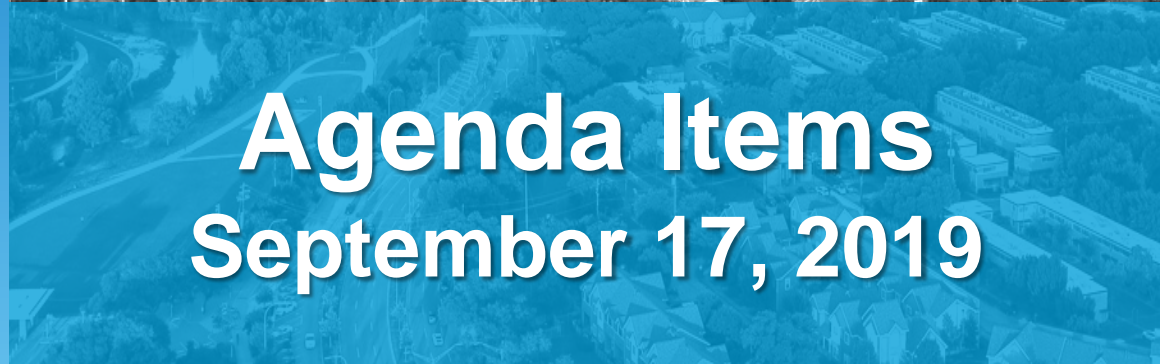


# Housing & Community Affairs Committee



## Agenda Items September 17, 2019



@HoustonHCDD

# HCDD Agenda

- I. Call to Order/Welcome
- II. Multifamily, Ryan Bibbs
- III. Planning & Grants Management, Derek Sellers
- IV. Single Family, Anderson Stoute
- V. Public Comments
- VI. Program Reporting and Director's Comments



## Item II.a. - MULTIFAMILY

# Gala at MacGregor - New Construction

(District D)

An Ordinance authorizing a \$9,750,000.00 CDBG-DR17 forgivable loan between the City of Houston and Gala at MacGregor, LP (Gala) for the new construction of an 85-unit mixed-income multifamily development.

- Gala is within one mile of the Houston Medical Center, Herman Park Conservancy, Herman Park Golf Course and Houston Zoo.
- Gala will be a podium style new construction offering 35 one-bedroom and 50 two-bedroom units.
- Of these units, 88% are reserved for residents at 60% AMI and below.



# Item II.a. - MULTIFAMILY Gala at MacGregor - New Construction

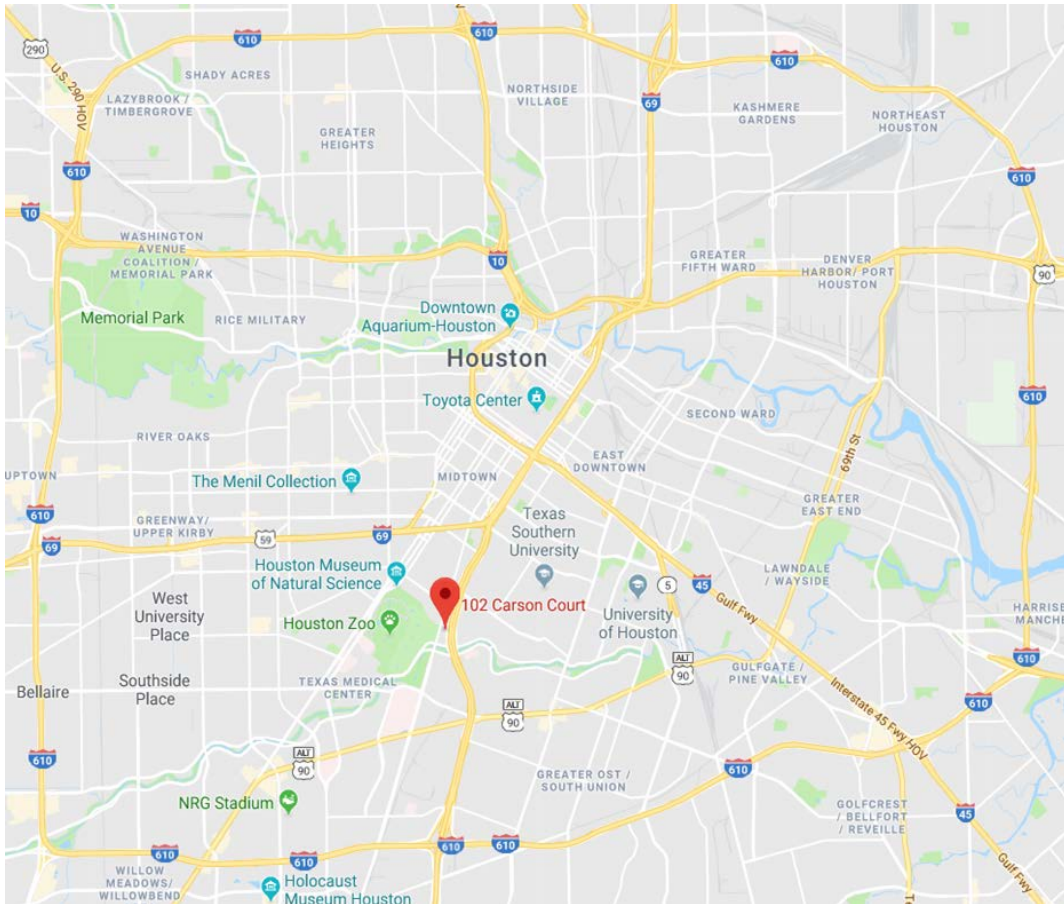
(District D)

RFP Sources & Uses			
Sources	Amount	Uses	Amount
City of Houston Request	\$9,750,000.00	Hard Cost	\$17,918,166.00
Conventional Loan	\$4,714,000.00	Soft Cost	\$3,089,372.00
LIHTC Equity (PNC)	\$13,152,645.00	Acquisition Cost	\$4,025,000.00
In-Kind Equity/ Deferred Developer Fee	\$811,968.00	Developer Fee	\$2,859,005.00
		Reserves	\$537,070.00
<b>Total Source of Funds:</b>	<b>\$28,428,613.00</b>	<b>Total Project Cost:</b>	<b>\$28,428,613.00</b>

The loan term and affordability period is 40 years. Borrower will be required to pay the lesser of 1.00% annually of the outstanding loan balance OR 50% of net cash flow proceeds, subject to available cash flow.



# Item II.a. - MULTIFAMILY Gala at MacGregor - New Construction (District D)



# Item II.b. - MULTIFAMILY

## Briarwest Apartments - New Construction

(District G)

An Ordinance authorizing a \$2,500,000.00 CDBG-DR17 forgivable loan between the City of Houston and Education Based Housing, Inc. for the acquisition of Briarwest Apartments, a 120-unit development located at 12976 Westheimer Rd. Houston, TX 77077.

- Amenities include a club room for community gatherings, swimming pool, fitness center, gated-entry, on-site storage units, craft room, a business & learning center with a library.
- Briarwest will be constructed to Energy Star Multifamily Green building standards.
- A Metro bus stop is located near its front corner.



# Item II.b. - MULTIFAMILY Briarwest Apartments - New Construction

(District G)

Sources & Uses			
Sources	Amount	Uses	Amount
City of Houston Request	\$2,500,000.00	Hard Cost	\$14,010,715.00
9% Housing Tax Credit Proceeds	\$13,798,620.00	Soft Cost	\$2,023,489.00
In-Kind Equity/ Deferred Developer Fee	\$121,380.00	Acquisition Cost	\$2,561,103.00
Conventional Loan	\$4,700,000.00	Developer Fee	\$2,277,493.00
		Reserves	\$247,200.00
<b>Total Source of Funds:</b>	<b>\$21,120,000.00</b>	<b>Total Project Cost:</b>	<b>\$21,120,000.00</b>

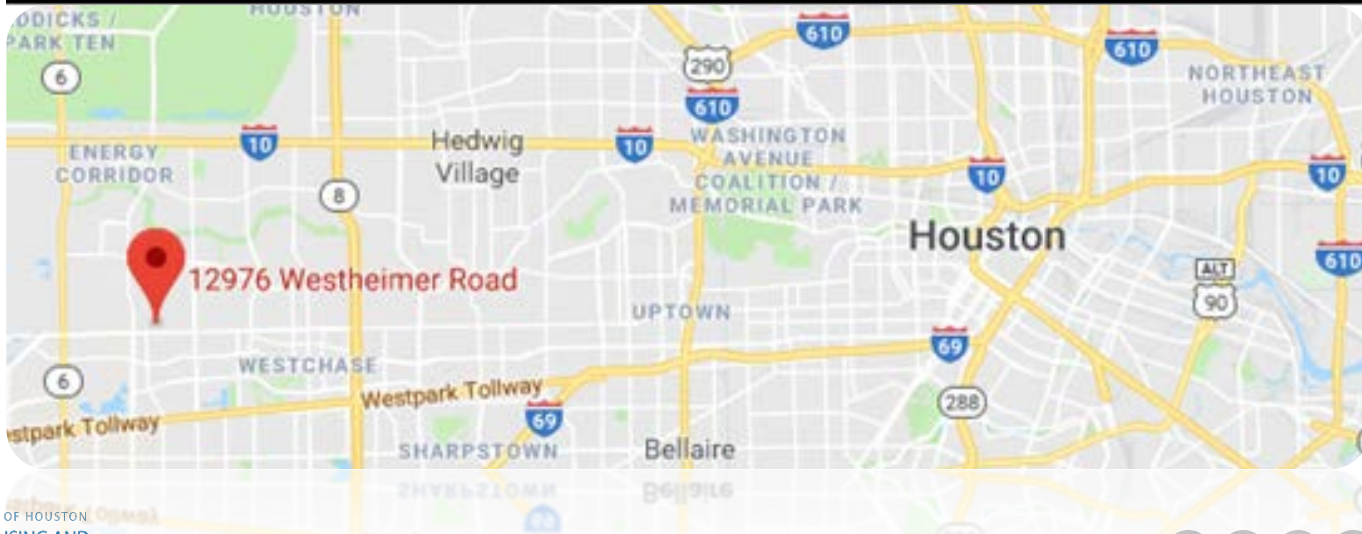
61 units are income restricted by the Housing Tax Credits. May be inclusive of HCDD restricted units. For multifamily housing, 51% of the units must be occupied by low- or moderate-income households.



# Item II.b. - MULTIFAMILY

## Briarwest Apartments - New Construction

(District G)





# Item II.c. - MULTIFAMILY

## McKee City Living – New Construction

(District H)

An Ordinance authorizing an \$11,700,000.00 CDBG-DR17 forgivable loan between the City of Houston and McKee City Living, LP for the new construction of a 120-unit multifamily development located in Downtown Houston's Warehouse District.

Amenities Include:

- Community activities space
- Business center
- Fitness center
- Courtyard pool
- Bicycle storage
- Pickup & drop stop



# Item II.c. - MULTIFAMILY McKee City Living – New Construction

(District H)

RFP Sources & Uses			
Sources	Amount	Uses	Amount
City of Houston Request	\$11,700,000.00	Hard Cost	\$16,205,462.00
Conventional Loan	\$4,480,000.00	Soft Cost	\$3,899,258.00
LIHTC Equity (PNC)	\$13,648,635.00	Acquisition Cost	\$6,403,320.00
In-Kind Equity/ Deferred Developer Fee	\$78,369.00	Developer Fee	\$2,830,633.00
		Reserves	\$568,331.00
<b>Total Source of Funds:</b>	<b>\$29,907,004.00</b>	<b>Total Project Cost:</b>	<b>\$29,907,004.00</b>

The project will be developed as a joint venture between The City of Houston, NEF equity, BBVA, Covenant Neighborhoods, Inc., and Gulf Coast Housing Partnership, Inc.



# Item II.c. - MULTIFAMILY McKee City Living – New Construction (District H)



# Item II.d. - MULTIFAMILY

## 900 Winston - New Construction

(District H)

An Ordinance authorizing a \$9,250,000.00 CDBG DR-17 forgivable loan between the City of Houston and Crossroads Housing Development, a non-profit partner of Magellan Housing, for the new construction of 900 Winston, a 114-unit affordable housing community for seniors.

- The project offers a diverse offering of onsite amenities including a fitness center, business center, and meeting spaces.

Area amenities include:

- Located within 1/4 miles of a bus route.
- Sunset Heights Clinic, Memorial Hermann, Greater Heights Hospital
- HEB, Fiesta and Kroger
- Heights Neighborhood Library



# Item II.d. - MULTIFAMILY 900 Winston - New Construction

(District H)

Sources & Uses			
Sources	Amount	Uses	Amount
City of Houston Request	\$9,250,000.00	Hard Costs	\$16,381,612.00
Citibank- Permanent Lender	\$2,700,000.00	Soft Costs	\$2,311,389.00
RBC- 9% Housing Tax Credit Proceeds	\$13,948,605.00	Acquisition Costs	\$4,262,000.00
In-Kind Equity/ Deferred Developer Fee	\$55,560.00	Developer Fee	\$2,662,410.00
		Reserves	\$336,754.00
<b>Total Source of Funds:</b>	<b>\$25,954,165.00</b>	<b>Total Project Cost:</b>	<b>\$25,954,165.00</b>

The loan term and affordability period is 40 years. Borrower will be required to pay the lesser of 1.00% annually of the outstanding loan balance OR 50% of net cash flow proceeds, subject to available cash flow.

