Call to Order/Welcome Remarks – Council Member Mike Laster, Chair

I. Public Services
   For review and possible authorization:
   
   a. Capital IDEA Houston (All Districts) – An Ordinance authorizing a First Contract Amendment between the City of Houston and Capital IDEA Houston, providing $250,000 in General Funds to administer and operate a workforce development program
   
   b. Houston Area Community Services (All Districts) – An Ordinance authorizing the use of $1,757,255.26 in federal HOPWA funds for a first contract amendment between the City of Houston and Houston Area Community Services for rental assistance programs (with supportive services) for individuals/families affected by HIV/AIDS
   
   c. Fulton Village Redevelopment Corporation (District C) – An Ordinance authorizing a Contract between the City of Houston and Fulton Village Redevelopment Corporation, providing $782,209 in Emergency Solutions Grants (ESG) and Homeless Housing and Service Program (HHSP) funds to finance the operation of the Rapid Rehousing Financial Assistance Intermediary
   
   d. Catholic Charities of the Archdiocese of Galveston-Houston (All Districts) – An Ordinance authorizing a Contract between the City of Houston and Catholic Charities of the Archdiocese of Galveston-Houston, providing $300,000 in HHSP funds to administer and operate the Rapid Rehousing Case Management Intermediary
e. Local Initiatives Support Corporation (District C) – Approval of an Ordinance authorizing the use of $164,262 in CDBG funds for a contract between the City of Houston and Local Initiatives Support Corporation to administer and operate a job training program

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Melody Barr, Administration Manager

II. Planning & Grants Management
For review and possible authorization:

a. Consolidated Plan and 2015 Annual Action Plan (All Districts) – An Ordinance authorizing submission of the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan, including the Budgets and Applications for the Community Development Block Grant (CDBG), the HOME Investment Partnerships Grant (HOME), the Housing Opportunities for Persons with AIDS Grant (HOPWA), and the Emergency Solutions Grant (ESG) programs

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Veronica Chapa, Deputy Director
- Brenda Scott, Deputy Assistant Director

III. TIRZ Affordable Housing
For review and possible authorization:

a. Reinvestment Zone No. 22, City of Houston, Texas (District B) – An Ordinance approving a de-appropriation of Developer Participation Funds and an appropriation to Reinvestment Zone No. 22, City of Houston, Texas, for development activities

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Chris Butler, Deputy Director

IV. Public Comments
Action may be taken on any or all of the above items. Committee meetings are open to the public.
For information about this committee, contact Jonny Flores 832.393.3015.

V. Director's Comments
Neal Rackleff, Director, Housing and Community Development Department
REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing a First Contract Amendment between the City of Houston and Capital IDEA Houston, providing $250,000 in General Funds to administer and operate a workforce development program

FROM: Neal Rackleff, Director
Housing and Community Development Department

DIRECTOR’S SIGNATURE: Stephen Tinnermon
Phone: 832-394-6261

For additional information contact: Stephen Tinnermon

RECOMMENDATION: Approval of an Ordinance authorizing a First Contract Amendment between the City of Houston and Capital IDEA Houston, providing $250,000 in General Funds to administer and operate a workforce development program

Amount of Funding: $250,000

SOURCE OF FUNDING [ X ] General Fund [ ] Grant Fund [ ] Enterprise Fund

Fund 1000/Business Area 9900 Miscellaneous Other Services and Charges (Commit Item 522430)

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) recommends approval of a First Contract Amendment between the City of Houston and Capital IDEA Houston, providing $250,000 in City General Funds to Capital IDEA to administer and operate a workforce development program.

The project’s scope of work seeks to lift people out of poverty by:

1) Providing initial job placement combined with apprenticeship, ongoing case management, and continuous job training leading to industry recognized “stackable certificates” (where individual credentials connect to each other, allowing a participant a more well-rounded education and transferable workforce skills) in the construction field; and
2) Placing participants and graduates of the apprenticeship program in high demand construction industry jobs that improve pay over time and lead to a living wage with benefits and the opportunity for advancement.

