

Houston City Council Housing and Community Affairs Committee

Tiffany D. Thomas (Chair) - David Robinson (Vice Chair) Karla Cisneros - Mike Knox – Martha Castex-Tatum Michael Kubosh – Tarsha Jackson - Carolyn Evans-Shabazz

Tuesday, September 19, 2023, at 10:00 a.m. City Hall Council Chamber 901 Bagby, 2nd Floor, Houston, Texas 77002

This meeting will also be broadcast on <u>HTV</u>, the City of Houston's Municipal Channel. Presentation handouts will also be available at <u>https://www.houstontx.gov/council/committees/housing.html</u>

I. Call to Order/Welcome/Attendance

II. Public Services

- a. The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and The Women's Home, providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds to provide supportive services to 500 unduplicated homeless and low-to-moderate income individuals living in Houston. (District A)
- b. HCD recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Wesley Community Center, Inc. Of Houston, Texas (Wesley), providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds to provide case management and employment services to approximately 250 unduplicated low-to-moderate income individuals living in Houston. (District H)
- c. HCD recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Catholic Charities of the Archdiocese of Galveston-Houston (Catholic Charities), providing up to \$150,000.00 in Community Development Block Grant (CDBG) funds to provide case management and employment services to 150 unduplicated low-to-moderate income individuals living in Houston. (All Districts)
- d. HCD recommends Council approval of an Ordinance authorizing the City of Houston (City) to enter into a contract with the Texas Department of Housing and Community Affairs (TDHCA), and accepting \$1,122,988.00 of 2024 Texas Homeless Housing Services Program (HHSP) General Set-Aside funds. (All Districts)
- e. HCD recommends Council approval of an Ordinance authorizing the City of Houston (City) to enter into a contract with the Texas Department of Housing and Community Affairs (TDHCA), and accepting \$369,328.00 of 2024 Texas Homeless Housing Services Program (HHSP) Youth Set-Aside funds. (All Districts)

Keith W. Bynam, Director Melody Barr, Assistant Director

III. Single Family

- a. HCD recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Five Woods Realty, providing a non-amortizing forgivable loan of up to \$2,000,000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds, to finance the infrastructure for a single-family development at 13520 Furman Road, Houston, Texas 77047. (District D)
- b. HCD recommends Council approval of an Ordinance authorizing an Amendment to the Loan of \$2,444.000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds between the City of Houston (City) and Houston Business Development Inc. (HBDI) to replace Ideate Solutions, LLC as the Senior Lender for the Brown Croft development. (District B)
- c. HCD recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Houston Business Development Inc. (HBDI), providing a non-amortizing forgivable loan of up to \$2,000,000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds, to finance the infrastructure for Palmetto Place, a single-family development to be located at 5915 Schroeder Road, Houston, Texas 77021. (District D)
- d. HCD recommends Council approval of an Ordinance authorizing an Amendment to the Single-Family Home Repair Program (HRP) Guidelines (with version 1.8), to include revising construction standards; withdrawing administrative criteria; withdrawing and reinstating homeowner voluntary criteria; recommending estate planning; and reducing the duration of affordability periods. (All Districts)
- e. HCD recommends Council approval of an Ordinance amending Ordinance No. 2018-56, as amended, (1) allocating an additional \$7,259,615.00 in Community Development Block Grant (CDBG) funds to the Master Contractor Agreements (Agreements) under the City of Houston (City) Home Repair Program (HRP); and (2) increasing the maximum contract amount of the Agreements from \$53,610,242.65 to \$60,869,857.65. (All Districts)

Keith W. Bynam, Director Cedrick LaSane, Assistant Director

IV. Multifamily

HCD recommends Council approval of an Ordinance authorizing an additional \$1,344,404.00 of Community Development Block Grant - Disaster Recovery 2017 (CDBG-DR17) funds, for a Contract between the City of Houston (City) and Texas Inter-Faith Housing Corporation (Developer). The loan will be used towards the new development of Dian Street Villas, to be located at 1433 Dian Street and 1800 W. 15th Street, Houston, TX 77008. (District C)

Keith W. Bynam, Director Ana Martinez, Deputy Assistant Director

V. Director's Comments, Keith W. Bynam, Director

- a. Bissonnet Apartments: Motion for Public Hearing, Resolution of No Objection and One Mile, Three-Year Rule Resolution for 4% Housing Tax Credits
- b. Update on East End Maker Hub Item, Public Facilities

VI. Public Comments



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/24/2023 District: A Item Creation Date: 8/17/2023

> HCD23-87 The Women's Home Agenda Item: II.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and The Women's Home, providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds to provide supportive services to 500 unduplicated homeless and low-to-moderate income individuals living in Houston.

Supportive services include mental health counselling, substance abuse treatment, and job training and education. By providing these services, The Women's Home will help participants increase their stability and obtain the resources they need to successfully gain employment and transition away from homelessness.

Category	Amount	Percent
Program Services	\$242,627.00	97.05%
Administrative	\$7,373.00	2.95%
Total	\$250,000.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for CDBG services in fiscal year 2023 with the option to renew in up to one-year increments at the City's discretion. The Women's Home was one of the selected agencies. This initial Agreement will provide funding from November 1, 2023, through October 31, 2024.

The Women's Home has received funding through various agreements with the City since 2000 and had no findings on the last compliance monitoring.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

<u>Amount of Funding</u>: \$250,000.00 Federal Government – Grant Funded (5000)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/24/2023 District: H Item Creation Date: 8/18/2023

HCD23-88 Wesley Community Center, Inc. of Houston, Texas Agenda Item: II.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Wesley Community Center, Inc. Of Houston, Texas (Wesley), providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds to provide case management and employment services to approximately 250 unduplicated low-to-moderate income individuals living in Houston.