# Item II.d. - MULTIFAMILY

## 900 Winston - New Construction

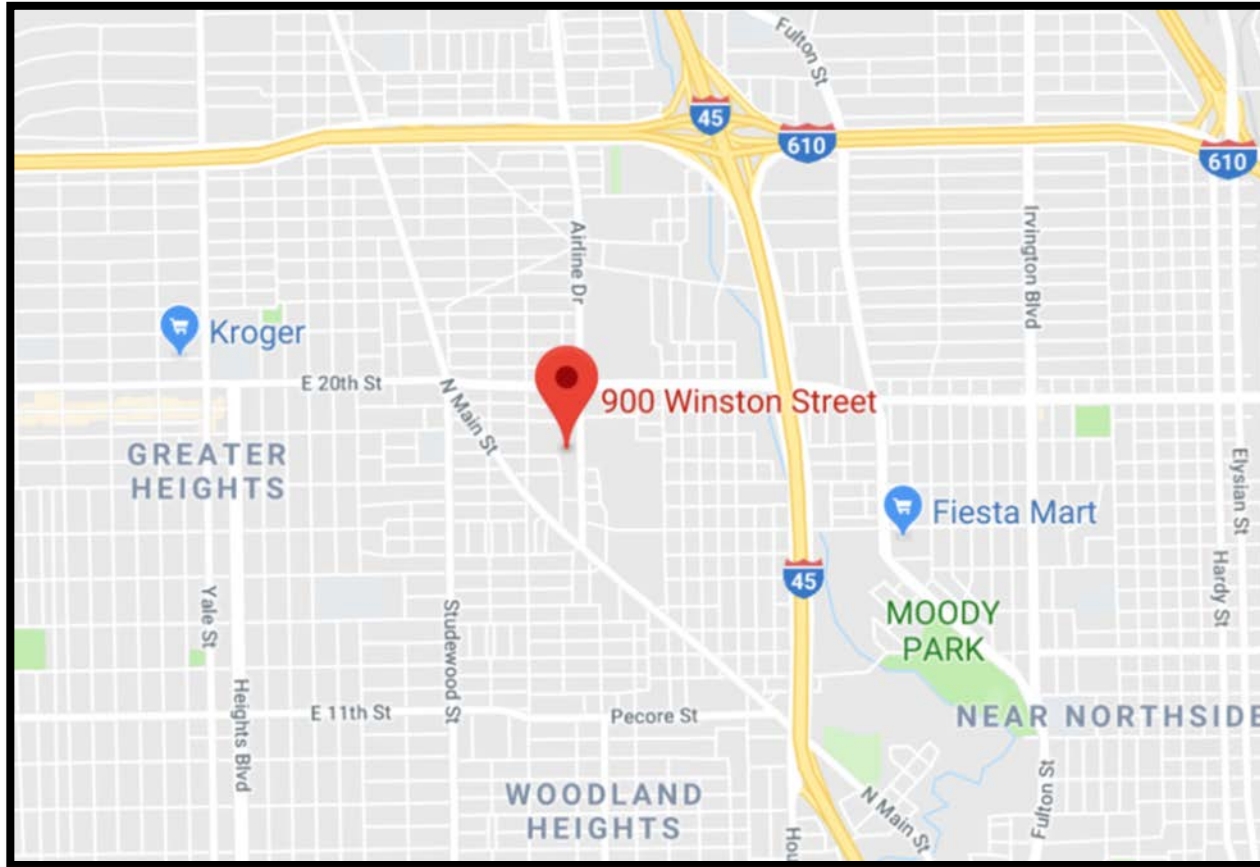
(District H)



# Item II.d. - MULTIFAMILY

## 900 Winston - New Construction

(District H)



## Item II.e. - MULTIFAMILY

# South Rice Apartments - New Construction

(District J)

An Ordinance authorizing a \$9,954,146.00 loan to Crossroads Housing Development, a non-profit partner of Brownstone Affordable Housing, for the new construction of South Rice Apartments, a 115-unit affordable housing community.

Of the 115 Units, 86 will be restricted to persons earning at or below 60% AMI.

Neighborhood Amenities include:

- Wal-Mart Supercenter
- Burnett Bayland Park
- Jungman Library
- Signature Urgent Care





# Item II.e. - MULTIFAMILY

## South Rice Apartments - New Construction

(District J)

Sources:		Uses:	
Housing Tax Credit Syndication Proceeds (TBD)	\$14,398,560.00	Hard Cost	\$19,195,770.00
City of Houston Request (CDBG-DR)	\$9,954,146.00	Soft Cost	\$2,578,567.00
Permanent Loan (TBD)	\$5,250,000.00	Acquisition Cost	\$5,660,000.00
In-Kind Equity / Deferred Developer Fee	\$694,207.00	Developer Fee	\$2,227,853.00
		Reserves	\$634,723.00
<b>Total Source of Funds:</b>	<b>\$30,296,913.00</b>	<b>Total Project Cost:</b>	<b>\$30,296,913.00</b>

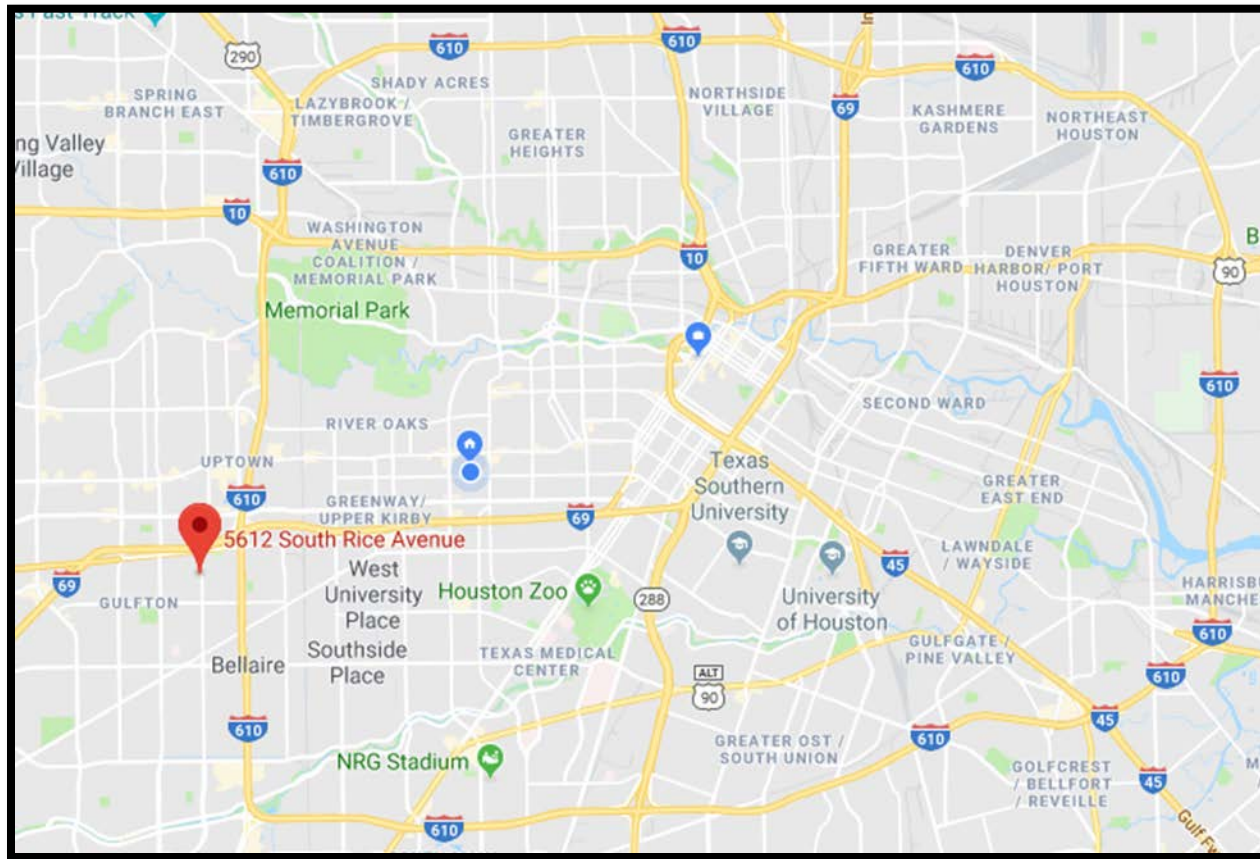
The loan term and affordability period is 40 years. Borrower will be required to pay the lesser of 1.00% annually of the outstanding loan balance OR 50% of net cash flow proceeds, subject to available cash flow.



# Item II.e. - MULTIFAMILY

## South Rice Apartments - New Construction

(District J)



## Item II.f. - MULTIFAMILY

# Belfort Park Apartments - Rehabilitation

(District K)

An Ordinance authorizing a \$3,500,000.00 CDBG-DR17 forgivable loan to KCG Development for the acquisition and renovation of Belfort Park Apartments, a 64-unit affordable housing community.

Neighborhood Amenities include:

- Randall's Grocery and Walmart Supercenter
- McGovern Stella Link Neighborhood Library
- Next Level Urgent Care

On-Site Supportive Services and Activities include:

- Career training
- Social events and health fairs
- Tax Preparation Services



# Item II.f. - MULTIFAMILY

## Belfort Park Apartments - Rehabilitation

(District K)

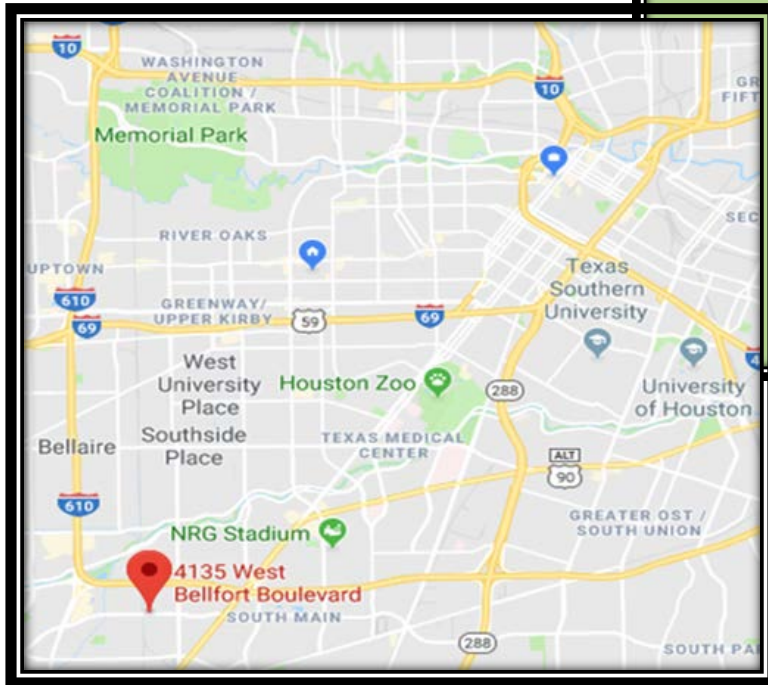
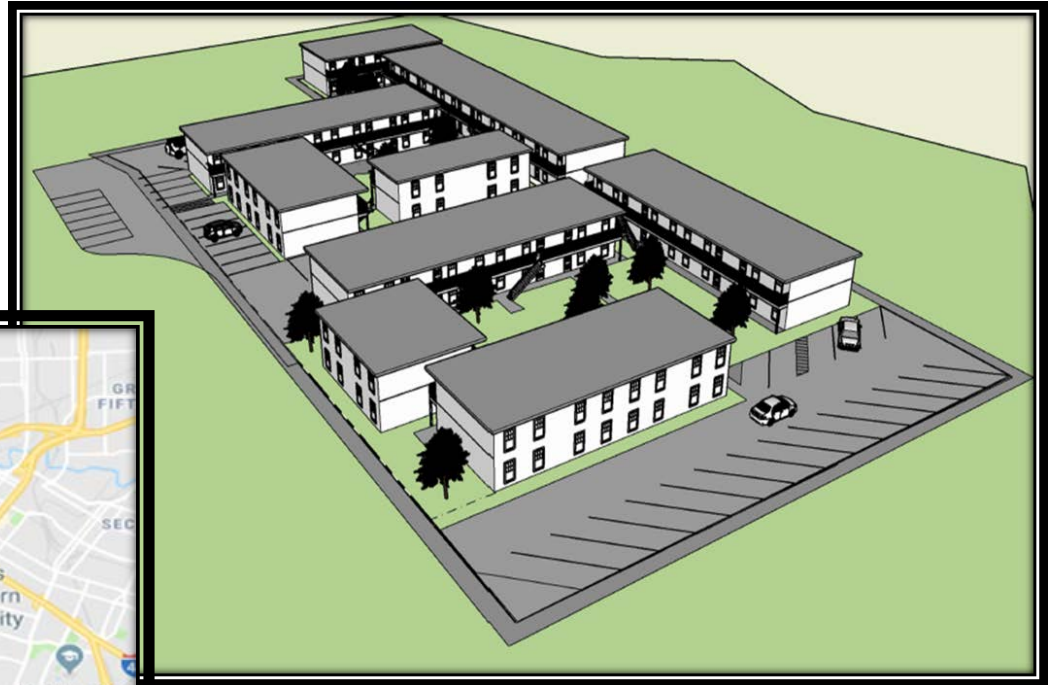
Sources:			
Sources:		Uses:	
9% Housing Tax Credit Syndication Proceeds (National Equity Fund)	\$7,361,823.00	Hard Cost	\$4,653,638.00
City of Houston Request	\$3,500,000.00	Soft Cost	\$1,892,663.00
Permanent Loan (BBVA Compass)	\$3,150,000.00	Acquisition Cost	\$6,000,000.00
In-Kind Equity / Deferred Developer Fee	\$71,225.00	Developer Fee	\$1,209,832.00
		Reserves	\$326,915.00
<b>Total Source of Funds:</b>	<b>\$14,083,048.00</b>	<b>Total Project Cost:</b>	<b>\$14,083,048.00</b>

The loan term and affordability period is 40 years. Borrower will be required to pay the lesser of 1.00% annually of the outstanding loan balance OR 50% of net cash flow proceeds, subject to available cash flow.



# Item II.f. - MULTIFAMILY Belfort Park Apartments - Rehabilitation

(District K)



# Item II.g. - MULTIFAMILY Edison Lofts - New Construction

(District K)

An Ordinance authorizing an \$8,000,000.00 CDBG DR-17 forgivable loan to Edison Arts Foundation, a non-profit partner of DWR Development Group, for the new construction of a mixed-use development that includes Edison Lofts, a 126-unit mixed income rental housing community featuring an urban townhome design.

Local and Onsite amenities include:

- An advanced Pre-K program free to residents
- Located within 1/4 miles of a bus route.
- Blue Ridge Park, Chasewood Park/Walking Trail
- Joe V's Smartshop (Grocery), Foodarama
- IBN SINA Foundation Community Medical & Dental Clinic



# Item II.g. - MULTIFAMILY Edison Lofts - New Construction

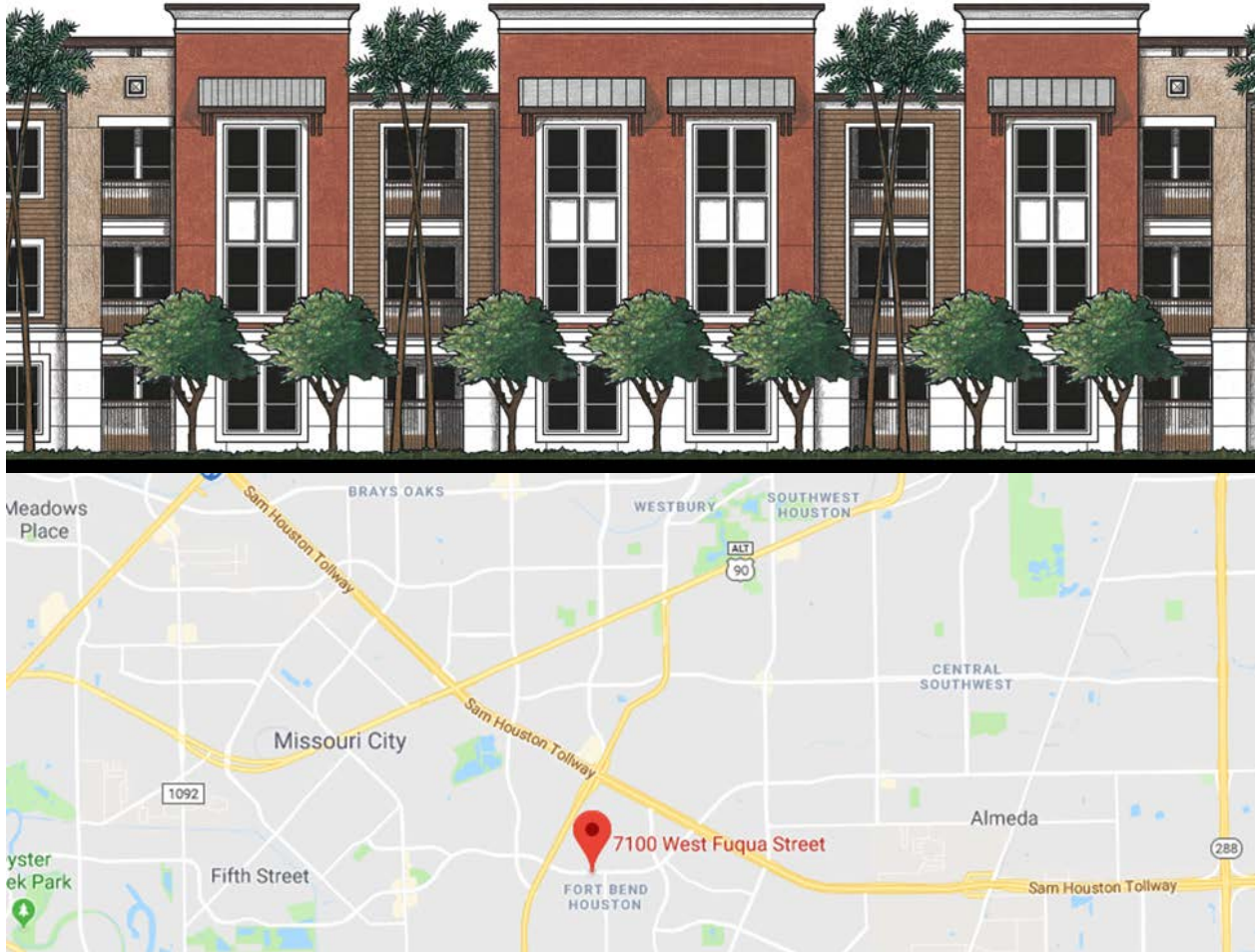
(District K)

Sources & Uses			
Sources	Amount	Uses	Amount
City of Houston Request	\$8,000,000.00	Hard Cost	\$18,391,418.00
Amegy- Permanent Lender	\$4,570,000.00	Soft Cost	\$2,755,495.00
National Equity Fund - 9% Housing Tax Credit Proceeds	\$13,498,650.00	Acquisition Cost	\$1,500,000.00
In-Kind Equity/ Deferred Developer Fee	\$177,730.00	Developer Fee	\$3,010,645.00
		Reserves	\$588,822.00
<b>Total Source of Funds:</b>	<b>\$26,246,380.00</b>	<b>Total Project Cost:</b>	<b>\$26,246,380.00</b>

The loan term and affordability period is 40 years. Borrower will be required to pay the lesser of 1.00% annually of the outstanding loan balance OR 50% of net cash flow proceeds, subject to available cash flow.

# Item II.g. - MULTIFAMILY Edison Lofts - New Construction

(District K)





## Item II.h. - MULTIFAMILY

# Arbor at Wayforest – TDHCA Tax Credit

(District: ETJ)

A Resolution of No Objection and a Motion for a Public Hearing for the 4% tax credit application of Arbor at Wayforest, L.P., a 192-unit multifamily housing community. (District: ETJ)

HCDD requests a Motion to hold a public hearing on October 2, 2019, for a Resolution of No Objection for a 4% tax credit application.

- Located in the Harris County Greater Greenspoint – Aldine CRA
- Not located in a floodway or 100-year floodplain
- None of the zoned schools are on the Texas Education Agency Improvement Required List

# Item III. – PLANNING & GRANTS MANAGEMENT

## Harvey Comprehensive Housing Study

(All Districts)

An ordinance providing \$1,818,410.90 in CDBG DR-17 funding and authorizing the Mayor, or Mayor’s designee, to execute an interlocal agreement between Harris County and the City of Houston for a comprehensive housing study that will guide joint disaster recovery planning, prevent duplication of efforts and maximizes collaboration.

- One component of CDBG-DR funding is the requirement to promote sound, sustainable, and long-term recovery planning.
- A second requirement is to coordinate local and regional planning efforts to ensure consistency.



# Item IV. - SINGLE FAMILY Home Repair Master Contractor Agreements

(All Districts)

An Ordinance authorizing an additional \$4,578,878.00 in CDBG funds to the Master Contractor Agreements under the City of Houston Home Repair Program to address immediate threats to the health, life, and/or safety of low and moderate income homeowners.

Funding for the HRP Master Contractor Agreements totals \$38,042,651.75 through the ordinances below:

Date	Ordinance No.	Funding Source	Amount
January 24, 2018	2018-56*	TIRZ	\$10,000,000.00
February 7, 2018	2018-84	CDBG	\$8,200,000.00
February 7, 2018	2018-84	CDBG-DR	\$10,800,000.00
November 28, 2018	2018-936*	TIRZ	(\$9,935,050.00)
December 4, 2018	2018-981	CDBG	\$10,098,907.00
February 13, 2019	2019-83	CDBG	\$3,433,581.00
July 2, 2019	2019-498	TIRZ	\$5,445,213.75
		<b>Totals</b>	<b>\$38,042,651.75</b>



# Item IV. - SINGLE FAMILY

## Home Repair Master Contractor Agreements

(All Districts)

### Home Repair Program contractors:

SLSCO, LTD.; PMG CONSTRUCTION, INC; THE BAPTISTE GROUP LLC; DSW HOMES, LLC; HOUSTON HABITAT FOR HUMANITY, INC; CROWN RIDGE BUILDERS, LLC; THOMPSON CONSTRUCTION GROUP, INC; BURGHLI INVESTMENTS INC dba BURGHLI HOMES; MAYBERRY HOMES, INC; REBUILDING TOGETHER - HOUSTON; JAMES W. TURNER CONSTRUCTION, LTD.; and BYRDSON SERVICES LLC dba EXCELLO HOMES.

### HRP Contractor Production to date:

Homes under construction: 36  
Construction complete: 73 homes  
Homes in preconstruction: 402

# Questions



**PROGRAM  
REPORTING  
and  
DIRECTOR'S  
COMMENTS**

# Fall Public Hearings



**Wednesday, September 4, 2019**  
**Emancipation Cultural Center**



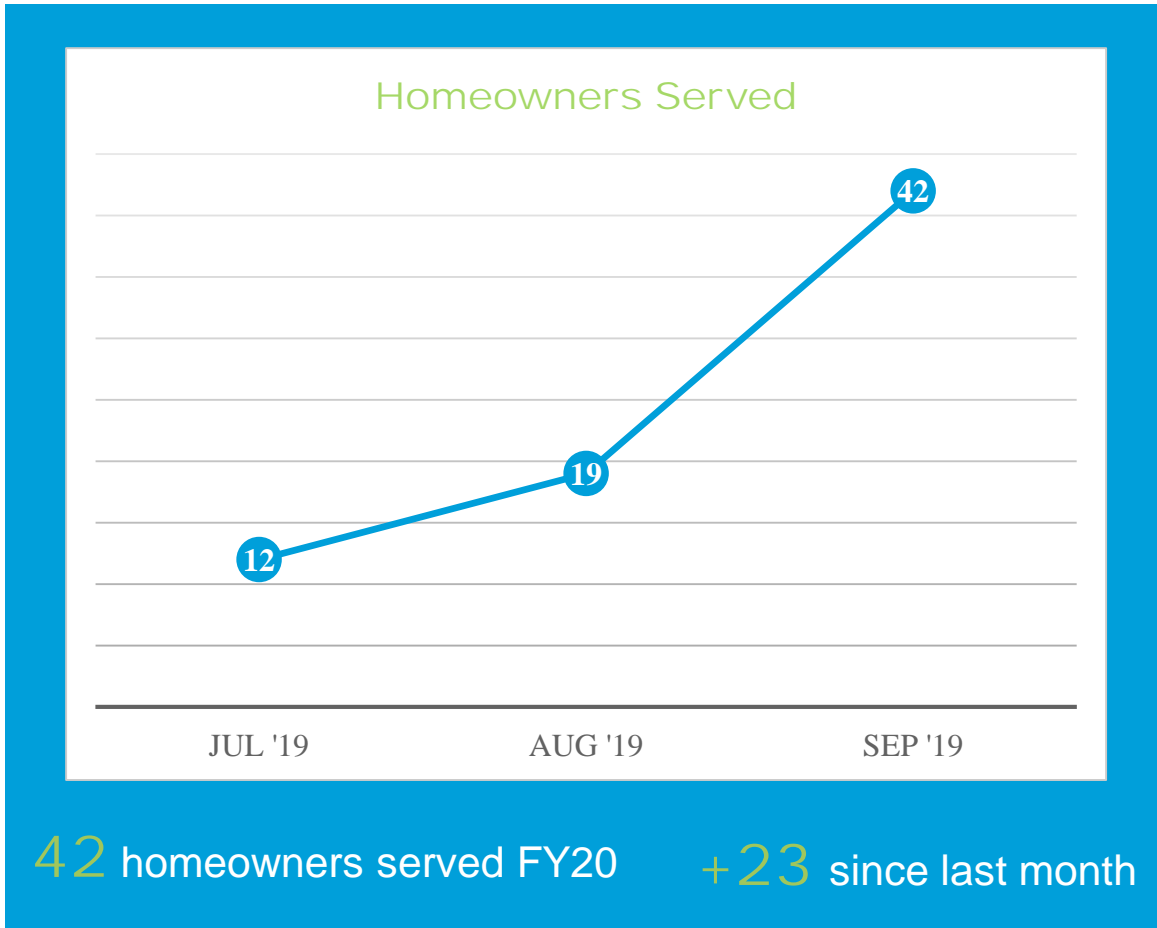
# Fall Public Hearings



**Tuesday, September 10, 2019**  
**Southwest MSC**



# DR17 Harvey Homeowner Assistance Program (HoAP)



Assists homeowners whose homes were damaged during Hurricane Harvey

# Reimbursement Program Option



Homeowners have until December 31, 2019 to make home repairs that could be eligible for reimbursement under HoAP

The Reynolds family receives a reimbursement check

# Recovery.HoustonTX.gov



# Recovery Town Hall



250

Attendees

39

Surveys collected

93

Residents met with a program representative at the event

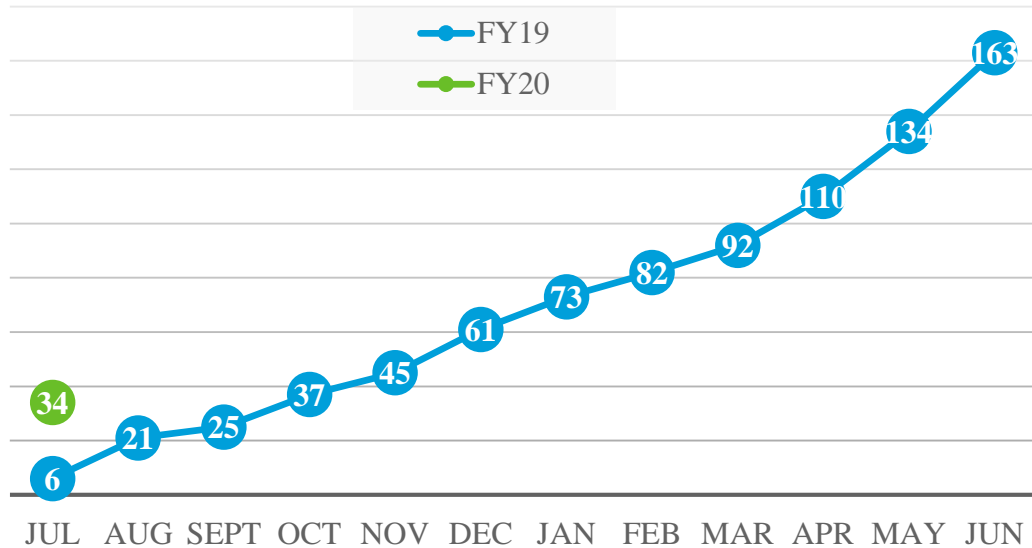
# Multifamily Program



**Future site of McKee City Living**

# Homebuyer Assistance Program

## Homebuyers Served



Provides up to \$30,000 to help Houstonians purchase a home

163 homebuyers served FY19

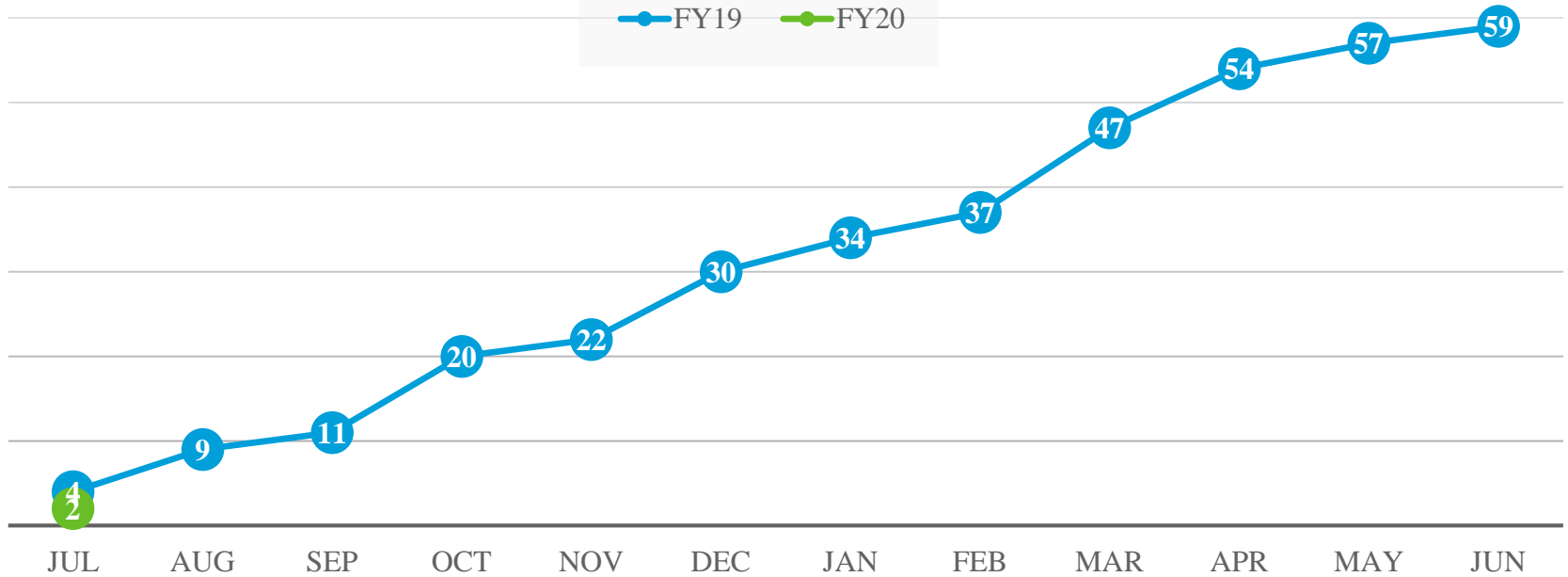
34 served in July '19



# Single Family Home Repair Program

## Home Repair Program

FY19 FY20

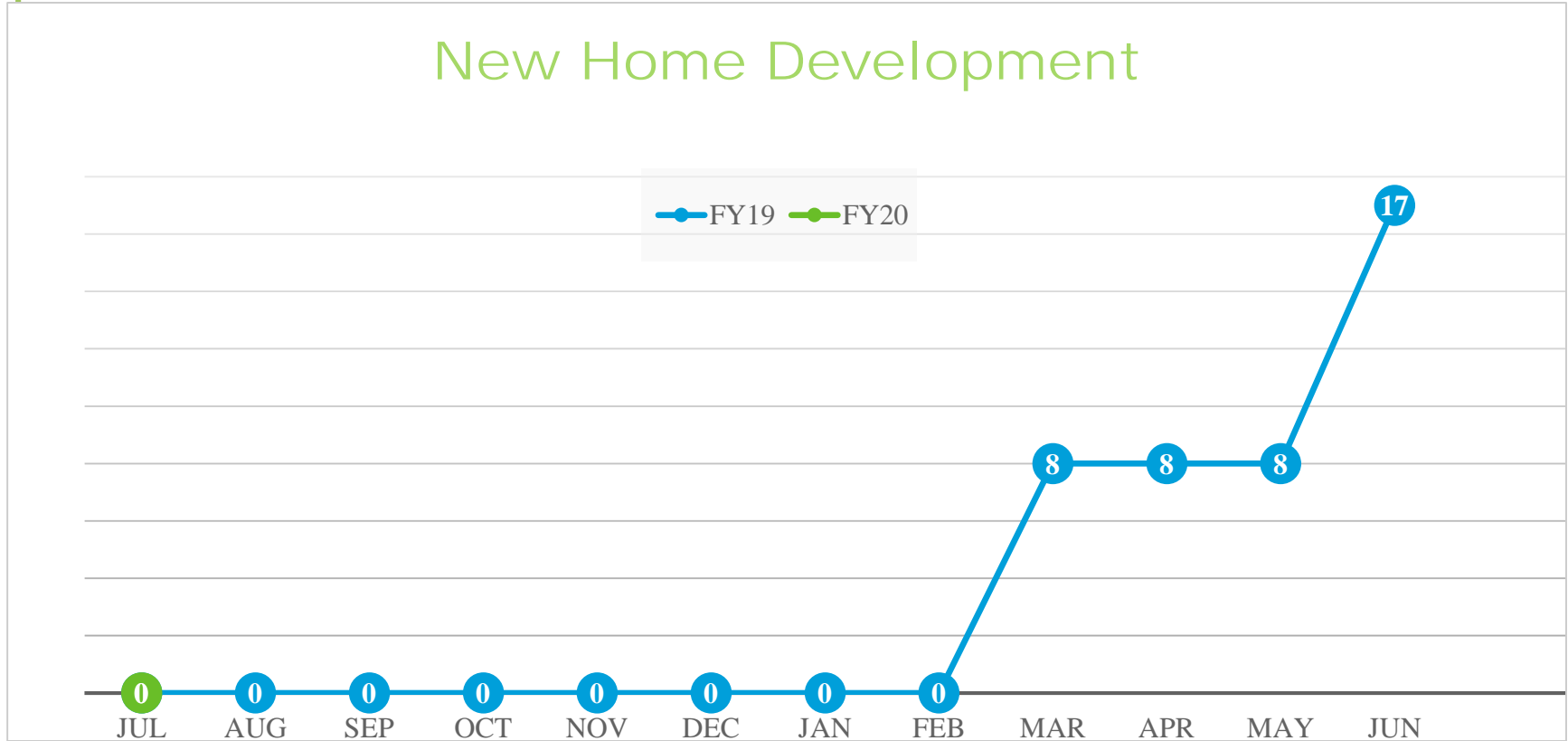


Repairs and reconstructs existing homes  
for homeowners



# New Home Development Program

## New Home Development



NHD builds new homes for sale at affordable prices





# Other Programs

**3,469**

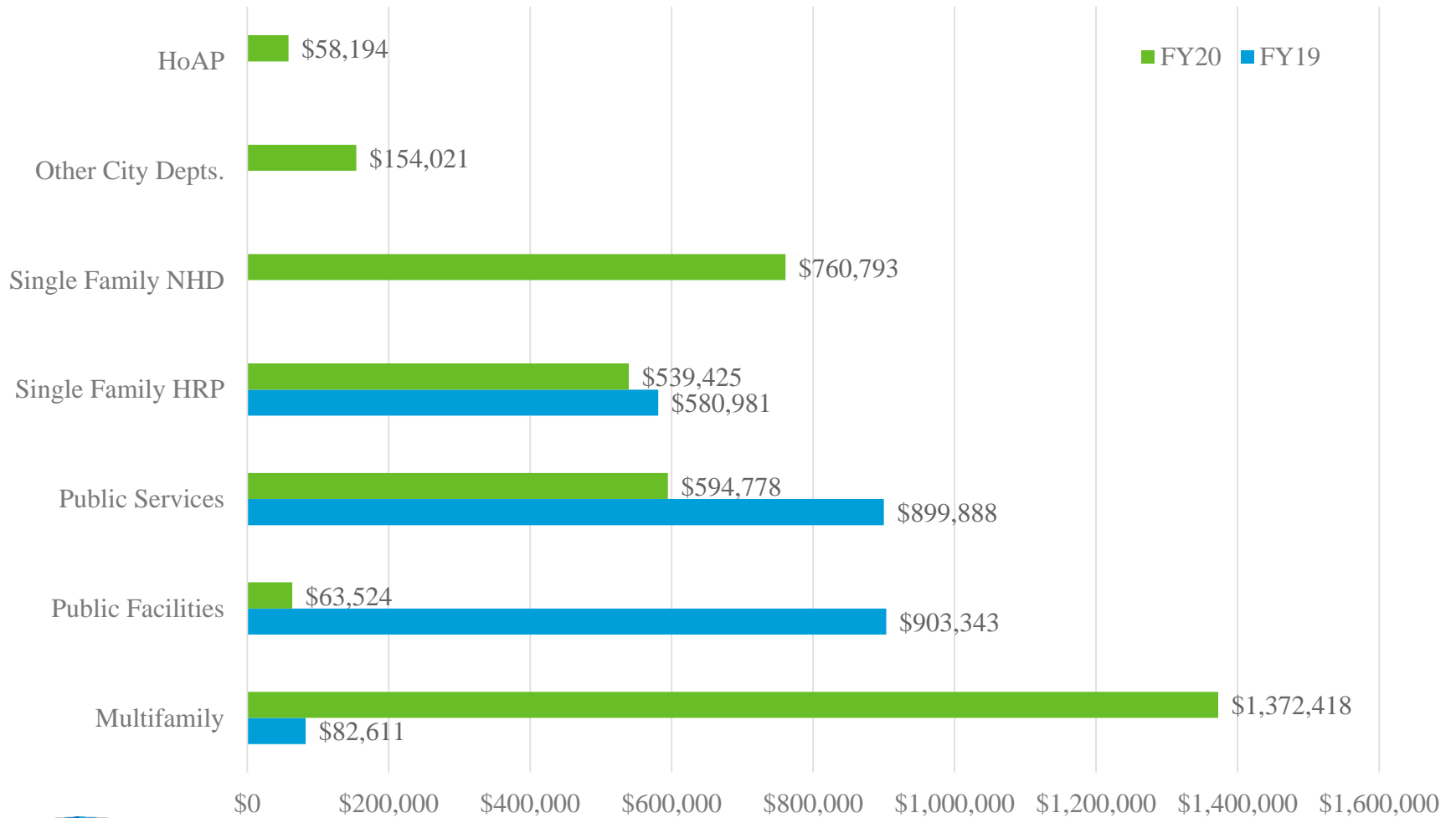
Service Visits –  
Public Services (Jul '19)

**30**

Projects under construction –  
Public Facilities (Jul '19)



# Financial Reporting by Program Area FY19 v FY20 (July)



# Single Family: Homes Sold

Homes built by the Single Family Program are sold through the Houston Land Bank. Some are sold on the open market and some are sold into the HCLT.

## Houston Land Bank – open market sales

\$180,000 target sale price

\$39,900 subsidy in the sale price

Serves buyers 80 – 120% AMI

5 year affordability period

1 homes sold (open market) FY20

## Houston Community Land Trust (HCLT)

\$75,000 target sale price

Land is held in trust with a 99-year lease

Serves buyers 50 – 80% AMI

Must be sold at a set affordable price to the next buyer

3 homes entered the CLT FY20  
+2 homes currently under contract

# Comments



# THANK YOU!



2100 Travis Street, 9th floor  
Houston, TX 77002  
832-394-6200

[www.houstontx.gov/housing](http://www.houstontx.gov/housing)



@HoustonHCDD



CITY OF HOUSTON ★ HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT