initial screening, proposals may also undergo a secondary screening. Low risk applicants would move to scoring committee/Council consideration, while moderate and high-risk proposals would need to be modified or have mitigating factors incorporated.

The initial questions drafted include, "Does the project permanently displace any existing residents on site?", "Is the site located in a census tract is 'at risk'?", and "Will the project significantly increase the Census Tract population?". Wamsley Estrada noted the last two questions were guided from the neighborhood risk tool and CEQR. She stated that the prototype tool used census data to track neighborhood changes that were above the city-wide average. Data consisted of education level, median income, median rent and home value, and percent people of color. Eviction numbers were added as well. Proposals in tracts that were above average would warrant a secondary assessment that would contain questions regarding six categories of indicators that would be used to contextualize who is living around the potential development. Indicators include socio-economic profile, housing inventory profile, tax exemptions & affordability covenants, built environment conditions, market activity, and evictions & foreclosures. Wamsley Estrada noted after stakeholder and public input, each indicator could be weighted differently.

Wamsley Estrada stated staff will be presenting at the Planning & Community Development Committee (PCDC) the next week and holding public meetings for community input in July. The neighborhood risk tool will be updated with the current census data so staff is able to start production of the GIS (Geographic Information Systems) tool before City Council consideration in August.

Alanis asked would the developer or City staff be in charge of the checklist review. Wamsley Estrada stated the reviewer is still being discussed, but staff is considering all options and are being mindful to incur minimal time and cost to the bond process.

Arndt requested clarification of expectations of the DIA tool. Wamsley Estrada stated the expectations are two pronged, practically (ex. are instructions clear, is the tool easy to use)

and accuracy (ex. did the tool predict what may happen). The DIA accuracy will only come with continuing data and may not be accurate within a year, but it will give insight and perhaps a sense of the public's perception of value of the tool. Arndt asked how the DIA would be incorporated into the RFP process. Wamsley Estrada stated currently the DIA would be used to gather data and inform Counsel about a possible risk range of the project.

Davila inquired after the DIA's refinement, could it be made available to the public. So potential developers could be informed of areas being considered. Wamsley Estrada stated that there should not be an issue as the data is from public sources.

Keammerer inquired if the tool is outputting a score and how is the criteria being weighted. Wamsley Estrada stated that the community is being asked their opinion of what indicators should be weighted more heavily and if any indicators were missed. Keammerer inquired who would ultimately determine the weight for indicators. Wamsley Estrada and Benavidez noted that staff would propose a recommendation and Council would decide. Keammerer recommended having a better method to incorporate public input and express how input will or will not be used in the final tool and clarification on who approves of the final weighted metric. Keammerer inquired if there would be a follow up on the DIA before Council consideration. Wamsley Estrada stated that there would be continuing Housing Bond discussion in July that would include a debrief on the Bond/DIA public meetings. Alanis agreed that a follow up for the DIA should be included in the July meeting as many parts of the DIA needed to be developed further. He agreed with the thought process for the tool's intent but stated it needed more refinement. Gonzales agreed a follow-up is needed even if it is a special session.

Gonzales inquired about the cost of the analysis and time needed for the DIA. Wamsley Estrada stated that the goal was to not incur any costs nor delay in the RFP process as the information would be publicly sourced and updated annually. She noted any market studies that would be conducted would be done by the developer and could be requested during the RFP process. Benavidez stated that the DIA's secondary screening tool and may not always be used if respondents pass initial screening questions. Gonzales stated that anti-displacement is a very complex issue, and a short time frame isn't sufficient for the topic's complexity. Garcia noted the concerns and stated more detailed information would be provided by next meeting as input from the public meetings would be incorporated into the DIA. She stated that the DIA is a requirement to launch the RFP and a large concern is it's being a potential barrier to affordable housing. Alanis noted that the DIA is a barrier, but its purpose is to be a positive barrier to not promote displacement. Davila noted as a pilot tool, it may be useful to test the DIA on an existing property. Gonzales agreed. Wamsley Estrada stated that there wouldn't be a fully functioning tool, but the concepts could be applied and adjusted to current developments prior to launch.

4. Item #5: Director's Report

Davila asked Garcia to present.

Garcia stated follow ups from the previous meeting include biographies being requested of the Renters' Issues Subcommittee (RIS) members and the RIS members provide a recommendation for a more solutions-oriented subcommittee name. Garcia introduced Veronica Gonzalez as the new Interim Assistant Director for NHSD. Gonzalez joined the City more than 9 years ago and served in various capacities in the City including a Special Projects Manager facilitating housing projects and initiatives in the urban core.

Garcia stated most of the Emergency Housing Assistance Program (EHAP) applications have been processed save for some applications from County residents that have an upcoming Council item to accept funding for County assistance. The transitioned Housing Assistance Program (HAP) application portal opened on April 29, 2022 but closed on June 10, 2022, due to an overwhelming 8,000 applications being received. The portal is still open to intake relocation assistance applications and eviction intervention support is also being provided at the Justice of the Peace courts.

Garcia continued that staff is in the process of developing the FY2023 HUD Annual Action Plan that would be outlining priorities and budget for federal funding. Public comment is open until August 3, 2022, with a draft of the plan being available starting July 1, 2022. A full briefing and presentation will be given at July's meeting. Along with HUD, the City is hosting a FY2023 Budget Survey that will be open until June 30, 2022. A trial budget with preliminary information and allocations can be viewed at <http://www.sanantonio.gov/budget>.

Garcia noted there would be one more Council meeting before the July break and reconvening in August. PCDC would have several NHSD items including updates on the SHIP, Bond, DIA, and HUD Annual Action Plan. She noted the next regular Commission meeting would be held on July 27, 2022, at 11:30AM at City Tower.

Keammerer inquired about the Employer and Wages panel discussion. Wamsley Estrada noted that the panel will most likely be in the Fall as the Bond has taken priority.

Closing-

There being no further discussion, the meeting was adjourned without contest at 1:24 PM.