Program Objectives include:

1) Providing services to 100 participants;
2) Providing case management to all participants;
3) Completion of the Core Construction Academy by 90% of participants, which is required for initial employment in the construction industry to begin apprenticeships;
4) Receipt of one or more industry recognized “stackable certificates” by 75% of participants to measurably improve pay above their entry-level wages; and
5) Completion of the entire apprenticeship program by 50% of participants to earn pay of $15/hour with benefits and the opportunity for advancement.

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Contract Amount</th>
<th>Percent</th>
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<tbody>
<tr>
<td>Administration</td>
<td>$16,277.78</td>
<td>6.5%</td>
</tr>
<tr>
<td>Program Services</td>
<td>$233,722.22</td>
<td>93.5%</td>
</tr>
<tr>
<td>Total</td>
<td>$250,000.00</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

This amendment provides funding for an additional 12-month period, May 1, 2015 – April 30, 2016. Capital IDEA has received various contracts from the City of Houston since 2010.

This item was reviewed by the Housing & Community Affairs Committee on April 8, 2015.

NR: JN: EP: MNB
cc: Legal Department Mayor’s Office
City Secretary Finance Department

REQUIRED AUTHORIZATION

Finance Director: Other Authorization:

Other Authorization:
TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing the use of $1,757,255.26 in federal HOPWA funds for a first contract amendment between the City of Houston and Houston Area Community Services for rental assistance programs (with supportive services) for individuals/families affected by HIV/AIDS

Category # | Page 1 of 1 | Agenda Item #
---|---|---

FROM: Neal Rackleff, Director Housing and Community Development Department

Origination Date | Agenda Date
---|---
3/11/14 | 

DIRECTOR’S SIGNATURE:

For additional information contact: Stephen Tinnermon Phone: 832-394-6261

Council District(s) affected: All

Date and identification of prior authorizing Council action: 2014-0593

RECOMMENDATION: Approval of an Ordinance authorizing the use of $1,757,255.26 in federal HOPWA funds for a first contract amendment between the City of Houston and Houston Area Community Services for rental assistance programs (with supportive services) for individuals/families affected by HIV/AIDS

Amount of Funding: $1,757,255.26

SOURCE OF FUNDING

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Grant Fund</th>
<th>Enterprise Fund</th>
</tr>
</thead>
</table>

Housing Opportunities for Persons With AIDS (HOPWA)

SPECIFIC EXPLANATION:

The Housing and Community Development Department (HCDD) recommends approval of a first contract amendment to the 12-month contract (June 1, 2014 – May 31, 2015) between the City of Houston and Houston Area Community Services (HACS) to finance the operation of (1) a Tenant-Based Rental Assistance (TBRA) Program with supportive services and (2) a Short-Term Rent, Mortgage, and Utility Assistance (STRMUA) Program with supportive services.

The City will grant HACS an additional $1,757,255.26, and extend the contract for an additional six months of operation, from June 1, 2015 – November 30, 2015. HACS is providing emergency housing assistance and supportive services to 310 households in the form of rental subsidies and short-term rent, mortgage, and utility assistance to help participants, at risk of becoming homeless, obtain emergency and/or permanent housing. HACS also provides counseling, case management, life skills training, job search assistance, and nutritional services. HOPWA funds are providing 43% of the cost of this program.

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Contract Services</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>$111,502.88</td>
<td>6.35%</td>
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<tr>
<td>Supportive Services</td>
<td>$178,420.56</td>
<td>10.15%</td>
</tr>
<tr>
<td>TBRA</td>
<td>$1,263,827.65</td>
<td>71.92%</td>
</tr>
<tr>
<td>STRMUA</td>
<td>$203,504.17</td>
<td>11.58%</td>
</tr>
<tr>
<td>Total</td>
<td>$1,757,255.26</td>
<td>100%</td>
</tr>
</tbody>
</table>

HCDD conducted a Request for Proposals (RFP) for fiscal year 2014 for HOPWA contracts, with one renewal period at the City’s option. HACS was one of the providers selected.

