



Housing and Affordability Committee

Michael Nichols, Director
August 26, 2024



CITY OF HOUSTON * HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT



Agenda

- I. Welcome/Introductions
- II. Planning and Grant Reporting
- III. Compliance & Grant Administration
- IV. Public Services
- V. Single Family
- VI. Multifamily
- VII. Director's Comments
- VIII. HHA Presentation & Public Comments

II. PLANNING AND GRANT REPORTING

Angela Simon, Assistant Director

II. Substantial Amendment 1 CDBG-DR21 (All Districts)

An Ordinance authorizing Substantial Amendment 1 to the Houston Action Plan for Disaster Recovery – 2021 Winter Storm to reallocate \$20,000,000.00 of CDBG-DR21 funds from the Rental Housing Counseling and Winter Storm Home Repair Program.

Reconstruction and Rehabilitation Pathway budget line items will move to a new budget line item called the Winter Storm Multifamily Affordable Rental Housing Program.

II. Substantial Amendment 1 CDBG-DR21 (All Districts)

HCD proposes to decrease the Winter Home Repair Program: Reconstruction and Rehabilitation Pathway budget line item and remove the Rental Housing Counseling line item; the funds from these reductions will fund the new line item, the Winter Storm Multifamily Affordable Rental Housing Program.

This Substantial Amendment does not result in any change in the total funds awarded for the 2021 Winter Freeze.

II. Substantial Amendment 1 CDBG-DR21 (All Districts)

The purpose of this change is to reflect the need of the community, provide housing choice, and realign funds to effectively manage the CDBG-DR21 funds received from the U.S. Department of Housing and Urban Development (HUD).

A copy of the public notice stating these changes can be viewed at:

<https://houstontx.gov/housing/public-notice.html>

II. Substantial Amendment 1 CDBG-DR21 (All Districts)

In accordance with HUD's regulations and the Citizen Participation Plan for Houston's CDBG-DR21, the City is required to amend components of its Plan for a variety of reasons, including when a reallocation of funds increases or decreases the budget of an activity by more than 25% or when a new activity is added to the Plan.

II. Substantial Amendment 1 CDBG-DR21 (All Districts)

CDBG-DR21 Funds	Current Budget	Budget Decrease	Budget Increase	Proposed Budget
Winter Storm Home Repair Program: Reimbursement Pathway	\$1,656,978.00	\$0.00	\$0.00	\$1,656,978.00
Winter Storm Home Repair Program: Recon. & Rehab. Pathway	\$38,449,272.00	\$19,450,000.00	\$0.00	\$18,999,272.00
Renter Housing Counseling	\$550,000.00	\$550,000.00	\$0.00	\$0.00
Multifamily Housing Program	\$0.00	\$0.00	\$20,000,000.00	\$20,000,000.00
Neighborhood Facilities Resilience Program	\$6,734,000.00	\$0.00	\$0.00	\$6,734,000.00
Planning	\$200,000.00	\$0.00	\$0.00	\$200,000.00
Administration (5% of grant)*	\$2,504,750.00	\$0.00	\$0.00	\$2,504,750.00
Total CDBG-DR21 Activities	\$50,095,000.00	\$20,000,000.00	\$20,000,000.00	\$50,095,000.00

III. COMPLIANCE & GRANT ADMINISTRATION

Kennisha London, Deputy Director

III. 2nd Amendment to CDBG-DR17 Agreement (All Districts)

An Ordinance authorizing and approving a Second Amendment to the Community Development Block Grant Disaster Recovery Harvey (CDBG-DR17) Subrecipient Agreement (#21-134-000-C788) with the Texas General Land Office (GLO).

The GLO proposes to amend the Subrecipient Agreement with the City in the following ways:

III. 2nd Amendment to CDBG-DR17 Agreement (All Districts)

- Revise the grant award from \$664,157,590.00 by reducing funding in the amount of \$10,602,000.00 for a total amount not to exceed \$653,555,590.00.
- Revise contractual language and reallocate programmatic funding.
- Extend the term of the Agreement for the Harvey Economic Development Program (HEDP) from August 31, 2024, to February 28, 2025.

III. 2nd Amendment to CDBG-DR17 Agreement (All Districts)

The Agreement is designed to “facilitate disaster recovery, restoration, and economic revitalization and to affirmatively further fair housing to address unmet disaster recovery needs through activities related to disaster relief long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from damage caused by Hurricane Harvey.”

IV. PUBLIC SERVICES

Melody Barr, Assistant Director

IV.a. Career and Recovery Resources (District D)

An Ordinance authorizing a First Amendment to the Agreement between the City and Career and Recovery Resources, Inc. (Career and Recovery),

Extending the Agreement term to provide rapid rehousing case management and housing navigation services to 17 households as they exit from the Community COVID Housing Program (CCHP).

No additional funding is being provided.

IV.a. Career and Recovery Resources (District D)

The CCHP was developed by The Way Home the City of Houston, Harris County, and the Coalition for the Homeless of Houston/Harris County (The Coalition).

For CCHP Phase 2, a joint Request for Expression of Interest (REI) from qualified agencies was released in March 2022.

Career and Recovery was selected to receive funding for rapid re-housing case management and housing navigation services.

IV.a. Career and Recovery Resources (District D)

The initial Agreement was from October 15, 2022, to September 30, 2023, and was extended to September 30, 2024. This First Amendment extends this Agreement through January 31, 2025.

As of June 2024, Career and Recovery achieved 90% of its goal and expended approximately 73% of its funding.

Career and Recovery began receiving funding through the City in 2006. There were no findings in their annual compliance monitoring review.

IV.b. West Houston Assistance Ministries (District F)

An Ordinance authorizing a Second Amendment to the Subrecipient Agreement between the City and West Houston Assistance Ministries (WHAM),

Extending the Agreement through January 31, 2025, to continue to provide rapid rehousing case management and housing navigation services to 56 households as they exit from the CCHP.

No additional funding is being provided.

IV.b. West Houston Assistance Ministries (District F)

The initial Agreement term was from October 19, 2022, through September 30, 2023. It was administratively extended to September 30, 2024, then amended to add funding.

This Second Amendment will extend the Agreement through January 31, 2025, with no additional funding.

As of May 1, 2024, WHAM achieved 101.79% of its goal and expended approximately 58.62% of funding with no findings on their annual review.

IV.c. The Salvation Army of Greater Houston (District I)

An Ordinance authorizing a Second Amendment to Subrecipient Agreement between the City of Houston and The Salvation Army (TSA),

Extending the term of the Agreement through January 31, 2025 to provide Diversion services to 50 additional households at-risk for homelessness.

No additional funding is being provided.

IV.c. The Salvation Army of Greater Houston (District I)

For CCHP Phase 2, a joint Request for Expression of Interest from qualified agencies was released in March, 2022 by the Coalition and TSA was awarded funding for Diversion services.

Diversion services identify immediate alternative housing arrangements to avoid emergency shelter or unsheltered living through financial assistance, family mediation, counseling services, etc.

IV.c. The Salvation Army of Greater Houston (District I)

The initial Agreement term was from October 1, 2022, through September 30, 2023, and was extended through September 30, 2024, then amended to add funding.

This Second Amendment will extend the term of the Agreement through January 31, 2025, with no additional funding.

As of April 2024, TSA achieved 112.72% of its goal and expended approximately 72.24% of funding with no findings on their annual compliance review.

IV.d. Northwest Assistance Ministries (All Districts)

An Ordinance authorizing a Second Amendment to Subrecipient Agreement between the City and Northwest Assistance Ministries (NAM),

Extending the term of the Agreement through January 31, 2025 to provide Diversion services to a minimum of 30 additional households who are at-risk for homelessness.

No additional funding is being provided.

IV.d. Northwest Assistance Ministries (All Districts)

The initial Agreement term was October 15, 2022, through September 30, 2023, which was extended through September 30, 2024. It was later amended to add additional funding.

As of April 1, 2024, NAM achieved 261.48% of its goal and expended 54.07% of funding.

There were no findings on their annual compliance review.

IV.e. Housing Navigation Center Operations (District B)

An Ordinance authorizing a Subrecipient Agreement between the City and the Coalition for the Homeless of Houston/Harris County (the Coalition),

Providing \$3,500,000.00 of General funds to continue administration and operation of the Housing Navigation Center, located at 2903 Jensen Drive, Houston, Texas 77026.

The Agreement term will be from the date of countersignature by the City Controller through December 31, 2025.

IV.e. Housing Navigation Center Operations (District B)

The facility provides bridge beds for 250 clients annually to stay during the housing placement process. “Bridging” is the time from housing assessment to placement into permanent housing.

Funding will support shelter operations, such as but not limited to, utilities, food, supplies, security, facility staff and case management services.

Potential clients must be referred and transported to the location by either a homeless service agency or first responders to be eligible for entry.

IV.e. Housing Navigation Center Operations (District B)

Category	Amount	Percent
Program	\$3,150,000.00	90.00%
Administrative	\$350,000.00	10.00%
Total	\$3,500,000.00	100.00%

There were no findings during the last annual compliance monitoring review.

The Coalition has received funding through the City since 2005.

IV.f. Goodwill Industries of Houston (District C)

An Ordinance authorizing a First Amendment to the Subrecipient Agreement between the City of Houston (City) and Goodwill Industries of Houston (Goodwill),

Providing up to an additional \$175,000.00 in federal Housing Opportunities for Persons with AIDS (HOPWA) funds,

To support a job services program with supportive services for a minimum of 75 additional low-to-moderate households affected by HIV/AIDS.

IV.f. Goodwill Industries of Houston (District C)

HCD conducted a NOFA for HOPWA services in September 2022 with a one-year renewal option, at the City's discretion.

All Goodwill program participants will receive:

Case management and wrap-around services including employment and job training, career coaching with mentorship, transportation, referrals for other services such as child-care, health, education, nutrition, legal services, and housing.

IV.f. Goodwill Industries of Houston (District C)

The initial term was from July 1, 2023, to June 30, 2024, and was administratively extended through September 30, 2024.

The First Amendment will extend the term and provide funding through September 30, 2025.

Goodwill has received HOPWA funding from the City since 2009.

IV.f. Goodwill Industries of Houston (District C)

CATEGORY	AMOUNT	PERCENT
Support Services	\$170,200.00	97.26%
Administration	\$4,800.00	2.74%
Total	\$175,000.00	100.00%

As of June 2024, Goodwill has achieved 65.09% of its goal and expended approximately 79.17% of funding with no findings on their last compliance monitoring review.

V. SINGLE FAMILY

Cedrick LaSane, Assistant Director

V.a. HRP Master Contract Agreement Funds FY25 (All Districts)

An Ordinance amending Ordinance No. 2018-56, to:

- (1) Allocate an additional \$4,916,006.00 in Community Development Block Grant (CDBG) funds to the Master Contractor Agreements (MCA) under the City of Houston Home Repair Program (HRP); and
- (2) Increase the maximum amount of the Agreements from \$60,869,857.65 to \$65,785,863.65.

V.a. HRP Master Contract Agreement Funds FY25 (All Districts)

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.

V.a. HRP Master Contract Agreement Funds FY25 (All Districts)

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.

To date, the HRP has completed 285 homes with an additional 29 homes currently in preconstruction. The funds will serve approximately 20 to 25 homeowners.

V.a. HRP Master Contract Agreement Funds FY25 (All Districts)

In January 2018, City Council approved the use of a form of Master Contractor Agreement for the HRP 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.

V.b. Garver Heights & Zuri Gardens Amendment (District D)

An Ordinance authorizing an Amendment to the Zuri Gardens Loan Agreement between the City of Houston and Cole Klein Builders, LLC (Borrower) increasing the loan by \$98,744.07, of which \$70,531.48 will be used for a portion of the costs to construct a sanitary sewer line that will span from the intersection at Martindale Rd. and Madden Ln. to Mystic Sky Ln.

The remaining (10%) shall be a contingency for construction costs. Funding shall consist of Uptown TIRZ Series 2021 Affordable Homes Funds (Fund 2430).

V.b. Garver Heights & Zuri Gardens Amendment (District D)

This proposed increase in funding is due to the cancelation of the Pineapple Square Project (“PSP”) by its developer.

PSP was a development (separate and apart from Borrower’s Zuri Gardens development) which included a sanitary sewer line that multiple surrounding projects would tie into.

As a result of the cancellation, the sanitary sewer line needed from the intersection of Martindale Rd. and Madden Ln. to Mystic Sky Ln. was not constructed.

V.b. Garver Heights & Zuri Gardens Amendment (District D)

The missing sanitary sewer line jeopardizes the development of 80 units at Zuri Gardens, and 200 units at Garver Heights, which are currently under construction through the AHDP. Borrower has worked out a cost-sharing agreement to avoid delaying these AHDP projects.

The total cost for the extension is approximately \$282,125.93, which shall be shared by all parties. Borrower will pay a total of \$140,062.96; however, \$70,531.48 will be paid from Borrower's cash reserves and the remaining \$70,531.48 will be paid from loan proceeds via this First Amendment.

V.b. Garver Heights & Zuri Gardens Amendment (District D)

This project will be administered by AHDP with the aim of increasing affordable single-family homeownership opportunities for households earning between 60% and 120% of the Area Median Income (AMI).

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

V.b. Garver Heights & Zuri Gardens Amendment (District D)

Sources	Amount	Uses	Amount
Uptown TIRZ – Series 2021 (Fund 2430)	98,744.07	Sanitary Sewer Line	\$70,531.48
		Construction Contingency	\$20,212.59
Total	\$98,744.07		\$98,744.00

Source (Cost Sharing)	Amount
Cole Klein Builders, LLC (50% cash & 50% Uptown TIRZ Series 2021)	\$140,062.96
Gulfgate Redevelopment Authority (TIRZ 8)	\$70,531.48
Kittle Development Group	\$70,531.48
Estimated Total Cost	\$282,125.93

V.c. Change Happens CDC Developer Agreement (Districts A & B)

An Ordinance authorizing a Second Amendment to the Single-Family Home Community Housing Development Program (CHDO) Developer Agreement between the City of Houston and Change Happens Community Development Corporation (CDC) to:

1. Increase the maximum amount of the Agreement from \$2,100,000.00 to \$3,096,726.00;

V.c. Change Happens CDC Developer Agreement (Districts A & B)

2. Provide up to \$996,726.00 in additional Home Investment Partnerships Program (HOME) set-aside funds to cover construction cost increases from the original Developer Agreement;
3. Add one additional lot to increase the development of up to ten affordable single-family homes and,
4. Change provisions regarding definitions, recapture, the affordability period, and sales contracts;

V.c. Change Happens CDC Developer Agreement (Districts A & B)

5. In an effort to build capacity, the CHDO has hired staff to oversee the day-to-day operations as opposed to using a consultant.

Market-related changes interacting with supply constraints are increasing the cost of home construction.

The home designs are 3- and 4-bedroom single-family homes with 2- to 2.5 bathrooms, including 1- to 2-car garages. Each home will be between 1,500 sq ft and 2,000 sq ft.

V.c. Change Happens CDC Developer Agreement (Districts A & B)

The CHDO Single-Family Home Development Program administers newly constructed affordable-family homes for sale to LMI homebuyers and expands nonprofit housing providers' capacity.

The City will comply with HOME affordability periods based on the amount of HOME funds invested in the property.

HOME subsidies provided to the homebuyer and imposed recapture provisions are set under 24 CFR § 92.254(a)(5)(ii).

V.c. Change Happens CDC Developer Agreement (Districts A & B)

The designs of each Heart of Houston CDC and Change Happens CDC home will encompass: Energy STAR certification and FORTIFIED HOME Hurricane Standards.

Some homes will have resilient components, including generators, impact windows, and/or higher R-value insulation. (Based on availability of funding from Wells Fargo's grant).

V.c. Change Happens CDC Developer Agreement (Districts A & B)

Sources	Amount	Uses	Amount
HOME Funds	\$996,726.00	Change in construction cost since 2018.	\$306,000.00
		(2) 3 BR: Hard & Soft Costs	\$554,660.00
		Contingency for cost increase before project completion.	\$86,066.00
		Operational Expenses	\$50,000.00
Total	\$996,726.00	Estimated Total	\$996,726.00

HOME Investment per Unit	Affordability Period
Less than \$15,000.00	5 years
\$15,000.00 - \$40,000.00	10 years
More than \$40,000.00	15 years

V.d. Heart of Houston CDC Amendment (District D)

An Ordinance authorizing an Intercreditor and Subordination Agreement between the City and the Heart of Houston Community Development Corporation (CDC) as follows:

- (1) The City will subordinate its liens to the senior lender, Amegy Bank for bridge loan financing,
- (2) Amegy Bank will acknowledge that its lien is subordinate to the City's restrictions, and
- (3) Establish other standard and miscellaneous terms between the parties.
- (4) No additional funding.

V.d. Heart of Houston CDC Amendment (District D)

The initial Developer Agreement provided up to \$3,100,000.00 in Home Investment Partnerships Program (HOME) set-aside funds towards the design and construction of approximately 11 energy-efficient, affordable, single-family homes on scattered sites in the Third Ward and South Union Communities.



VI. MULTIFAMILY

Ryan Bibbs, Division Manager

VI.a. The Rushmore Multifamily Development (District G)

An Ordinance authorizing \$3,000,000.00 of HOME Investment Partnerships Program (HOME) funds,

For an Agreement between the City of Houston (City) and HTG Rushmore, LLC

Towards the construction and acquisition costs for a new multifamily apartment development to be known as The Rushmore, located at 800 Highway 6 South, Houston, TX 77079.

VI.a. The Rushmore Multifamily Development (District G)

HTG Rushmore, LLC plans to develop a new construction of a 101-unit, mixed-income apartment complex serving low-to moderate-income families.

The development will be situated on approximately 3.47 acres at 800 Highway 6 South, Houston, Texas 77079, in Council District G.

This new development will be a National Green Building Standard certified multifamily rental community.



VI.a. The Rushmore Multifamily Development (District G)

The loan and affordability period will be 20 years and will commence when the construction period is completed.

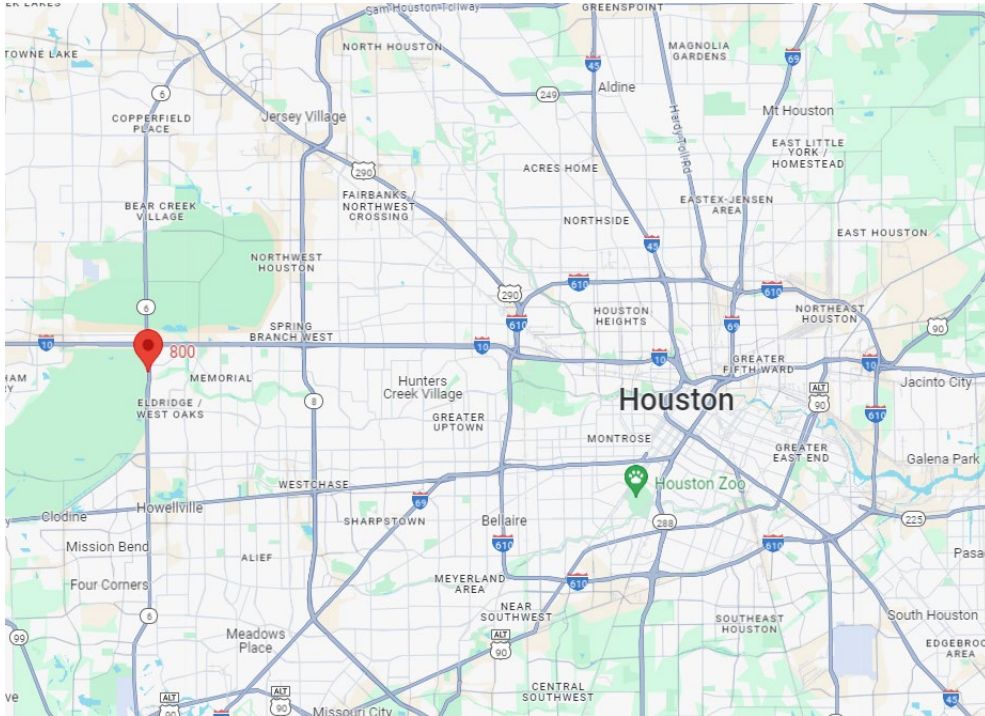
The loan will be non-amortizing throughout both the construction and affordability period.

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 the available cash flow.