Employment services include job training and education such as beginning and advanced Bridge Classes in healthcare and career tracks requiring certification. By providing these services, Wesley will help participants increase their stability and obtain the resources they need to successfully gain and maintain employment.

Category	Amount	Percent
Program Services	\$212,500.00	85.00%
Administrative	\$37,500.00	15.00%
Total	\$250,000.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for CDBG services in fiscal year 2023 with the option to renew in up to one-year increments at the City's discretion. Wesley was one of the selected agencies. This initial Agreement will provide funding from November 1, 2023, through October 31, 2024.

Wesley has received funding through various agreements with the City since 2022 and had no findings on the last compliance monitoring.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

<u>Amount of Funding</u>: \$250,000.00 Federal Government – Grant Funded (5000)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/24/2023 District: ALL Item Creation Date: 8/17/2023

HCD23-89 Catholic Charities of the Archdiocese of Galveston-Houston Agenda Item: II.c.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Catholic Charities of the Archdiocese of Galveston-Houston (Catholic Charities), providing up to \$150,000.00 in Community Development Block Grant (CDBG) funds to provide case management and employment services to 150 unduplicated low-to-moderate income individuals living in Houston.

Employment services may include job training and education, resume writing, and interview preparation, financial coaching, and training to obtain job certifications for career and employment advancement. By providing these services, Catholic Charities will help participants increase their stability and obtain the resources they need to successfully gain and maintain employment.

Category	Amount	Percent
Program Services	\$127,500.00	85.00%
Administrative	\$22,500.00	15.00%
Total	\$150,000.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for CDBG Entitlement funding in fiscal year 2023 with the option to renew in up to one-year increments at the City's discretion. Catholic Charities was one of the selected agencies. This initial Agreement will provide funding from November 1, 2023, through October 31, 2024.

Catholic Charities has received funding through various agreements with the City since 2003 and had no findings on the last compliance monitoring.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Amount of Funding:

\$150,000.00 Federal Government – Grant Funded (5000)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 9/27/2023 District All Item Creation Date: 8/24/2023

HCD23-95 Texas Department of Housing and Community Affairs Homeless Housing Services Program Grant General Set-Aside Agenda Item: II.d.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing the City of Houston (City) to enter into a contract with the Texas Department of Housing and Community Affairs (TDHCA), accepting \$1,122,988.00 of 2024 Texas Homeless Housing Services Program (HHSP) General Set-Aside funds.

The general allocation must be used by the City on activities eliminating and/or preventing homelessness. Specifically, allowable activities include construction, development, or procurement of housing for homeless persons; rehabilitation of structures targeted to serving homeless persons or persons at-risk of homelessness; provision of direct services and case management to homeless persons or persons at-risk of homelessness; operations of emergency shelters; or other homelessness-related activities as approved by the TDHCA.

HHSP was established by the 81st Texas Legislature through an appropriations rider and codified during the 82nd Texas legislative session. Through HHSP, the state provides funding to the nine (9) largest cities in Texas in support of services to individuals and families that are homeless or at-risk of homelessness. Cities currently served through HHSP include Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Plano and San Antonio.

An Ordinance allocating the HHSP General Set-Aside funds for use by local nonprofit organizations will be presented to Council for consideration within the coming months.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action: 8/9/2023 (O) 2023-627

Amount of Funding: \$1,122,988.00 State - Grant Fund (Fund 5010)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 9/27/2023 District All Item Creation Date: 8/24/2023

HCD23-96 Texas Department of Housing and Community Affairs Homeless Housing Services Program Grant Youth Set-Aside Agenda Item: II.e.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing the City of Houston (City) to enter into a contract with the Texas Department of Housing and Community Affairs (TDHCA), and accepting \$369,328.00 of 2024 Texas Homeless Housing Services Program (HHSP) Youth Set-Aside funds.

The youth set-aside must be used by the City on activities eliminating and/or preventing homelessness in youth-headed households. Specifically, allowable activities include essential services, street outreach and transitional living for persons experiencing homelessness in youth-headed households; provision of direct services and case management to persons experiencing homelessness in youth-headed households; or other homelessness-related activities as approved by the TDHCA.

HHSP was established by the 81st Texas Legislature through an appropriations rider and codified during the 82nd Texas legislative session. Through HHSP, the state provides funding to the nine (9) largest cities in Texas in support of services to individuals and families that are homeless or at-risk of homelessness. Cities currently served through HHSP include Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Plano and San Antonio.

An Ordinance allocating the HHSP Youth Set-Aside funds for use by local nonprofit organizations will be presented to Council for consideration within the coming months.

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Community Affairs Committee was briefed on this item on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action: 8/9/2023 (O) 2023-627

Amount of Funding: \$369,328.00 State – Grant Fund (Fund 5010)

Contact Information: Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/25/2023 District: D Item Creation Date: 8/27/2023

HCD23-98 Fairwoods at Furman Road Agreement Agenda Item: III.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Five Woods Realty, providing a non-amortizing forgivable loan of up to \$2,000,000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds, to finance the infrastructure for a single-family development at 13520 Furman Road, Houston, Texas 77047. This project will be administered by HCD's Large Tract Division's Affordable Home Development Program (AHDP) with the aim of increasing affordable single-family homeownership opportunities for households earning 60% to 120% of the Area Median Income (AMI).

Five Woods Realty will oversee the horizontal and vertical construction necessary to prepare the lots for the new construction of 45 single-family homes, 40 which are affordable. The development's home designs are three- and four-bedroom single-family detached homes that will be targeted to homebuyers at 80% to 120% AMI. The price point of the 40 affordable homes range between \$180,000.00 and \$260,000.00. The loan term is to be a maximum of two years, beginning from countersignature date of the loan agreement to the completed sale of the last affordable home. Partial releases of the City's Deed of Trust with the developer will be fully executed upon closing the individual sales of the 40 affordable homes.

The affordability period per each affordable home will be four years, commencing when the sale and City loan to the homebuyer has closed. The City's Deed of Trust is to be fully released upon closing the sales of 40 affordable homes and closing the respective City loans to homebuyers. Partial releases of the City's Deed of Trust securing the construction loan will be given for lots as the lots are sold.

This project is aligned with the City's efforts to invest in creating affordable housing opportunities for homebuyers in desirable neighborhoods throughout the city.

Sources	Amount	Uses	Amount
TIRZ – Bond (COH HCD)	\$2,000,000.00	Land Acquisition	\$965,000.00
Developer Funds	\$2,818,800.00	Site Work	\$379,000.00
Loan 1	\$2,845,000.00	Hard Construction Costs	\$8,255,700.00
Loan 2	\$4,490,947.00	Soft Cost	\$1,592,856.00
Equity/Land Value	\$1,515,000.00	Off Site	\$182,786.00
		Site Amenities	\$122,000.00
		Contractor Fees	\$822,905.00
		Financing	\$534,200.00
		Developer Fees	\$815,300.00
Total	\$13,669,747.00	Estimated Total	\$13,669,747.00

Fiscal Note:

No significant Operating Impact is anticipated as a result of this project. No fiscal note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action: 05/05/2021 (O) 2021-354; 09/01/2021 (O) 2021-756; 11/10/2021 (O) 2021-973

<u>Amount of Funding:</u> \$2,000,000.00 - Uptown TIRZ Series 2021 Affordable Homes Fund (2430)

Contact Information: Roxanne Lawson

(832) 394-6307

Fact Sheet Affordable Home Development Program

The City of Houston Affordable Homes Development Program (AHDP) intends to build several affordable new single-family homes on a large tract of land. The new construction program will build homes for low-to-medium-income Homebuyers. AHDP is funded by **Uptown TIRZ Series 2021 Affordable Homes Funds.**

Project Name &	Fairwoods at Furman Road		
Address	13520 Furman Road, Houston, Texas 77047		
Property Location	Medication of the descent of the de		
Size	45 units, 40 Affordable		
City Council District & Member	District D & Carolyn Evans-Shabazz		
Property Type	Vacant Land		
Developer	Five Woods Realty		
Contact Information	Laolu Davies-Yemitan (832) 202-2233 laolu@5woods.net		

	\$2,000,0	\$2,000,000.00 (Infrastructure)		
	Sources	Amount	Uses	
COH Request	Uptown TIRZ Series 2021 (Fund 2430)	\$2,000,000.00	Infrastructure	
	TOTAL Estimated Financing Cost:	\$2,000,000.00		
Number of Homes	The development's home designs are three-bedroom and four-bedroom single-family Townhomes. 45 Total Homes; 40 Affordable			
Developer Selection Process	The City selected a qualified for-profit developer to complete the horizontal (plat, street, utilities, and drainage) and the vertical (home construction) development. The developer agreement/contract will impose affordability deed restrictions			
Justification	 Easy access to public transportation Easy access Employment Easy access to grocery stores East access to parks or greenspace Easy access to quality healthcare 			
Contingencies	Securing the site is contingent on the following:Final underwriting approvalCity Council approval			



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 09/20/2023 District: B Item Creation Date: 8/17/2023

HCD23-92 Brown Croft & Schroeder Townhomes Amendment Agenda Item: III.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an Amendment to the Loan of \$2,444.000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds between the City of Houston (City) and Houston Business Development Inc. (HBDI). This amendment proposes to replace Ideate Solutions, LLC as the Senior Lender for the Brown Croft development and add Stellar Bank f/k/a Allegiance Bank in their place. The City's Deed of Trust will remain in a junior lien position; however, Stellar Bank will subordinate to the City's LURA Stellar and execute an Intercreditor Agreement.

HBDI will oversee the horizontal and vertical construction necessary to prepare the lots for the new construction of 47 single-family homes, including 42 affordable homes and 5 market rate homes. The developer's home designs are three-bedroom single family townhomes that will be targeted to homebuyers at 80% to 120% AMI. The price points for the affordable homes range between \$227,000.00 and \$300,000.00. Partial releases of the City's Deed of Trust with the developer will be fully executed upon closing the individual sales of the 42 affordable homes.

The affordability period per each home will be four years, commencing when the sale to the homebuyer has closed. The City's Deed of Trust with the homebuyer is to be fully released upon the expiration of the affordability period.

This project is aligned with the City's efforts to invest in creating affordable housing opportunities for homebuyers in desirable neighborhoods throughout the city.

Fiscal Note:

No significant Fiscal Operating impact is anticipated as a result of this project. No fiscal note is required on grant items.

Keith W. Bynam, Director

Prior Council Action: 05/05/2021 (O) 2021-354; 09/01/2021 (O) 2021-756; 11/10/2021 (O) 2021-973; 8/09/2023 (O) 2023-641

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/18/2023 District: D Item Creation Date: 8/24/2023

> HCD23-97 Palmetto Place Agreement Agenda Item: III.c.

Background:

The Housing and Community Development (HCD) Department recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Houston Business Development Inc. (HBDI), providing a non-amortizing forgivable loan of up to \$2,000,000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds, to finance the infrastructure for a single-family development to be located at 5915 Schroeder Road, Houston, Texas 77021. This project will be administered by HCD's Large Tract Division's Affordable Home Development Program (AHDP) with the aim of increasing affordable single-family homeownership opportunities for households earning 60% to 120% of the Area Median Income (AMI).

HBDI will oversee the horizontal and vertical construction necessary to prepare the lots for the new construction of 43 affordable single-family homes. The development's home designs are three-bedroom and four-bedroom single-family detached homes that will be targeted to homebuyers at 80% to 120% AMI. The price point of the 43 affordable homes range between \$170,000.00 and \$300,000.00. The loan term is to be a maximum of two years, beginning from countersignature date of the loan agreement to the completed sale of the last affordable home. Partial releases of the City's Deed of Trust with the developer will be fully executed upon closing the individual sales of the 43 affordable homes.

The affordability period per affordable home will be four years, commencing when the sale and City loan to the homebuyer has closed. The City's Deed of Trust is to be fully released upon closing the sales of 43 affordable homes and closing the respective City loans to homebuyers. Partial releases of the City's Deed of Trust securing the construction loan will be given for lots as the lots are sold.

This project is aligned with the City's efforts to invest in creating affordable housing opportunities for homebuyers in desirable neighborhoods throughout the city.

Sources	Amount	Uses	Amount
Uptown TIRZ Series 2021	\$2,000,000.00	Land Acquisition	\$0
(Fund 2430)			
Home Sales	\$10,075,935.00	Site Work	\$2,387,919.00
		Hard Construction Costs	\$7,894,907.00
		Soft Cost	\$1,793,109.00
Total	\$12,075,935.00	Estimated Total	\$12,075,935.00

Fiscal Note:

No significant Fiscal Operating impact is anticipated as a result of this project. No fiscal note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action:

05/05/2021 (O) 2021-354; 09/01/2021 (O) 2021-756; 11/10/2021 (O) 2021-973

Amount of Funding:

\$2,000,000.00 - Uptown TIRZ Series 2021 Affordable Homes Fund (2430)

Contact Information:

Fact Sheet Affordable Home Development Program

The City of Houston Affordable Homes Development Program (AHDP) intends to build several affordable new single-family homes on a large tract of land. The new construction program will build homes for low-to-medium-income Homebuyers. AHDP is funded by **Uptown TIRZ Series 2021 Affordable Homes Funds.**

Project Name & Address	Palmetto Place 5915 Schroeder Road, Houston, Texas 77021		
Property Location	AUSEUM PARK SUMMODE WAYSIDE AUSOCOFFE THER WARD AUSOCOFFE THE THE THE WARD AUSOCOFFE THE THE THE WARD AUSOCOFFE THE THE THE THE THE THE THE THE THE TH		
Size	43 units		
City Council District & Member	District D & Carolyn Evans-Shabazz		
Property Type	Vacant Land		
Developer	Houston Business Development Inc		
Contact Information	Mannaser Marshall (713) 845-2400 M.Marhsall@hbdi.org		

	\$2,000,0	\$2,000,000.00 (Infrastructure)		
	Sources Amount Uses			
COH Request	Uptown TIRZ Series 2021 (Fund 2430)	\$2,000,000.00	Infrastructure	
	TOTAL Estimated Financing Cost:	\$2,000,000.00		
Number of Homes	The development's home designs are three-bedroom and four-bedroom single-family Townhomes. 43 Total Homes; 43 Affordable			
Developer Selection Process	The City selected a qualified for-profit developer to complete the horizontal (plat, street, utilities, and drainage) and the vertical (home construction) development. The developer agreement/contract will impose affordability deed restrictions			
Justification	 Easy access to public transportation Easy access Employment Easy access to grocery stores East access to parks or greenspace Easy access to quality healthcare 			
Contingencies	Securing the site is contingent on the following:Final underwriting approvalCity Council approval			



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/18/2023 District ALL Item Creation Date: 8/10/2023

HCD23-90 Amended Home Repair Program Guidelines Agenda Item: III.d.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing amending the Single-Family Home Repair Program (HRP) Guidelines (with version 1.8), to include revising the construction standards; administrative withdrawal criteria; homeowner voluntary withdrawal and reinstatement criteria; addition of estate planning recommendations; and the general reduction of affordability periods' duration.

The objective of the City of Houston's (City) HRP is to ease life, health, and/or safety hazards resulting from substandard conditions in homes owned and occupied by low and moderate-income homeowners. The City will use Community Development Block Grant (CDBG), Community Development Block Grant Disaster Recovery Funds 2015 (CDBG-DR15), if applicable and Tax Increment Reinvestment Zone (TIRZ) funding to provide HRP assistance to qualified homeowners.

Among other things, version 1.8 of the HRP Guidelines reflect the adjustments to cost thresholds (inclusive of approved change orders) of the Level of Assistance, substantially in the form of the following table (and related textual amendments):

Assistance Levels	Cost of Repairs	Affordability Period	Percentage forgiven annually
Emergency & Minor Repairs – Tier I	<\$50,000.00	None	100%
Moderate & Substantial Rehabilitation – Tier II	>\$50,000.01	5 years	20%
Substantial Gut Rehabilitation – Tier III	>\$80,000.01	10 years	10%
Reconstruction – Tier III	>\$80,000.01 (With Director approval, additional funding up to \$50,000.00 may be available only for site-specific costs, not included in the base cost, due to homeowner association requirements, deed restrictions, accessibility enhancements, and asbestos remediation or other environmental issues or health and safety hazards for Reconstruction projects only)	10 years	10%

Prior Version 1.7 of the table reflecting Levels of Assistance:

Level of Assistance	Cost of Repairs	Affordability Period	Percentage of total assistance forgiven annually
Minor Rehabilitation/ Emergency Repair – Tier I	<\$20,000	None	0%
Moderate Rehabilitation – Tier II	\$20,000 to \$40,000	5-year	20%
Substantial Rehabilitation – Tier II	\$40,001 to \$80,000	10-year	10%
Reconstruction/Substantial Gut Rehabilitation – Tier III	\$80,001 to \$200,000	20-year	5%

Fiscal Note:

Funding for this item is included in the FY2023 Adopted Budget. Therefore, no significant Fiscal Operating impact is anticipated as a result of this project. No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action:

04/09/2012 (O) 2012-334; 01/24/2018 (O) 2018-056; 1/31/2018 (O) 2018-67; 12/16/2020 (O) 2020-1094

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/03/2023 District: ALL Item Creation Date: 8/18/2023

HCD23-93 Home Repair Program - Master Contract Agreement Additional Funds FY24 Agenda Item: III.e.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance amending Ordinance No. 2018-56, as amended, (1) to allocate an additional \$7,259,615.00 in Community Development Block Grant (CDBG) funds to the Master Contractor Agreements (Agreements) under the City of Houston (City) Home Repair Program (HRP); and (2) increase the maximum contract amount of the Agreements from \$53,610,242.65 to \$60,869,857.65. Funding under the Master Contractor Agreements will be expended through Tri-Party Agreements between the City, Homeowner, and the Contractor for each Rehabilitation or Reconstruction Project. The total of all Tri-Party Agreement amounts will not exceed the allocated funding available.

The HRP provides home repair and reconstruction services for eligible low-and moderate-income (LMI) homeowners to alleviate immediate threats to their health, life, and safety. On January 24, 2018, by Ordinance No. 2018-56, City Council approved the use of a form of Master Contractor Agreement (and related contractual documents) for the City of Houston Home Repair Program and authorized the Mayor to execute a Master Contractor Agreement with each of the following contractors: DSW HOMES, LLC.; HABITAT FOR HUMANITY, INC; JAMES W. TURNER CONSTRUCTION, LTD.; MAYBERRY HOMES, INC; PMG CONSTRUCTION, INC; REBUILDING TOGETHER - HOUSTON; and SLSCO, LTD.

Single Family Activities	Funding Amount	Activity Delivery	Project Delivery Amount
CDBG Funds	\$7,259,615.00	\$6,170,672.75	\$1,088,942.25

Fiscal Note:

No fiscal note is required on grant items.

This item was reviewed by the Housing and Committee Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action:

01/24/2018 (O) 2018-56; 02/07/2018 (O) 2018-84; 11/28/2018 (O) 2018-936; 12/04/2018 (O) 2018-981; 01/13/2019 (O) 2019-83; 06/26/2019 (O) 2019-498; 01/29/2020 (O) 2020-77; 05/19/2020 (O) 2020-406; 02/03/2021 (O) 2021-092; 4/21/2021 (O) 2021-273; 06/22/2022 (O) 2022-502; 12/07/2022 (O) 2022-933; 04/19/2023 (O) 2023-259

Amount of Funding:

\$7,259,615.00 Federal Government – Grant Funded (5000)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/11/2023 District: C Item Creation Date: 6/27/2023

> HCD23-79 Dian Street Villas Agenda Item: IV.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an additional \$1,344,404.00 of Community Development Block Grant - Disaster Recovery 2017 (CDBG-DR17) funds, for a Contract between the City of Houston (City) and Texas Inter-Faith Housing Corporation (Developer). The Ioan will be used towards the new development of Dian Street Villas, to be located at 1433 Dian Street and 1800 W. 15th Street, Houston, TX 77008.

Dian Street Villas will be a 108-unit podium style affordable rental development targeted for working families. The property will provide a mix of studio, one-bedroom, two-bedroom, and three-bedroom units serving low- to moderate-income households at 30%, 50%, and 60% of Area Median Income.

On March 7, 2023, the General Land Office (GLO) has approved an additional \$2,688,808.00 in CDBG-DR 17 for the Multifamily Rehabilitation Program. Consequently, the department received a separate request for a supplemental investment of \$1,344,404.00 of CDBG DR-17 funds. The additional proceeds will be used to subsidize unexpected cost escalations of materials and labor costs, and project-related expenses due to ongoing construction market inflation.

The loan and affordability period will be 40 years and will commence when the construction period is completed. The loan will be non-amortizing throughout both the construction and affordability period. Following project completion, the outstanding principal balance of the note shall accrue at 1% interest. The borrower will pay an annual installment of interest from available cash flow.

Sources	Amount	Uses	Amount
City of Houston CDBG-DR17	\$ 11,000,000.00	Hard Cost	\$ 18,482,155.56
City of Houston Supplemental Request CDBG-DR17	1,344,404.00	Soft Cost	4,332,603.00
LIHTC Syndication Proceeds	13,518,393.00	Acquisition Cost	6,031,000.00
Conventional Loan	5,140,000.00	Developer Fee	3,769,630.44
In-Kind Equity/ Deferred Developer	1,612,592.00	Reserves	555,507.00
Total Source of Funds:	\$ 32,615,389.00	Total Project Cost:	\$ 32,615,389.00

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Prior Council Action:

03/24/2021 (O) 2021-208

Amount of Funding

\$1,344,404.00 Federal Government – Grant Funded

Contact Information:

Roxanne Lawson, 832-394-6307



Dian Street Villas Fact Sheet

Underwriter	Paul Yindeemark	Underwriter Phone	(832) 523-3437
Project Name:	Dian Street Villas	Underwriter Email	Paul.yindeemark@houstontx .gov
Project Address	1433 Dian St. and 1800 W. 15 St. Houston, TX 77008	Council District	C
Development Type	New Construction	Council Member	Abbie Kamin
Owner/ Developer	CSH Dian Street Villas, Ltd. / Super Urban Realty	COH Request Amount	\$12,344,404.00
_		Funding Source	CBDG-DR 17
Contact Person	Jervon Harris	Total Project Cost	\$ 32,615,389.00
Contact Phone	(713)503-4477	Total per unit costs	\$ 301,994.34
Contact Email	jervonharris@yahoo.com	City per unit costs	\$ 114,300.04

Sources & Uses					
Sources	Amount	Uses		Amount	
City of Houston CDBG- DR17	\$ 11,000,000.00	Hard Cost	\$	18,482,155.56	
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Total Source of Funds:	\$ 32,615,389.00	Total Project Cost:	\$	32,615,389.00	

Unit Summary and LURA Breakdown							
Unit Type	Total Units	HCDD Restricted	30% AMI*	50% AMI*	60% AMI*	80% AMI*	Market Rate
Efficiency	45		4	17	19	0	5
One Bedroom	45		4	16	20		5
Two Bedroom	12		1	4	5	0	2
Three Bedroom	6		1	2	3	0	0
Total	108	56	10	39	47	0	12

Development Overview

Dian Street Villas will be located near Houston Heights, a historic "in-town" neighborhood. Living in a vibrant neighborhood near the heart of the city with a vast assortment of thriving businesses that include retail centers and eateries, future residents will enjoy the benefits of "in-town" living that fosters a lifestyle immersed in access, convenience, and activity. The proposed development site is approximately 2.05 acres, **108 units** of Mixed-Income Workforce Housing. The Developer will engage a "best in class" design team to develop architectural and design guidelines for the proposed development to ensure that exterior facades in addition to interior amenities and unit finishes meet and exceed the expectations of local stakeholders, investment partners, and future residents.

Project Developer

CSH Dian Street Villas, Ltd. ("Developer"), comprised of highly experienced Houston based developers, is proposing to secure a commitment for **CDBG-DR** funding from the City of Houston and an allocation of housing tax credits from TDHCA to acquire the land near the **Houston Heights** to develop a workforce housing community with upscale apartment homes. The Developer will leverage development experience and industry relationships to plan, finance, and build a workforce housing community utilizing best practices and a commitment to quality based on a sustainable economic model. The result will be an award-worthy development that furthers the goal of creating high-quality affordable housing options for **working families** and working elderly with convenient access to job centers and points of interest.

Third Party Participants

- Lender Capital One Bank
- Investor Redstone Equity Partner
- Architect Cross Architects, PLLC
- General Contractor Brownstone Construction, Ltd
- Project Manager Jervon Harris

<u>Amenities</u>

Dian Street Villas will 3-stories of wood frame construction over an elevated **podium** above surface parking. The building will have craftsman style elements to compliment the character of the neighborhood. Units will be equipped with individual HVAC units and residential appliances including refrigerators, stove/oven, and dishwashers. All units will have washer & dryer connections.

Common interior amenity areas will include a Leasing Office, Community Room, Learning Center, Fitness Center and Business Center. The development will have an abundance of exterior amenities. The building will be designed to achieve NGBS **Green Certification** (Bronze) or equivalent.

Unit Features

- 1, 2 and 3 Bedrooms
- 9ft Ceilings
- Premium Counter Tops
- Wood Plank Flooring
- Black Appliances
- Walk-in Closets
- Pantries

Supportive Services and On-Site Amenities

- Community Rooms
- Learning Centers
- Fitness Centers
- Business Centers
- Resort Style Pool
- Covered Porches
- Outdoor Living Areas and Pavilions with BBQ Grills

As of March 2023 – The project is 98% completed









CITY OF HOUSTON – CITY COUNCIL Meeting Date: 9/27/2023 District F Item Creation Date: 9/11/2023

HCD23-102 4% Tax Credit Motion to Hold a Public Hearing Bissonnet Apartments

Background:

The Housing and Community Development Department (HCD) recommends Council approve a motion establishing a date for a public hearing to provide a Resolution of No Objection for the 4% tax credit application of Bissonnet Apartments Limited Partnership.

The TDHCA administers the state's housing tax credit program, which provides federal tax credits to spur the development of quality, affordable housing.

Per Texas Government Code Section 2306-67071, the governing body of the jurisdiction where a project is to be located must "hold a hearing ...to solicit public input concerning the Application or Development" before a developer can submit an application for noncompetitive 4% tax credits.

HCD has performed a threshold review and recommends a Resolution of No Objection for the following reasons:

- Located in the Alief-Westwood Complete Community
- Not located in a floodway or 100-year floodplain

HCD requests a Motion to hold a public hearing on October 4, 2023, on the 4% tax credit Resolution of No Objection.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/11/2023 District F Item Creation Date: 9/11/2023

HCD23-102a 4% Tax Credit Resolution of No Objection Bissonnet Apartments

Background:

The Housing and Community Development Department (HCD) recommends Council approve a Resolution of No Objection for the 4% tax credit application of Bissonnet Apartments Limited Partnership.

Bissonnet Apartments Limited Partnership has applied to the Texas Department of Housing and Community Affairs (TDHCA) requesting an award of non-competitive 4% tax credits for the construction of Bissonnet Apartments, a 264-unit affordable housing community for families located at 12000 Bissonnet Street.

TDHCA administers the state's housing tax credit program, which provides federal tax credits to spur the development of quality, affordable housing.

In order to apply for the 4% tax credits, the developer must present a Resolution of No Objection from the governing body of the jurisdiction in which the development is located.

HCDD has performed a threshold review and recommends a Resolution of No Objection for the following reasons:

- Located in the Alief-Westwood Complete Community
- Not located in a floodway or 100-year floodplain

Because the Houston Housing Authority will own fee title to the land on which Bissonnet Apartments is located and equitable title to the improvements comprising the development, Bissonnet Apartments will be exempt from ad valorem taxes.

A public hearing on this Resolution was held on October 4, 2023.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith W. Bynam, Director

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 10/11/2023 District F Item Creation Date: 9/11/2023

HCD23-105 4% Tax Credit One Mile, Three-Year Rule Resolution Bissonnet Apartments

Background:

The Housing and Community Development Department (HCD) recommends approval of a Resolution allowing construction of Bissonnet Apartments at 12000 Bissonnet Street, applying for 4% Housing Tax Credits (HTCs) allocated by the Texas Department of Housing and Community Affairs (TDHCA), to be located within one mile of similar properties constructed within the last three years.

To avoid unwanted concentrations of HTC properties, TDHCA requires that an applicant receive a resolution from the governing body of the municipality where the development is to be located if a similar type of property (for example a property for seniors) was built in the last three years and is located within one-mile of the applicant property also received tax credits.

Bissonnet Apartments, to be located in the Alief-Westwood Complete Community, is a proposed 264unit affordable housing development for families. The applicant is Bissonnet Apartments Limited Partnership, and the developer is Lincoln Avenue Capital ("LAC") dba Bissonnet Apartments Limited Partnership. LAC provides high-quality, sustainable, and affordable homes for low-income individuals, seniors, and families across the country.

Bissonnet Apartments will be developed from its Texas-based regional office. LAC's portfolio includes over 22,000 apartment homes in over 110 properties located in 25 states. LAC has experience leveraging low-income housing tax credits, tax exempt bonds, local soft funds, and private financing to create a housing project that exceeds market expectations while delivering attainable rents and first-class onsite amenities for residents.

Based on the developers' experience, and the City's need for affordable housing for families, HCD recommends that Council approve the resolution allowing construction of this property.

This item was reviewed by the Housing and Community Affairs Committee on September 19, 2023.

Keith Bynam, Director

<u>Contact Information:</u> Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 9/27/2023 District H Item Creation Date: 6/2/2022

HCD22-48 East End Maker Hub Food Factory Training Facility

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Loan Agreement between the City of Houston (City) and Urban Partnerships Community Development Corporation (UPCDC), to provide \$1,000,000.00 in Community Development Block Grant (CDBG) funds, towards the build-out of a commercial kitchen and construction of an aquaponic greenhouse located at 6501 Navigation Blvd. at the East End Maker Hub (EEMH) site.

Funding will provide building improvements and renovations to an existing 2,700 SF industrial building located on the East End Maker Hub site. Renovations include the buildout of a commercial training kitchen with commissary training and classroom facilities and the construction of raised beds and a high tunnel greenhouse. Improvements to the structure will include the installation of mechanical, electrical, plumbing, venting systems, and natural gas.

The project will provide qualified trainees and students, K-12, the opportunity to participate in educational programs, agricultural and culinary job training, hydroponic micro-credentials training, and certifications training in aquaculture to create job opportunities for low-moderate individuals.

The East End Food Factory is aligned with the Mayors Complete Community initiative located in Second Ward. All programming services will be provided in partnership with TXRX Labs, a 501(c3) non-profit located at the EEMH, who is currently engaged in STEM educational programs for school ages K-12 and workforce development for adults.

UPCDC is a nonprofit organization established in 2017 as a joint collaborative effort by TXRX and the Greater East End Management District to catalyze economic development in Houston's East End.

Sources	Amount	Uses	Amount
COH - CDBG	\$1,000,000.00	Hard Cost	\$746.230.00
Sponsor Contribution	\$315,000.00	Soft Cost	\$253,770.00
		Land Improvements	\$315,000.00
Total	\$1,315,000.00	Total	\$ 1,315,000.00

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on September 27, 2022. The Housing and Community Affairs Chair was also briefed on this item on September 13, 2023.

Keith W. Bynam, Director

<u>Amount of Funding</u> \$1,000,000.00 – Federal Government Grant Fund (5000)

Prior Council Action: 11/13/2019 (O) 2019-888

Contact Information: Roxanne Lawson, (832) 394-6307



Fact Sheet UP CDC - FOOD FACTORY

		Underwriter Phone	
Underwriter	Madhuram Subramaniam	Email	832-394-6255
		Council	
Project Name:	East End Maker Hub – Food Factory	District Member	H – Karla Cisneros
		СОН	
Project Address	6501 Navigation Ctr, H/ TX/ 77011	Request	\$1,000,000.00
		Total Project	
Development Type	Renovation - Phase III	Cost	\$1,315,000.00
		Total per sqft	
		costs	\$40.00
Owner	Urban Partnerships Community	City per sqft	
Developer	Development	costs	\$18.19
		Contact	
		Phone	R.F. Cell -713-816-5413
		Contact	Pezzell@up-cdc.org
Contact Person	Patrick Ezzell – President of UPCDC	Email	

Sources & Uses					
Sources Amount Uses Amount					
City of Houston Request	\$1,000,000.00	Hard Cost	\$746,230.00		
Sponsor Contribution	\$315,000.00	Soft Cost	\$253,770.00		
		Land Improvements	\$315,000.00		
Total Source of Funds:	\$1,315,000.00	Total Project Cost:	\$1,315,000.00		

Eligibility				
	Eligibility Criteria	Citation		
Proposed National Objective	LMC	570.208(a)(2)		
Eligible Activity	Public Facility	570.201(c)		

Number of Persons to be Served: 300 students per year Proposed Land Use Restriction Term: 5 Year Reversion of Assets 24 CFR 570.203(b)(7) Reporting Requirements: 24 CFR 570.208(A)(2)(i)(B) Vendor Number: 158897

Development Overview:

Purpose:

- 1. Build an Urban Agriculture Ecosystem:
 - a. To promote
 - i. Healthy living, healthy eating courses raise awareness in the community
 - ii. K-12 Educational programs
 - iii. Agricultural and Culinary job training
 - iv. Food product and design and manufacturing

Build out of 2,700 SF of existing manufacturing space to create a commercial teaching and food product development kitchen.

- 1. Services provided include:
 - a. Healthy Home Foundation students learn about basic nutrition, grocery budget and shopping, meal planning and community health
 - b. Food Industry Training students will have opportunity to learn food handling and food management
 - c. Food Industry Entrepreneurship Food Factory will support business admin, certification of workers, licensing and build out of food mfg process = food trucks, small brick and mortar restaurants, specialty food stores through TXRX
- 2. Construct a 50,000 sq ft "high-tunnel" aquaponic greenhouse for growing food, ornamentals, fish, freshwater crustaceans. The space will provide:
 - a. Training and hydroponics micro credentials (hydroponic Plan Nutrition and Water Quality; Plant Quality Control; Wick Systems; Ebb and Flow Systems; Deep Water Culture System; Aeroponics; Hydroponic Automation)
 - b. Training and Aquaculture Micro credentials (Fish water quality and filtration; Disease Prevention and Prevention and Treatment; Nutrition; Commercial Fish Breeds; Freshwater Crustaceans Breeds)
 - c. Urban Agriculture Entrepreneurship Urban agriculture businesses are also an accessible model for under-resourced communities. Local organic produce for direct to restaurant sales, direct farmer's market sales, cut flowers, and living floral arrangements

3. Scope of Work

- a. Building Overview
 - i. Sitting on EEMH property the renovation of 2,700 SF building into a commercial kitchen to house the Food Factory's commercial kitchen
 - ii. Cooking/ Prep/ Classroom 1,300 SF of the kitchen itself which includes space for sterile prep and cooking and serves as the classroom
 - iii. Walk in Fridge 500 SF serve for both job training and commercial kitchen monthly subscribers
 - iv. <u>Renovation and Improvements</u>
- b. High Tunnel Greenhouse Overview
 - i. Site Dev. greenhouse will be built on existing concrete slab adjacent to the commercial kitchen. Drainage will be required
 - ii. Primary Structure Rolled steel (cost effective) composed of vertical membranes ("hoops"). Purlins (roof structure) (Grits wall of the structure)
 - iii. Include plumbing and electrical service

- 4. Scope of Service
 - a. UPCDC and TXRX Labs and Workforce Solutions to identify trainees for food service jobs. Financial literacy, workplace skills training, transportation. Trainees will undergo a hands-on training and paid internship period of 300 hours at the Food Factory facility.
- 5. Revenue Sources
 - a. Commercial Kitchen Monthly Membership
 - b. Commercial Kitchen Hourly Rental
 - c. Greenhouse Monthly Grow Racks
 - d. Healthy Eating/ Healthy Living Courses
 - e. Food Safety Mgt Courses
 - f. Hydroponics Mini-training Courses
 - g. Hydroponics Full-length Training Courses
 - h. Aquaculture Job Training Courses
 - i. Aquaculture Full-length Job Training Courses

Location - Complete Community of Second Ward

Project Sponsors

- 1. UPCDC Non-profit that partners with public and private org to join community assets with financial capital to launch projects that create equitable economic dev. In low/mod income neighborhoods.
 - a. East End Maker Hub capstone project and provides equitable access to affordable workspace for local mfg., fabricators, crafters, innovators, artisans, and artists. EEMH partner and anchor tenant is TXRX Labs, provides skills training to hundreds of community residents annually to promote employment and entrepreneurship. The project was divided into 3 phases: Phase 1 & 2 consisted of the acquisition and build-out of 250,00 SF below market rental space for small and medium sized mfg. and light industrial business in need of workspace for creative offices, studios, and shops, and 50,000 SF of leased space to TXRX.
 - b. Affiliated entities UP Community Impact Fund, an emerging CDFI (that lends capital to underserved startups and non-profits; UP Commercial Real Estate to serve its real estate needs and to aid real estate development projects in low/mod neighborhoods UPCDC is participating in 3 tax credit, multi-family projects.

Procurement

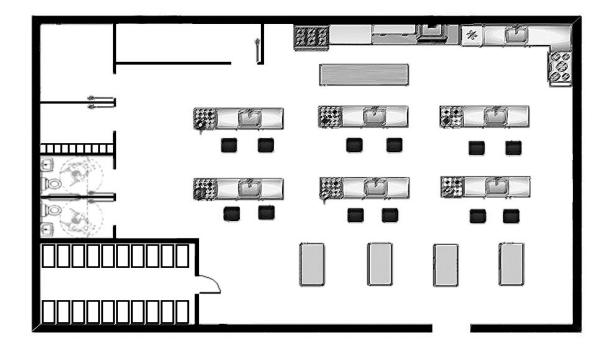
- CBDO Status: General Contractor TBD
- Project Manager TBD

Income Verification:

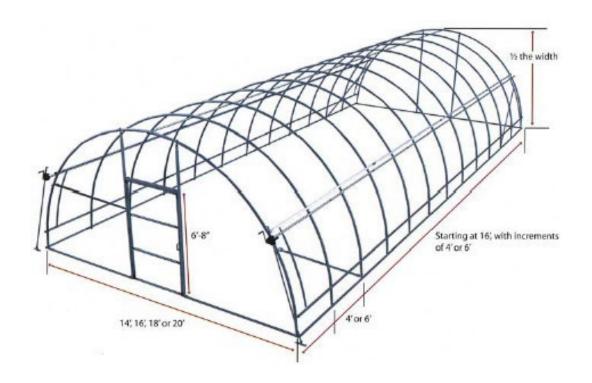
• Adjust gross income as defined for purposes of reporting under IRS Form 1040 for individual Fed. Annual income tax purposes. This requirement has been added to draft loan agreement.

Supportive Services and On-Site Activities

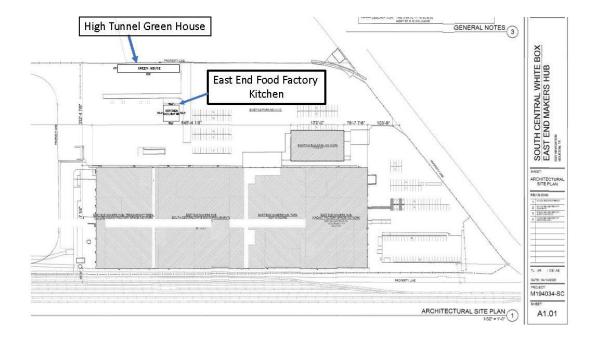
• Overview – building an urban agriculture system partnering with TXRX Labs (non-profit organization who will provide and direct all programming services, not limited to sustainable agriculture and food system to serve the community through educational programs for K-12.







Location/Site Map



Proposed Kitchen Images





Food Factory

