



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

Notice of City Council Meeting by Videoconference
Tuesday, March 23, 2021, 10:00 AM

Due to health and safety concerns related to the COVID-19 coronavirus, this meeting will be conducted by videoconference. The Committee will be participating by videoconference in accordance with the provision of Section 551.127 of the Texas Government Code that have not been suspended by order of the Governor.

Microsoft Teams Live Meeting

Type this link into your browser: <http://bit.ly/MarchHCA2021>

or visit <https://www.houstontx.gov/council/committees/housing.html>.

Presentation handouts will also be available at <https://www.houstontx.gov/council/committees/housing.html>.

Public comment will be allowed via videoconference; no in-person input will be allowed. To sign up for Public Comment, email Cherrelle.Duncan@houstontx.gov before 12 p.m. on Monday, March 22, 2021. Only those who sign up in advance will be able to provide public comments during the meeting. Public speakers will receive a specific link that will allow them to be able to speak during the public comment portion of the meeting at their designated time to speak.

I. Call to Order/Welcome

II. Planning & Grants Management

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing the submission of the 2021 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) and accepting a total of \$47,962,040.00 in CDBG, HOME, HOPWA and ESG program funds and \$283,938.00 in program income. (All Districts)

- Tom McCasland, Director
- Derek Sellers, Deputy Director

III. Finance

HCDD recommends Council approval of an Ordinance creating a new Fund in SAP named “TIRZ Bond Affordable Homes,” to be used to administer the fiscal matters related to the activities HCDD’s single-family affordable housing projects. (All Districts)

- Tom McCasland, Director
- Temika Jones, Assistant Director & CFO

IV. Economic Development

- a. HCDD recommends Council approval of an Ordinance to adopt a Grant Agreement for the provision of business grants via the HEDP Small Business Grant (SGP) program to invest \$24,823,944.00 in CDBG-DR17 funds in grants for eligible microenterprises. (All Districts)
 - Tom McCasland, Director
 - Paula Pineda, Ph.D., Division Manager

V. Public Services

- a. HCDD recommends Council approval of an Ordinance authorizing a Second Amendment to a Subrecipient Agreement between the City of Houston (City) and SEARCH Homeless Services (SEARCH), providing up to \$132,579.00 in HOPWA funds for SEARCH's Foshee Family House of Tiny Treasures, an early childhood development childcare facility. (All Districts)
- b. HCDD recommends Council approval of an Ordinance authorizing a Second Amendment to a subrecipient agreement between the City of Houston (City) and AIDS Foundation Houston Inc. to provide up to \$1,080,238.00 in HOPWA funds to operate and maintain three separate multi-unit residential facilities with supportive services for low-income and/or homeless persons living with HIV/AIDS. (All Districts)
 - Tom McCasland, Director
 - Melody Barr, Deputy Assistant Director

VI. Public Facilities

HCDD recommends Council approval of a Contract between the City of Houston (City) and Mercato, Inc. to provide \$72,000.00 in CDBG funds for a two-year pilot program to subsidize subscription fees up to 1,000 residents for online grocery delivery services within a 20 mile radius. (A, B, C, D, F, H, I, J, K)

VII. Director's Comments

- Tom McCasland, Director

VIII. Public Comments

Adjourn



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 4/21/2020

District: ALL

Item Creation Date: 2/4/2020

HCD21-1

Authorizing submission of the
2020 Annual Action Plan

Agenda Item: II.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing the following:

1. The submission of the 2021 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD), which includes an application for the following entitlement grants to be received from HUD: Community Development Block Grant (CDBG), the HOME Investment Partnerships Grant (HOME), the Housing Opportunities for Persons with AIDS Grant (HOPWA), and Emergency Solutions Grants (ESG) program funds. The application estimates a total of \$47,962,040.00 in federal funds and \$283,938.00 in Program Income to benefit income-eligible residents during HUD Program Year 2021 (July 1, 2021 – June 30, 2022);
2. The execution of the Agreements between the City of Houston (City) and HUD for the entitlement grants by the Mayor, or the Mayor’s designee; and
3. The execution of related forms and documents for the entitlement grants by the Mayor, or the Mayor’s designee.