VI.a. The Rushmore Multifamily Development (District G)



VI.a. The Rushmore Multifamily Development (District G)



VI.a. The Rushmore Multifamily Development (District G)

Sources	Amount	Uses	Amount
City of Houston (HOME)	\$3,000,000.00	Acquisition	\$3,280,000.00
9% Housing Tax Credit	\$15,005,999.00	Hard Costs	\$21,180,394.00
Conventional Loan	\$7,811,000.00	Soft Costs	\$5,819,611.00
Harris County ARPA funds	\$5,975,000.00	Reserves	\$321,653.00
In-Kind Equity/ Def. Developer Fee	\$752,649.00	Developer Fee	\$2,317,990.00
Private Loan / Grant	\$375,000.00		
Total Source of Funds:	\$32,919,648.00	Total Project Cost:	\$32,919,648.00

VI.a. The Rushmore Multifamily Development (District G)

Unit Summary and LURA Breakdown							
Unit Type	Total Units	HCD Restricted	30% AMI*	50% AMI*	60% AMI*	80% AMI*	Market Rate
One Bedroom	32	5	3	9	16		4
Two Bedroom	50	5	6	19	18		7
Three Bedroom	19	2		7	7		5
Four Bedroom							
Total	101	12	9	35	41		16

VI.b. Boulevard 61 Multifamily Development (District J)

Boulevard 61 will be a new construction project consisting of 100 mixed-income apartment units targeting low-to moderate-income families.

Situated less than 2 miles from the Galleria, the site is well-connected to job opportunities and public transit, with access to State Highways 69 and 610.

This prime location offers walkable access to parks, shopping, grocery stores, banks, restaurants, a library, a community center, and medical services.

VI.b. Boulevard 61 Multifamily Development (District J)

An Ordinance authorizing \$2,500,000.00 HOME Investment Partnerships Program (HOME) funds,
For an Agreement between the City of Houston (City) and Houston DMA Housing III, LLC,
For the development costs of a new, affordable, multifamily apartment complex known as Boulevard 61 to be located at 6101 Richmond Avenue, Houston, TX 77057.

VI.b. Boulevard 61 Multifamily Development (District J)

The loan and affordability period will be 20 years and will commence when the construction period is completed.

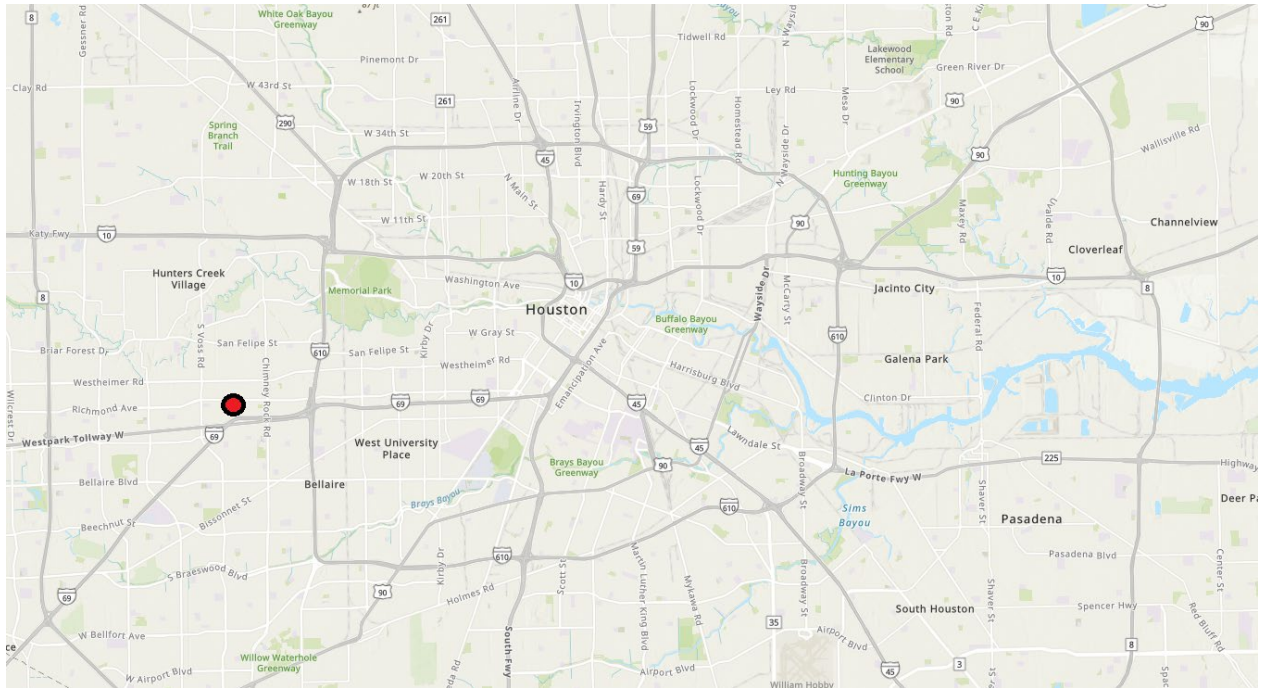
The loan will be non-amortizing throughout both the construction and affordability period.

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 the available cash flow.

VI.b. Boulevard 61 Multifamily Development (District J)



VI.b. Boulevard 61 Multifamily Development (District J)



VI.b. Boulevard 61 Multifamily Development (District J)

Unit Summary and LURA Breakdown								
Unit Type	Total Units	Total Restricted Units	*HCD Restricted Units	30% AMI*	50% AMI*	60% AMI*	80% AMI*	Market Rate
One Bedroom	46	41	6	6	16	17	2	5
Two Bedroom	42	37	4	3	13	19	2	5
Three Bedroom	12	12	2	4	2	6	0	0
Total	100	90	12	13	31	42	4	10

VI.b. Boulevard 61 Multifamily Development (District J)

Sources	Amount	Uses	Amount
City of Houston Request (HCDD Source)	\$2,500,000.00	Hard Cost	\$19,438,114.00
Conventional Loan	\$9,000,000.00	Soft Cost	\$4,584,415.00
LIHTC Syndication Proceeds	\$14,661,034.00	Acquisition Cost	\$8,151,656.00
TDHCA	\$ 7,100,000.00	Developer Fee	\$1,935,000.00
In-Kind Equity/ Deferred Developer Fee	\$1,540,151.00	Reserves	\$692,000.00
Total Source of Funds:	\$34,801,185.00	Total Project Cost:	\$34,801,185.00

VI.c. Alcott Village Bond Resolution (District B)

A Resolution approving the issuance and sale by the **Houston Housing Finance Corporation** (“Issuer”) of tax-exempt revenue bonds,

To finance the acquisition and rehabilitation costs of Alcott Village, a 248-unit apartment community located at 6767 Bennington Street, Houston, TX 77028,

Alcott Village involves low-income Housing Tax Credits and will be subject to long-term affordability and oversight by the TDHCA to restrict 100% of the units at 60% AMI.



VI.c. Alcott Village Bond Resolution (District B)

On September 10, 2024, the Issuer's Board of Directors intends to adopt a resolution authorizing the issuance, sale and delivery of its Multifamily Housing Revenue Bonds (Alcott Village) Series 2024A and 2024B to be issued in tax-exempt bonds totaling up to \$25,500,000.00.

The proceeds of the Obligations will be loaned to Roers Houston Apartments Owner II Limited Partnership to provide financing for the project, payable solely from the revenues of the Project.

There is no funding from the City of Houston.

VI.d. HHFC EMLI at Mesa Gardens Bond Resolution (District B)

A Resolution approving the issuance and sale by **Houston Housing Finance Corporation** of tax-exempt revenue bonds,

To finance the acquisition and construction costs of EMLI at Mesa Gardens, a 300-unit apartment community located at 10199 Mesa Drive, Houston, Texas 77078,

This project involves low-income Housing Tax Credits and will be subject to long-term affordability and oversight by the TDHCA to restrict 100% of the units at 60% AMI.

VI.d. HHFC EMLI at Mesa Gardens Bond Resolution (District B)

On September 10, 2024, the Issuer's Board of Directors intends to adopt a Resolution to authorize the issuance, sale and delivery of its Multifamily Housing Revenue Note (EMLI at Mesa Gardens), Series 2024 to be issued in tax-exempt bonds totaling up to \$35,000,000.

The proceeds of the Obligations will be loaned to EMLI Houston Mesa TC I, LP to finance EMLI at Mesa Gardens.

There is no funding from the City of Houston.

DIRECTOR'S COMMENTS

Michael Nichols, Director

Director's Comments

- **CDBG-DR17 Update**
Temika Jones, Assistant Director and CFO
- **HCD Collaborations and Project Highlights**
Michael Nichols, Director
- **Overview: HHA and PFC's**
David Northern, Sr. President and CEO
- **Public Comments**

CDBG-DR17

Contract Overview & Benchmark Progress

Temika Jones, Assistant Director and CFO

Program Closeout Update

	Contract End Date	Revised Budget
HoAP	Aug-24	\$ 63,343,397
Homebuyers	Aug-24	\$ 16,246,507
Planning	Aug-24	\$ 22,213,801
Public Services	Aug-24	\$ 17,175,963
 		
Admin	Feb-25	\$ 15,000,000
Buyout	Feb-25	\$ 55,800,000
Economic Development	Feb-25	\$ 20,732,068
Multifamily	Feb-25	\$ 370,855,752
Small Rental	Feb-25	\$ 12,188,104
Single Family	-	\$ 60,000,000
Grand Total		\$ 653,555,590



CDBG-DR17 Harvey Grant Update

Benchmark Progress as of June 30, 2024

	Contract End Date	Revised Budget	REVISED June 30, 2024 Benchmark	Remaining to Meet 6/30/24 Revised Benchmark	% Benchmark Met	Approved
Admin	Feb-25	\$ 15,000,000	\$ -	\$ -	-	\$ 3,242,634
Buyout	Feb-25	\$ 55,800,000	\$ 41,850,000	\$ 6,282,350	85%	\$ 35,567,650
Economic Development	Feb-25	\$ 20,732,068	\$ 19,695,464	\$ (341,874)	102%	\$ 20,037,338
HoAP	Aug-24	\$ 63,343,396.52	\$ 60,176,226.69	\$ 3,803,061.76	94%	\$ 56,373,164.93
Homebuyers	Aug-24	\$ 16,246,507	\$ 15,434,181	\$ (727,448)	105%	\$ 16,161,629
Multifamily	Feb-25	\$ 370,855,752	\$ 278,141,814	\$ (44,341,045)	116%	\$ 322,482,859
Planning	Aug-24	\$ 22,213,801	\$ 21,103,111	\$ (149,297)	101%	\$ 21,252,408
Public Services	Aug-24	\$ 17,175,963	\$ 16,317,165	\$ (871,512)	105%	\$ 17,188,677
Single Family	Feb-25	\$ 60,000,000	\$ 42,000,000	\$ (2,057,980)	105%	\$ 44,057,980
Small Rental	Feb-25	\$ 12,188,104	\$ 5,294,273	\$ (1,358,767)	126%	\$ 6,653,040
Grand Total		\$ 653,555,590	\$ 500,012,235	\$ 10,085,411		\$ 543,017,380

NOTES:

- 1 - Remaining to Meet 6/30 Revised Benchmark total sum does not include programs that have exceeded benchmark.
- 2 – Buyout program benchmarks suspended by GLO due to ongoing URA efforts.

CDBG-DR17 Harvey Grant Update

Benchmark Progress as of August 21, 2024

	Contract End Date	Revised Budget	REVISED December 31, 2024 Benchmark	Remaining to Meet 12/31/24 Revised Benchmark	% Benchmark Met	Approved
Admin	Feb-25	\$ 15,000,000	\$ -	\$ -	-	\$ 3,242,634
Buyout	Feb-25	\$ 55,800,000	\$ 53,010,000	\$ 17,216,481	68%	\$ 35,793,519
Economic Development	Feb-25	\$ 20,732,068	\$ 19,695,464	\$ (535,770)	103%	\$ 20,231,235
HoAP	Aug-24	\$ 63,343,396.52	\$ 63,343,397	\$ 6,936,844.72	89%	\$ 56,406,552.28
Homebuyers	Aug-24	\$ 16,246,507	\$ 16,246,507	\$ 84,878	99%	\$ 16,161,629
Multifamily	Feb-25	\$ 370,855,752	\$ 352,312,964	\$ 21,580,379	94%	\$ 330,732,585
Planning	Aug-24	\$ 22,213,801	\$ 22,213,801	\$ 870,343	96%	\$ 21,343,458
Public Services	Aug-24	\$ 17,175,963	\$ 17,175,963	\$ (12,714)	100%	\$ 17,188,677
Single Family	Feb-25	\$ 60,000,000	\$ 57,000,000	\$ 12,942,020	77%	\$ 44,057,980
Small Rental	Feb-25	\$ 12,188,104	\$ 11,578,698	\$ 4,925,658	57%	\$ 6,653,040
Grand Total		\$ 653,555,590	\$ 612,576,794	\$ 64,556,604		\$ 551,811,309

NOTES:

- 1 - Remaining to Meet 6/30 Revised Benchmark total sum does not include programs that have exceeded benchmark.
- 2 - Buyout program benchmarks suspended by GLO due to ongoing URA efforts.

HCD Collaborations and Project Highlights

Michael Nichols, Director

HCD Builds Collaboration

City Departments

City Council
Controller's Office
Council Secretary
Department of Neighborhoods (DON)
Finance
General Services Department (GSD)
Houston Health Department (HHD)
Houston Public Works (HPW)
Houston Parks Board (HPARD)
Intergovernmental Relations
Legal
Office of Emergency Management (OEM)
Planning Department (PD)
Strategic Procurement Department (SPD)

Local & Quasi Govt.

Redevelopment Authorities (TIRZ)
Management Districts
Houston Housing Authority
Houston Housing Finance Corporation
Harris County

- Appraisal District
- Commissioners
- Community Services Department
- Housing Authority

METRO

Federal & State Govt.

United States Department of Housing and Urban Development (HUD)
United States Department of Labor (DOL)
Federal Emergency Management Agency (FEMA)
United States Department of Energy (DOE)
Texas Department of Housing and Community Affairs (TDHCA)
General Land Office (GLO)

Other Key Partners

Community Development Corporations
Community Development Financial Institutions
Non-Profit/Private Developers
Continuums of Care
Philanthropic Organizations
Educational Institutions
Public Policy Advocates



HCD Builds Capacity

● As a Partner

● As an Innovator

● As a Funder

● As a Convener

● As an Educator

● As an Advocate



Affordable Housing Financing Mechanisms

Federal Funding

Entitlement Grants

- CDBG
- HOME
- HOPWA
- ESG

CDBG Disaster Recovery Grants

Competitive Grants

- Example: Choice Neighborhoods

One Time Funding

- COVID Relief Funding (American Rescue Plan Act and Emergency Rental Assistance Program)

State and Local Funding

Tax Credits

- 9%
- 4%

TIRZ Affordable Housing Set-aside

TIRZ Bonds

Local Housing Bonds

Houston Housing Authority

- Public Facilities Corporations (PFCs)
- Section 392 of the Texas Local Government Code
- Housing Vouchers

