



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 3

Agenda Date: July 27, 2022

In Control: San Antonio Housing Commission Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Interim Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Staff briefing and discussion on the 2022-2027 Housing Bond solicitation and Displacement Impact Assessment (DIA) pilot.

SUMMARY:

A staff briefing on the development of the 2022-2027 Housing Bond solicitation process, to include an update on the Request for Proposal (RFP) scoring criteria, timeline, scoring committees and Displacement Impact Assessment (DIA) Pilot.

BACKGROUND INFORMATION:

2022-2027 Housing Bond Program

On May 7, 2022, voters approved six propositions for the City's 2017-2022 Bond Program totaling \$1.2 billion. Proposition F, the Housing Bond, authorizes the City to issue bonds in the amount of \$150 million to create and preserve affordable housing in five (5) priority categories, depicted below. The funding will be used to facilitate private sector and/or non-profit development of

single-family, multi-family or mixed-use housing for the public purpose of safe, quality, and affordable housing consistent with the Housing Bond Committee's parameters and Housing Commissions Bond Evaluation Framework. The City will not construct affordable housing but rather will use non-profit and private sector housing developers and builders to construct and/or rehabilitate the affordable housing to meet the public purpose.

Homeownership Rehabilitation and Preservation- \$45M

Rental Housing Acquisition, Rehabilitation and Preservation- \$40M

Rental Housing Production and Acquisition- \$35M

Housing with Permanent Onsite Supportive Services- \$25M

Homeownership Production- \$5M

The categories were developed by the City Council appointed Housing Community Bond Committee, and officially approved for recommendation to the San Antonio City Council, along with a set of housing bond parameters, on December 8, 2021. The Bond was approved unanimously by the San Antonio City Council on February 10, 2022.

The five categories of the Housing component incorporate multiple initiatives as outlined in the Strategic Housing Implementation Plan (SHIP). SHIP creates a Housing Policy Framework that set 10-year target housing production goals that are intended to meet the current and data-determined future needs of the residents of San Antonio. The SHIP was officially adopted by the San Antonio City Council on December 16, 2021. These were developed in conjunction with the development of the current and future housing bond programs.

Displacement Impact Assessment (DIA) Pilot

In 2021, though the development of the 2022-2027 Housing Bond, the citizens bond committee included a requirement for all projects to undergo a displacement assessment at the time of project submission.

Over the last month, NHSD held four public informational meetings regarding the Bond RFP process and DIA pilot. All meeting were held in English with Spanish translation available. American Sign Language interpretation was available at two meetings. The slides from the virtual meeting and recordings are posted online in Spanish and English.

An SA Speak Up Survey is available in English and Spanish. The survey opened July 9th and will close July 30th. The survey asks the public to select the indicators they believe are the most and least helpful in assessing the risk of displacement in the area surrounding the proposed development. Participants are able to suggest additional indicators as well. Staff will use results to potentially weight indicators or remove them to simplify the tool.

ISSUE:

Staff will provide a briefing on the development of the 2022-2027 Housing Bond solicitation process, to include an update on the Request for Proposal (RFP) scoring criteria, timeline and scoring committees.

The 2022-2027 Housing Bond Program RFPs are built upon Housing Bond's Community Bond Committee Parameters and Area Median Income (AMI) priorities, along with the Housing Commission's Housing Bond Evaluation Framework. The Evaluation Framework was formulated in a series of public meetings with public input that were voted and adopted by the Housing Commission in October 2021. The Parameters were community developed in a series of four (4) public meetings as part of the City's General Obligation Bond Program development process and were approved by the Committee and unanimously adopted by City Council through Resolution in February 2022.

Prior to the release of the RFP's staff has engaged over 40 various community stakeholders including Community Housing Development Organizations (CHDO), non-profit developers and builders, San Antonio Housing Trust, SAHA, Low-Income Housing Tax Credit Developers, neighborhood associations and organizations, housing advocacy groups, COPS Metro SAAA, and SABOR, through several briefings. Staff also held four community meetings to share information on the Housing Bond, project selection process, and the Displacement Impact Assessment.

The high-profile RFPs will be publicly published on the City's procurement website starting in August. A pre-submittal conference will be held in September, proposals due in September scoring committee meetings and interviews in October with City Council consideration anticipated for December. Additionally, the Housing Commission will receive a presentation of the staff recommended projects to ensure alignment with the Evaluation Framework prior to City Council consideration.

The timeline for releasing and scoring the RFP's is estimated below. This timeline is subject to Council approval.

	Rental Production Acquisition	& Homeownership Production	Rental Rehabilitation, Preservation & Acquisition
RFP Release:	8/19/2022		
Pre-Submittal Conference:	8/30/2022		
Proposal Due:	10/4/2022		
Scoring Committee:	Week of October 17, 2022		
Housing Commission:	Early November 2022		
B-Session:	Late November 2022		
City Council Consideration:	Early December 2022		

The scoring committees are comprised of internal City staff and external stakeholders, which will include two (2) Housing Bond Community Bond Committee Members as scoring members per RFP. A request for Community Bond Committee Members volunteers was made and recommendations are provided as part of the scoring composition.

The scoring committee will evaluate project on scoring criteria that reflects the city council adopted parameters as well as the Housing Commissions evaluation framework.

Proposed Scoring Criteria

Rental Housing Production and Acquisition

- Development Experience
- Non-Profit Status
- Gap Request, Project Readiness, and Underwriting Review
- Unit Specifications, Construction Priorities, Equity, Location Priority, Project Site Plan and Timeline, and Sustainability
- Displacement and Resident Protections, Amenities/Resident Services
- Affordability

Homeowner Production

- Development Experience
- Non-Profit Status
- Gap Request, Project Readiness, and Underwriting Review
- Design Priorities and Sustainability
- Displacement, Location and Equity
- Affordability

Rental Housing Acquisition, Rehabilitation and Preservation

- Development Experience
- Non-Profit Status
- Gap Request, Project Readiness, and Underwriting Review
- Property Improvements and Construction Priorities, Timeline, Sustainability, Equity, and Location
- Displacement, Temporary Relocation Plan and Resident Protections, and Amenities/Resident Services
- Affordability
- Small Business Economic Development Advocacy Program
- Local Preference
- Veteran Owned Small Business Program

As part of the RFPs a Displacement Impact Assessment (DIA) will be released as a limited pilot for Housing Bond-funded new construction developments. While the initial release of the DIA is specifically piloted for the bond-funded, new construction projects, the assessment could be applied more project types and funding sources in future years.

The proposed DIA will assess the risk of residential displacement and the mitigation strategies of proposed developments. The assessment will consist of two parts: an initial three-question initial screening and a more detailed, secondary screening, if necessary. The secondary screening will likely include indicators across six categories:

- Socioeconomic profile
- Housing Inventory Profile
- Tax Exemptions & Affordability

- Built Environment
- Market Activity Profile
- Eviction and Foreclosure

The answers to the questions in the assessment tool will equip staff, Council, and the public with information about the possible residential displacement risk in the area surrounding a proposed development prior to the City's commitment to fund that development.

The RFP scoring criteria, scoring committee, and timeline will go to City Council B-Session on August 10, 2022 for final approval before the RFP is released in August.

FISCAL IMPACT:

There is no fiscal impact at this time.

ALTERNATIVES:

This item is for briefing purposes only.

RECOMMENDATION:

This item is for briefing purposes only.