Funding priorities include affordable home development, supportive services, infrastructure and neighborhood facilities, and economic development. The goal of the Annual Action Plan is to promote strategies that 1) preserve and expand the supply of affordable housing, 2) expand homeownership opportunities, 3) provide assistance to persons affected by HIV/AIDS, 4) reduce homelessness, 5) improve quality of life, 6) revitalize communities, 7) promote health and safety, 8) foster community economic development, and 9) promote fair housing. The format and information presented in the 2021 Annual Action Plan are based on federal guidance and requirements. The 2021 Annual Action Plan is the second Annual Action Plan of the 2020-2024 Consolidated Plan.

HCDD recommends that the City’s allocation of \$24,822,902.00 (\$24,665,507.00 in CDBG funds and \$157,395.00 in projected Program Income) be distributed among the following categories:

| Community Development Block Grant | | |
|--|------------------------|---------------|
| Public Services (Homeless, Social Services, Youth, Special Needs, Elderly) | \$3,662,800.00 | 14.7% |
| ESG Match | \$500,000.00 | 2.0% |
| Public Facilities | \$5,527,529.00 | 22.3% |
| Home Repair | \$5,527,530.00 | 22.3% |
| Homeownership Assistance | \$900,000.00 | 3.6% |
| Lead Based Paint | \$75,000.00 | 0.3% |
| Economic Development | \$100,000.00 | 0.4% |
| Code Enforcement | \$3,065,463.00 | 12.4% |
| Housing Services | \$500,000.00 | 2.0% |
| Program Administration | \$4,964,580.00 | 20.0% |
| TOTAL | \$24,822,902.00 | 100.0% |

HCDD recommends that the City's allocation of \$10,432,721.00 (\$10,306,178.00 in HOME funds and \$126,543.00 of projected Program Income) be distributed among the following categories:

| HOME Investment Partnerships Grant | | |
|---|------------------------|---------------|
| Multifamily Acquisition/Rehabilitation/New Construction/Relocation/Program Delivery | \$5,143,523.00 | 49.3% |
| Single-Family Acquisition/Rehabilitation/New Construction/Relocation/Program Delivery | \$1,745,926.00 | 16.7% |
| Tenant Based Rental Assistance | \$2,500,000.00 | 24.0% |
| Program Administration | \$1,043,272.00 | 10.0% |
| Total | \$10,432,721.00 | 100.0% |

HCDD recommends the City's allocation of \$10,884,807.00 in HOPWA activities for the 2021-2022 Program Year be distributed among the following categories:

| Housing Opportunities for Persons with AIDS Grant | | |
|--|------------------------|---------------|
| Operating Costs | \$2,351,795.00 | 21.6% |
| Supportive Services | \$2,268,670.00 | 20.8% |
| Project or Tenant-based Rental Assistance | \$2,535,172.00 | 23.3% |
| Short-Term, Rent, Mortgage & Utility Assistance | \$2,535,172.00 | 23.3% |
| Resource Identification/Technical Assistance/Housing Information | \$105,518.00 | 1.0% |
| Grantee Administration | \$326,544.00 | 3.0% |
| Sponsor Administration | \$761,936.00 | 7.0% |
| TOTAL | \$10,884,807.00 | 100.0% |

HCDD recommends the City's allocation of \$2,105,548.00 in ESG activities for the 2021-2022 Program Year be distributed among the following categories:

| Emergency Solutions Grant | | |
|--|-----------------------|---------------|
| Homeless Management Information Systems (HMIS) | \$84,222.00 | 4.0% |
| Emergency Shelter | \$757,997.00 | 36.0% |
| Homeless Prevention | \$536,915.00 | 25.5% |
| Rapid Re-Housing | \$568,498.00 | 27.0% |
| Administration | \$157,916.00 | 7.5% |
| TOTAL | \$2,105,548.00 | 100.0% |

HCDD solicited public input in the development of the 2021 Annual Action Plan. HCDD also developed and distributed written information on these federal grants and sponsored four public hearings (two in the fall and two in the spring) in the Houston area.

As stipulated by federal regulations and in conformity with the Citizen Participation Plan, residents had 30 days to comment on the proposed 2021 Annual Action Plan before it is approved by City Council. The 30-day review period extended from March 17, 2021 through April 16, 2021.

No fiscal note is required for grant items. This item was reviewed by the Housing and Community Affairs Committee on March 23, 2021.

Amount of Funding

\$48,245,978.00 (to be received) – Federal Government – Grant Fund – (5000)

Contact Information:

Roxanne Lawson
(832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 3/24/2021

District ALL

Item Creation Date: 2/25/2021

HCDD – Tax Increment Reinvestment Zone
(TIRZ) Bond Affordable Homes Fund
Agenda Item: III.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance creating a new Fund in SAP named “TIRZ Bond Affordable Homes,” to be used to administer the fiscal matters related to the activities HCDD’s single-family affordable housing projects.

On January 6, 2021, Council adopted Ordinance 2021-0017, which approved the issuance of bonds by the Uptown Development Authority.

No Fiscal Note is required on grant items.

The Housing and Community Affairs Committee reviewed this item on March 23, 2021.

Tom McCasland, Director

Prior Council Action:

01/06/2021 (O) 2021-0017

Contact Information:

Roxanne Lawson
(832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 3/24/2021

District: ALL

Item Creation Date: 3/2/2021

HCD20-165

Community Development Block Grant Disaster Recovery
(CDBG DR-17) Economic Revitalization HEDP

HEDP Grant Agreement

Agenda Item: IV.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance to adopt a Grant Agreement for the provision of business grants via the Harvey Economic Development Program (HEDP) Small Business Grant (SGP) program. HCDD shall invest \$24,823,944.00 in CDBG-DR17 funds to provide grants to eligible microenterprises in fulfillment of the HEDP SGP. The SGP provides support to microenterprises impacted by Hurricane Harvey through grants for working capital, job creation, and unresolved Hurricane Harvey damage.

By providing SPG grants, HCDD aims to:

1. Support the recovery and development of Houston's microenterprises, which were disproportionately impacted by Hurricane Harvey, and
2. Address disparities in access to capital and,
3. Support job creation, and
4. Bolster Houston's economy

SGP grant awards have a maximum of \$100,000.00 per small business applicant. The SGP grant amount is a function of:

1. Business' commitment to job creation
2. Business' outstanding damage from Hurricane Harvey
3. Business' eligible working capital needs

HCDD will fully administer the HEDP Small Business Grants Program, including outreach, application review, eligibility review, technical assistance to program applicants, underwriting and grant processing. To ensure transparency and accountability, HCDD will provide Council with regular program reports on HEDP performance and spending.

The program must be completed by August 2024, pursuant to the contract between the City of Houston and the Texas General Land Office (GLO), HUD's direct recipient of Hurricane Harvey CDBG-DR17 funds. The HEDP Dream Fund Program launches the first quarter of 2021.

No fiscal note is required on grant items. This item was reviewed by the Housing and Community Affairs Committee on March 23, 2021.

Tom McCasland, Director

Contact Information:

Roxanne Lawson
(832) 394-6307

HEDP GRANT AGREEMENT TERM SHEET

HEDP Small Business Grant Program Summary

The Housing and Community Development Department (HCDD) requests that City Council approve an Ordinance to adopt a Grant Agreement for the provision of business grants via the HEDP Small Business Grant (SGP) program. HCDD shall invest \$24,823,944 in CDBG-DR17 funds to provide grants to eligible microenterprises in fulfillment of the Harvey Economic Development Program (HEDP) Small Business Grant Program (SGP).

HEDP SGP

The HEDP Small Business Grant Program (SGP) aims to provide assistance to Houston microenterprises for recovery and growth after the impact of Hurricane Harvey. **The SGP grants are for eligible working capital needs, job creation needs, and unresolved Hurricane Harvey damage needs.** The SGP grants are for a maximum of \$100,000.