The Housing and Community Affairs Committee reviewed this item on April 8, 2015.


cc: Legal Department

Mayor’s Office

City Secretary

Finance Department

REQUIRED AUTHORIZATION

Finance Director: Other Authorization: Other Authorization:
TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

15-FULTON VILLAGE /ESG & HHSP

SUBJECT: An Ordinance authorizing a Contract between the City of Houston and Fulton Village Redevelopment Corporation, providing $782,209 in Emergency Solutions Grants (ESG) and Homeless Housing and Service Program (HHSP) funds to finance the operation of the Rapid Rehousing Financial Assistance Intermediary

FROM: Neal Rackleff, Director
Housing and Community Development Department

DIRECTOR'S SIGNATURE: Stephen Tinnermon
Phone: 832-394-6261

Origination Date: 3/5/2015
Agenda Date
Council District affected: All Districts
Date and Identification of prior authorizing Council action: N/A

RECOMMENDATION: Approval of an Ordinance authorizing a Contract between The City of Houston and the Fulton Village Redevelopment Corporation, providing $782,209 in ESG and HHSP funds to finance the operation of the Rapid Rehousing Financial Assistance Intermediary

Amount of Funding: $782,209
($384,921 ESG; $397,288 HHSP)

SOURCE OF FUNDING
[ ] General Fund [ X ] Grant Fund [ ] Enterprise Fund

Emergency Solutions Grants (ESG)
Homeless Housing and Services Program (HHSP)

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) recommends approval of a Contract between the City of Houston and the Fulton Village Redevelopment Corporation to finance the operation of the Rapid Rehousing Financial Assistance Intermediary (FAI). The FAI helps homeless households achieve immediate and long-term housing stability by providing short- to medium-term rental assistance, rental and utility deposits, and utility payments, as needed.

The City will grant Fulton Village up to $782,209 in a combination of Emergency Solutions Grants (ESG) funds and Homeless Housing and Services Program (HHSP) funds. The project scope of work is to manage, report, and oversee available funding dedicated to Rapid Rehousing.

Fulton Village will deliver the following program services: (1) management of the Houston/Harris County Continuum of Care Rapid Rehousing Collaborative financial assistance funds, and (2) administration of direct rental and utility assistance to approximately 120 Rapid Rehousing clients. The City will fund approximately 19% of the Rapid Rehousing Financial Assistance Intermediary budget, which includes funds for assistance to clients and partial funding of salaries for personnel providing such assistance.

HCDD conducted a Request for Proposals for fiscal year 2015 for ESG and HHSP. Fulton Village was the selected agency. This contract will provide funding for a 12-month period or until funds have been expended. This is the first contract with Fulton Village Redevelopment Corporation.

This item was reviewed by the Housing and Community Affairs Committee on April 8, 2015.


cc: Legal Department
Mayor's Office
City Secretary
Finance Department

REQUIRED AUTHORIZATION

Finance Director: Other Authorization: Other Authorization:
TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing a Contract between the City of Houston and Catholic Charities of the Archdiocese of Galveston-Houston, providing $300,000 in HHSP funds to administer and operate the Rapid Rehousing Case Management Intermediary

FROM: Neal Rackerell, Director
Housing and Community Development Department

DIRECTOR'S SIGNATURE: 

For additional information contact: Stephen Tinnermon
Phone: 832-394-6261

RECOMMENDATION: Approval of an Ordinance authorizing a Contract between the City of Houston and Catholic Charities of the Archdiocese of Galveston-Houston, providing $300,000 in HHSP funds to administer and operate the Rapid Rehousing Case Management Intermediary

Amount of Funding: $300,000

SOURCE OF FUNDING

[ ] General Fund  [X] Grant Fund  [ ] Enterprise Fund

Homeless Housing and Services Program (HHSP)

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) recommends approval of a Contract between the City of Houston and Catholic Charities of the Archdiocese of Galveston-Houston to finance the operation of the Rapid Rehousing Case Management Intermediary (CMI). The CMI helps homeless individuals and families achieve immediate and long-term housing stability by linking them to targeted and mainstream resources available in the community.

The City will grant Catholic Charities up to $300,000 in Homeless Housing and Service Program (HHSP) funds for this program. An additional $200,000 will be contributed by United Way to fund a scope of work that includes management and financial oversight of multiple vendor agencies for case management and navigation services for homeless individuals and families.

Catholic Charities will deliver the following program services: (1) conducting a Request for Proposals (RFP) process to select providers of Case Management and Housing Navigation services to Rapid Rehousing clients, (2) negotiating contracts with providers, (3) processing reimbursement requests, (4) monitoring performance and compliance with HUD regulations, and (5) providing technical and management assistance and training.

The City will fund 60% of the budget for the Rapid Rehousing Case Management Intermediary for program operations, which includes Case Managers’ and Housing Navigators’ salaries. Program administration will be fully funded by the United Way’s 40% contribution to the budget.

HCDD conducted a Request for Qualifications for fiscal year 2015 for the Rapid Rehousing Case Management Intermediary utilizing HHSP funding. Catholic Charities was the selected agency. This contract will provide funding for a 12-month period or until funds have been expended. Catholic Charities has received funding through the City of Houston for various contracts since 2003. This is Catholic Charities first HHSP funded project.

This item was reviewed by the Housing & Community Affairs Committee on April 8, 2015.


c: Legal Department
Mayor's Office
City Secretary
Finance Department

REQUIRED AUTHORIZATION

Finance Director: Other Authorization: Other Authorization:
TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: Approval of an Ordinance authorizing the use of $164,262 in CDBG funds for a contract between the City of Houston and Local Initiatives Support Corporation to administer and operate a job training program

FROM: Neal Rackleff, Director
Housing and Community Development Department

DIRECTOR'S SIGNATURE:

For additional information contact: Stephen Tinnermon
Phone: (832) 394-6261

RECOMMENDATION: Approval of an Ordinance authorizing the use of $164,262 in CDBG funds for a contract between the City of Houston and Local Initiatives Support Corporation to administer and operate a job training program

Amount of Funding: $164,262.00

SOURCE OF FUNDING:
[ ] General Fund [X] Grant Fund [ ] Enterprise Fund

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) recommends approval of a contract between the City of Houston and Local Initiatives Support Corporation (LISC) to administer and operate a job training program.

LISC will act as the lead agency in a collaboration of job training and education providers. LISC will be responsible for managing the grant and providing technical assistance to the Financial Opportunity Centers (FOCs). The FOCs are places where workforce development and financial services programs are offered to lift people out of poverty by: 1) providing supportive services and community college education through the Community-Based Job Training model, leading to a certificate in a professional field; and 2) placing graduates in high demand professional fields that pay a living wage with benefits and opportunity for advancement.

Following are the program objectives:
1) Services will be provided to 90 participants;
2) 100% of participants will receive case management and coaching;
3) 50% of participants will complete a Texas Higher Education Coordinating Board (THECB) exam, to demonstrate proficiency in Reading, Math and Writing;
4) 80% of all participants will complete training and receive a certificate during the 12 month contract period; and
5) 60% of all participants will obtain employment during the 12 month contract period.

<table>
<thead>
<tr>
<th>Category</th>
<th>Contract</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Administration</td>
<td>$17,581.96</td>
<td>10.70%</td>
</tr>
<tr>
<td>Program Services</td>
<td>$146,680.04</td>
<td>89.30%</td>
</tr>
<tr>
<td>Total</td>
<td>$164,262.00</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

HCDD conducted a Request for Proposals for HUD program year 2014 CDBG service providers. LISC was one of the providers selected. This contract provides funding for a 12-month period, May 1, 2015 – April 30, 2016. The City of Houston will be providing 2.9% of total program costs. This is the first Public Services contract with LISC.

This item was reviewed by the Housing and Community Affairs Committee on April 8, 2015.


cc: City Secretary
Finance Department
Legal Department
Mayor's Office

REQUIRED AUTHORIZATION

Finance Director: Other Authorization: Other Authorization:
TO: Mayor via City Secretary
REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing submission of the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan, including the Budgets and Applications for the Community Development Block Grant (CDBG), the HOME Investment Partnerships Grant (HOME), the Housing Opportunities for Persons with AIDS Grant (HOPWA), and the Emergency Solutions Grant (ESG) programs

FROM:
Neal Rackleff, Director
Housing and Community Development Department

DIRECTOR’S SIGNATURE:

For additional information contact: Stephen Tinnermon
832-394-6261

RECOMMENDATION: Approval of an Ordinance authorizing submission of the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan, including Budgets and Applications for the CDBG, HOME, HOPWA, and ESG programs; and Certifications to the U.S. Department of Housing and Urban Development (HUD).

Amount of Funding: $41,517,209

SOURCE OF FUNDING [ ] General Fund [X] Grant Fund [ ] Enterprise Fund [ ] Other

CDBG, HOME, HOPWA, and ESG Grants

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) is requesting approval to submit to HUD the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan, which includes an application for the CDBG, HOME, HOPWA, and ESG programs. The application estimates a total of $41,231,796 in federal funds and $285,413 in program income to be used to benefit income-eligible residents during the HUD Program Year (July 1, 2015 – June 30, 2016). The 2015 Annual Action Plan is the first Annual Action Plan of the 2015-2019 Consolidated Plan. All budgeted amounts are subject to change by HUD.

Funding priorities include affordable housing, supportive services, infrastructure/neighborhood facilities, and economic development. The goal of the Annual Action Plan is to promote strategies that will result in (1) improvement of the housing stock, (2) creation of suitable living environments, and (3) expansion of economic development opportunities for low- and moderate-income Houstonians. These goals support the following four initiatives: reducing homelessness, revitalizing communities, fostering community economic development, and enhancing quality of life. The format and information presented in the 2015-2019 Consolidated Plan and 2015 Annual Action Plan are based on federal guidance and requirements.
The City of Houston has allocated $22,352,814 in CDBG funds and $194,470 in projected program income for public services, multifamily housing development, code enforcement activities, public facilities and improvements, and economic development. Distribution of estimated CDBG allocations are listed below:

### Community Development Block Grant

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Facilities and Improvements</td>
<td>$6,461,500</td>
</tr>
<tr>
<td>Public Services (Homeless, Social Services, Youth, Special Needs, Elderly)</td>
<td>$3,256,179</td>
</tr>
<tr>
<td>ESG Match</td>
<td>$525,000</td>
</tr>
<tr>
<td>Lead-Based Paint</td>
<td>$650,000</td>
</tr>
<tr>
<td>Multifamily Housing</td>
<td>$2,547,319</td>
</tr>
<tr>
<td>Economic Development</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Code Enforcement</td>
<td>$2,597,830</td>
</tr>
<tr>
<td>Program Administration</td>
<td>$4,509,456</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$22,547,284</strong></td>
</tr>
</tbody>
</table>

The strategy for HOME funds remains one of increasing the availability of affordable rental units. HCDD recommends that the City's estimated allocation of $6,507,862 in HOME funds and $90,943 of projected program income be distributed among the following categories:

### HOME Investment Partnerships Grant

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multifamily/Acquisition/Rehabilitation/New Construction/Relocation/Program Delivery</td>
<td>$5,938,925</td>
</tr>
<tr>
<td>Program Administration</td>
<td>$659,880</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$6,598,805</strong></td>
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</tbody>
</table>

The City anticipates an estimated $10,343,492 allocation in HOPWA grant funds for the 2015-2016 program year. HCDD proposes to fund the following activities:

### Housing Opportunities for Persons with AIDS Grant

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Costs</td>
<td>$1,355,000</td>
</tr>
<tr>
<td>Supportive Services</td>
<td>$2,454,148</td>
</tr>
<tr>
<td>Project or Tenant-based Rental Assistance</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Short-Term, Rent, Mortgage &amp; Utility Assistance</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Sponsor Administration</td>
<td>$724,044</td>
</tr>
<tr>
<td>Grantee Administration</td>
<td>$310,300</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$10,343,492</strong></td>
</tr>
</tbody>
</table>

**REQUIRED AUTHORIZATION**

<table>
<thead>
<tr>
<th>Finance Director:</th>
<th>Other Authorization:</th>
<th>Other Authorization:</th>
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</thead>
</table>
The City of Houston's Emergency Solutions Grant (ESG) allocation is estimated to be $2,027,628 for the 2015-2016 program year. HCDD proposes to use ESG funds for the following activities:

<table>
<thead>
<tr>
<th>Emergency Solutions Grant</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless Management Information Systems (HMIS)</td>
<td>$90,000</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>$635,558</td>
</tr>
<tr>
<td>Homeless Prevention</td>
<td>$425,000</td>
</tr>
<tr>
<td>Rapid Re-Housing</td>
<td>$725,000</td>
</tr>
<tr>
<td>Administration</td>
<td>$152,070</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,027,628</strong></td>
</tr>
</tbody>
</table>

In preparing the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan, HCDD solicited the public's input in the development of these plans. HCDD received over 2,100 responses to the Community Needs Survey and received qualitative information from approximately 400 citizens and stakeholders through interviews and discussion groups. HCDD also developed and distributed written information on these federal grants and sponsored four public hearings (two in the spring and two in the fall). A summary of the 2015-2019 Consolidated Plan and the 2015 Annual Action Plan was published in the Houston Chronicle on March 14, 2015 and is available on HCDD’s website.

As stipulated by federal regulations and in conformity with the Citizen Participation Plan, residents had 30 days to comment on the proposed 2015 Consolidated Plan and 2015 Annual Action Plan before it is approved by City Council. The 30-day review period extended from March 14, 2015 through April 13, 2015.

This item was presented to the Housing and Community Affairs Committee on April 8, 2015.

cc: Finance Department  
    Legal Department  
    Mayor's Office  
    City Secretary  

REQUAED AUTHORIZATION

Finance Director:  
Other Authorization:  
Other Authorization:
REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

SUBJECT: An Ordinance approving a de-appropriation of Developer Participation Funds and an appropriation to Reinvestment Zone No. 22, City of Houston, Texas, for development activities.

FROM: Neal Rackleff, Director
Housing and Community Development Department

DIRECTOR’S SIGNATURE:

For additional information contact: Stephen Tinnermon
Phone: 832-394-6281

RECOMMENDATION: Adopt an ordinance approving a de-appropriation of Developer Participation Funds and an appropriation to Reinvestment Zone No. 22, City of Houston, Texas, for development activities.

Amount of Funding: $2,433,599.70

SOURCE OF FUNDING: [ ] General Fund [ ] Grant Fund [ ] Enterprise Fund [X] Other

TIRZ (Fund 2409)

SPECIFIC EXPLANATION:
City Council previously appropriated TIRZ Affordable Housing Funds administered by the Housing and Community Development Department (HCDD) to Public Works & Engineering (PWE) for the purpose of reimbursing single family developers through the City’s Developer Participation Contract program. The program is designed and managed by PWE to reimburse developers a percentage of engineering, testing and construction of underground utilities that would support affordable housing. Developers were eligible for reimbursements once twenty-five percent of the homes were completed. Due to negative trends in the housing markets, some affordable housing developers were forced to abandon projects and some of these funds have remained unused for at least five years.

Reinvestment Zone No. 22, City of Houston, Texas, (TIRZ No. 22) was created on December 23, 2003, to provide partial funding for new basic infrastructure (water, sanitary sewer, storm sewer, streets, major thoroughfare sound barriers, and public open space/recreation facilities) for a new affordably-priced, single-family residential subdivision in northeast Houston planned to consist of 373 homes.

A six-party agreement among the City of Houston, North Houston Bank, Builders Community Development Corporation, TIRZ No. 22, Leland Woods Redevelopment Authority and Leland Woods Redevelopment Authority II was approved by City Council in 2009 for the development of Leland Woods. As a result of the 2008 economic down turn, the original developer abandoned the project after completing less than fifty homes.

TIRZ No. 22 seeks to encourage and incentivize developers who are committed to providing economic development improvements within the TIRZ through commercial, single-family and multifamily residential developments. Funds may also be utilized for the repayment of any existing debt incurred by the TIRZ.

TIRZ No. 22 will enter into developer reimbursement agreements to reimburse an agreed upon percentage of costs incurred for City approved planning, engineering and construction activities required for the completion of development projects within the boundaries of the TIRZ.

This item was presented to the Housing and Community Affairs Committee on April 8, 2015.

Cc: City Attorney
    Mayor’s Office
    City Secretary
    Finance Department

REQUIRED AUTHORIZATION

Finance Department Director: Other Authorization:

Other Authorization: