



City of San Antonio

Agenda Memorandum

Agenda Item Number: 7

Agenda Date: December 6, 2021

In Control: Audit and Accountability Committee Meeting

DEPARTMENT: Neighborhood and Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, FAICP

COUNCIL DISTRICTS IMPACTED: 1, 4, 5, 6, 7, 8, 10

SUBJECT:

Post-Solicitation High Profile Briefing for Affordable Homeownership and Rental Housing Development Gap Funding

SUMMARY:

The Neighborhood and Housing Services Department (NHSD) will present a post-solicitation briefing for Affordable Homeownership Housing Development Gap Funding and Affordable Rental Housing Development Gap Funding.

BACKGROUND INFORMATION:

Utilizing Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds, NHSD aims to provide gap funding subsidies for affordable rental housing development and affordable homeownership housing development projects. Funds may be used for acquisition, rehabilitation/preservation, or new construction of single-family homeownership and multi-family rental housing. Project eligibility and terms will be in accordance with the CDBG and HOME regulations, as well as the City-Council approved Program Policies for HUD-funded Affordable Housing Activities. City Council considered the FY 2022 Annual Action Plan on August 5, 2021 and allocated up to \$7,400,000 in CDBG & HOME funds for these activities.

On August 27, 2021, the City issued a Request for Proposals (RFP) for both Affordable Rental and Homeownership Housing Development. Pre-submittal conferences were held for each RFP on September 8, 2021. On October 18, 2021, the City received two homeownership housing development proposals and seven rental housing development proposals. All proposals were eligible for evaluation. The total funding requests were \$3,328,594 in homeownership housing development proposals and \$10,980,933 in rental housing development proposals.

The evaluation committee representatives were Lori Houston, Assistant City Manager, City Manager's Office; Verónica R. Soto, Director, Neighborhood and Housing Services Department; Veronica Garcia, Deputy Director, Neighborhood and Housing Services Department; Ian Benavidez, Assistant Director, Neighborhood and Housing Services Department; and Christopher Lazaro, Interim Grants Administrator, Neighborhood and Housing Services Department.

The evaluation committee met to discuss and score all proposals on November 17, 2021. In addition, Neighborhood and Housing Services Department's on-call underwriting consultant conducted a preliminary underwriting review of the proposals to ensure the projects are feasible and gap funding requests are considered necessary. The committee utilized the Rental and Homeownership Housing Development evaluation criteria approved by City Council on September 12, 2019 (Ordinance 2019-09-12-0725). The proposals were assessed using the following:

Evaluation Criteria	Maximum Points
Experience and Capacity	15
Project Readiness	20
Project Site Characteristics and Amenities	25
HUD Regulatory Conditions	5
Efficient Use of Funds	5
Underwriting	30
Total Point Scale	100

The item is scheduled for Council consideration on February 10, 2022.

ISSUE:

This item is for briefing purposes only.

FISCAL IMPACT:

This item is for briefing purposes only.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

Staff recommends approval to proceed with scheduling two (2) homeownership housing development funding agreements and five (5) rental housing development funding agreements for City Council consideration. These funding recommendations will be considered by the Planning and Community Development Committee on January 27, 2022 and are scheduled for City Council consideration on February 10, 2022.