HCDD has identified a total of \$24,823,944.00 in CDBG-DR funds to be directed to the Small Business Grant Program. This program will be administered entirely by HCDD, rendering it a 100% fund investment directly into Houston's small business sector.

Program Priorities

The Small Business Grant Program is designed to meet the recovery needs of microenterprises, which were disproportionately impacted by Hurricane Harvey and face disparities in access to capital. This program prioritizes microenterprises owned by women and minorities. This economic development strategy of small business development increases economic stability, job creation, and job retention, as noted in the City of Houston Local Action Plan (pg. 34).

Eligible Activities

Activities eligible for funding include:

- Microenterprise Development, as set forth in 24 CFR Part 570.201(o)

Program Summary

1. **Allocation Amount:** \$24,823,944
2. **Maximum Grant Award:** \$100,000
3. **HCDD Programmatic Responsibilities:** Program administration, outreach and marketing, eligibility verification, underwriting, technical assistance, reporting.
4. **Timeframe:** First quarter of 2021- August 2024.

Regulatory Requirements

- Affirmatively Furthering Fair Housing (AFFH)
- Accessibility (504) – ADA 2010
- Environmental Review
- Davis-Bacon Labor Standards
- Fair Labor Standards Act of 1938, as amended
- HUD Section 3
- Minority-owned or Women-owned Small Business Enterprises (MWSBE)
- Equal Employment Opportunity
- Fair Housing
- Limited English Proficiency
- Access to Records (State – City)
- Audit Requirements
- Fraud, Waste, and Abuse
- Conflict of Interest and Confidentiality
- Privacy



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 4/8/2020

District: I

Item Creation Date: 2/26/2021

HCD21-31

SEARCH House of Tiny Treasures

Agenda Item V.a.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing a Second Amendment to a Subrecipient Agreement between the City of Houston (City) and SEARCH Homeless Services (SEARCH), providing up to \$132,579.00 in Housing Opportunities for Persons with AIDS (HOPWA) funds for SEARCH's Foshee Family House of Tiny Treasures, an early childhood development childcare facility for families living with HIV/AIDS.

The City will grant SEARCH up to \$132,579.00 in HOPWA funds for the administration and operations of a childcare services program with supportive services. This program will provide developmentally appropriate childcare services to a minimum of ten (10) HOPWA eligible households; including a minimum of sixteen (16) unduplicated children and thirty-five (35) family members.

Supportive services include case management, transportation, counseling for the caregiver, various therapy for the children, as needed, and referral services to support the basic and emotional needs. The City provides 42% of the budget for this program, while the remaining 58% is provided by other funding sources.

| Category | Total Contract Services | Percent |
|---------------------|--------------------------------|----------------|
| Administrative | \$9,274.00 | 7.00% |
| Supportive Services | \$123,305.00 | 93.00% |
| Total | \$132,579.00 | 100% |

HCDD conducted a Request for Proposals for HOPWA services for fiscal year 2019 with a one-year renewal option for fiscal year 2020. SEARCH was one of the providers selected. The initial contract period was December 1, 2018 – November 30, 2019, and the First Amendment provided funding through November 30, 2020. The contract was administratively extended through April 30, 2021. This Second Amendment provides funding through April 30, 2022. SEARCH has received funding through the City of Houston for various contracts since 1996.

As of December 2020, SEARCH has served 19 children and 22 family members, utilizing approximately 59% of funding, and there were no findings on the annual compliance monitoring.

No Fiscal Note is required on grant items. The Housing and Community Affairs Committee reviewed this item on March 23, 2021.

Tom McCasland, Director

Prior Council Action:

11/28/18 (O) 2018-934, 1/7/20 (O) 2020-48

Amount of Funding:

\$132,579.00 Federal Government – Grant Funded (5000)

Contact Information:

Roxanne Lawson
(832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 4/20/2021

District: ALL

Item Creation Date: 3/1/2021

HCD21-32

AIDS Foundation Houston, Inc. (HOPWA)

Agenda Item V.b.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing a Second Amendment to a Subrecipient Agreement between the City of Houston (City) and AIDS Foundation Houston Inc. to provide up to \$1,080,238.00 in Housing Opportunities for Persons with AIDS (HOPWA) funds to operate and maintain three separate multi-unit residential facilities with supportive services for low-income persons and families living with HIV/AIDS.

The project's scope of work provides permanent housing and support services to a minimum of 149 unduplicated low-income households living with HIV/AIDS. Supportive services include, but are not limited to, case management, life skills training, nutritional services, substance abuse and mental health counseling.

Operating costs include property management, utilities, property insurance and other related costs. The City provides approximately 59% of the budget for this program.

| Category | Total Contract Amount | Percentage |
|----------------------------|-----------------------|------------|
| Administrative | \$ 75,616.66 | 7.00% |
| Supportive Services | \$277,728.00 | 25.71% |
| Operations: Friendly Haven | \$229,952.40 | 21.29% |
| Operations: Burress | \$255,131.21 | 23.62% |
| Operations: Help House | \$241,809.73 | 22.38% |
| Total | \$1,080,238.00 | 100.00% |

HCDD conducted a Request for Proposals for HOPWA services for fiscal year 2019 with a one-year renewal option for fiscal year 2020, at the City's option. AIDS Foundation Houston, Inc. was one of the agencies selected. The initial contract period was April 1, 2019 – April 30, 2020, and the First Amendment provided funding through March 31, 2021. This Second Amendment provides funding through April 30, 2022. AIDS Foundation Houston has received HOPWA contracts through the City since 1994.

As of December 2020, AIDS Foundation Houston, Inc. utilized approximately 85% of their funding and had no findings on the annual compliance monitoring. Through February 2021, A Friendly Haven served eighty-eight (88) unduplicated individuals, including adults and children at community residence with the target being eighty (80) unduplicated individuals at community residence (110%). Help House served twenty-four (24) unduplicated individuals with the target being twenty-two (22) unduplicated individuals (109%). Burress Street Apartments served twenty-nine (29) unduplicated cisgender and transgender women with the target being Thirty-two (32) unduplicated cisgender and transgender women living with HIV/AIDS (91%).

No Fiscal Note is required on grant items. The Housing and Community Affairs Committee reviewed this item on March 23, 2021.

Tom McCasland, Director

Funding Source:

\$1,080,238.00 Federal Government – Grant Funded (5000)

Prior Council Action:

4/3/2019 (O) 2019-237

Contact Information:

Roxanne Lawson
(832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 4/21/2021
District: A, B, C, D, F, H, I, J, K
Item Creation Date: 3/1/2021

HCD21-33
Mercato Delivery Service
Agenda Item: VI.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of a Contract between the City of Houston (City) and Mercato, Inc. to provide \$72,000.00 in CDBG funds for a one-year pilot program that will subsidize subscription fees for an online grocery delivery service for up to 1,000 residents in low income areas and in the Complete Communities.

Mercato, Inc. will provide an on-line platform to provide individuals with access to fresh produce and groceries by connecting independently owned and specialty grocery stores to individuals in food desert areas. Mercato will work with leading courier networks to provide grocery delivery to residents within a 5-mile radius of local and independently owned grocery stores.

Mercato, Inc. will provide the City with a revenue share for each participating merchant to be reinvested by paying for the City's subsidy of subscription fees in the second year of the pilot program. Mercato and the City have identified multiple independently owned and specialty food stores for marketing and outreach through targeted social media advertising, mailers, and on-line launches.

| Sources: | Amount: | Uses: | Amount: |
|-----------------|--------------------|-------------------|--------------------|
| CDBG Funds | \$72,000.00 | Subscription Fees | \$72,000.00 |
| Total | \$72,000.00 | Total | \$72,000.00 |

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee on March 23, 2021.

Tom McCasland, Director

Amount of Funding

\$72,000.00 – CDBG Funds (5000)

Contact Information:

Roxanne Lawson
(832) 394-6307