Houston Housing Finance Corporation

Other Financing Options

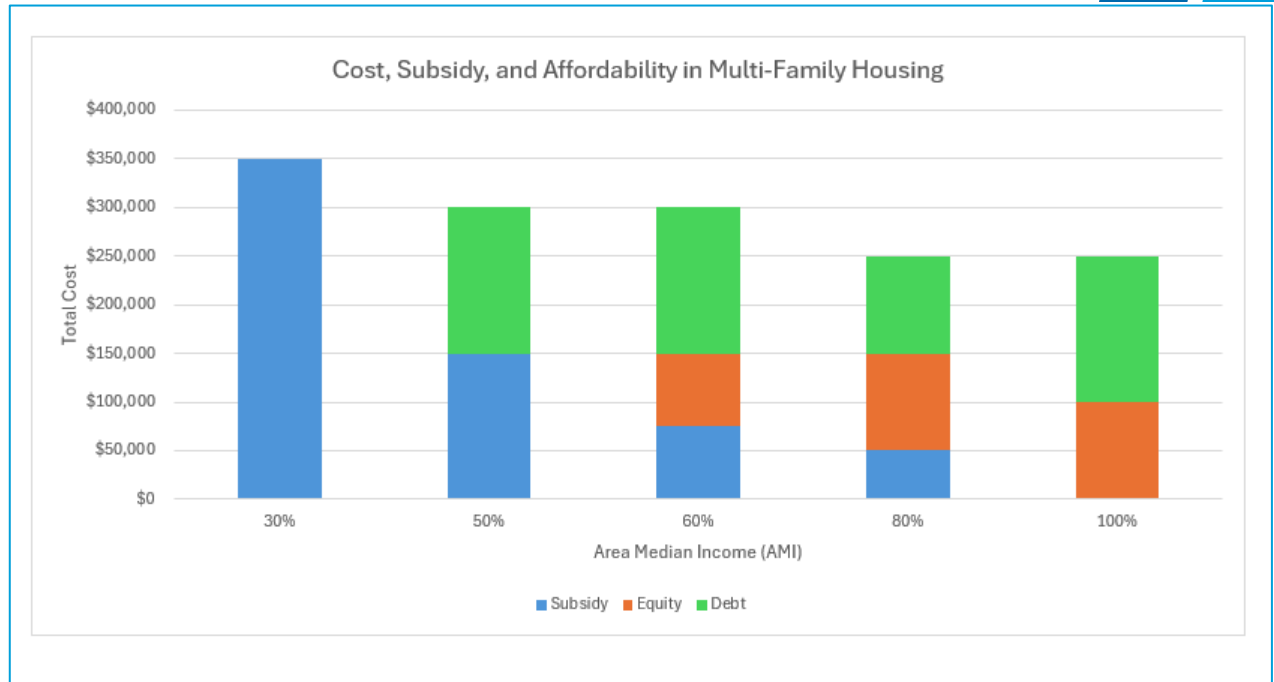
Private Equity

Philanthropy

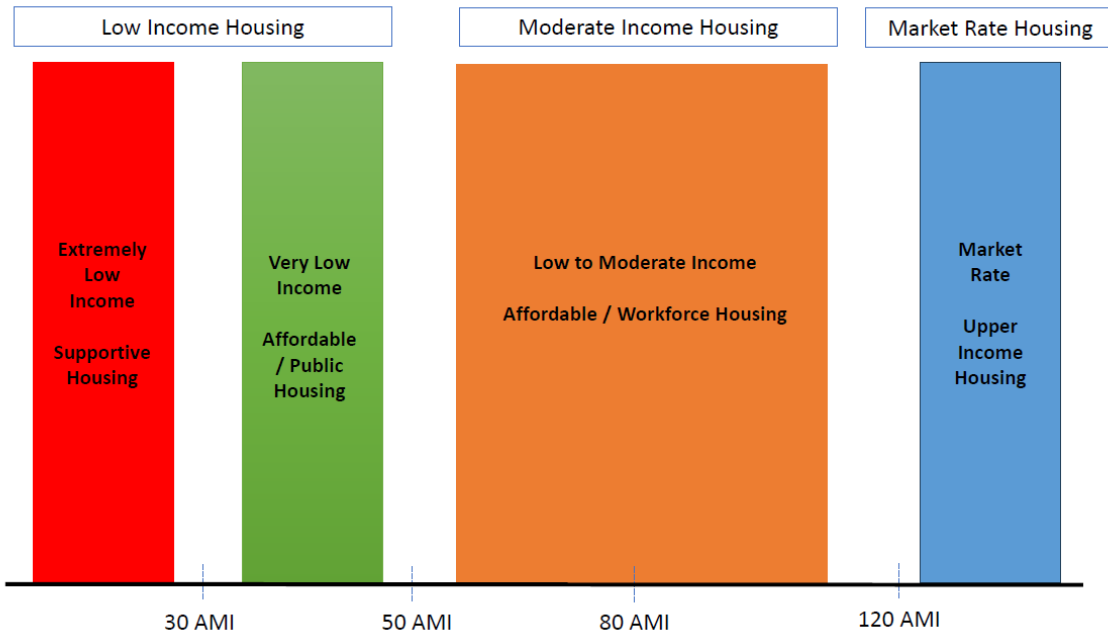
Other Tax Exemptions

- Example: Community Land Trust
- New Financing Models
- Example: Mezzanine Financing

Affordability and Costs

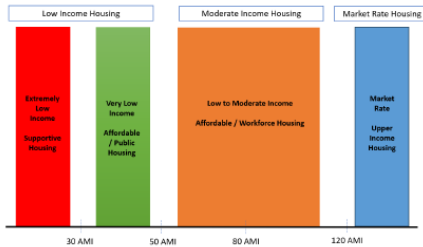


Source: The Kinder Institute



Source: The Kinder Institute

Oversimplification of Housing Subsidies



AMI Limit	Family of Four Income – Harris County
50 AMI	\$47,300
60 AMI	\$56,760
80 AMI	\$75,680
120 AMI	\$113,520

	Supportive Housing	Public Housing	Workforce Housing	Market Rate Housing
Income	\$ 250.00	\$ 500.00	\$ 1,000.00	\$ 2,000.00
Expenses	\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)	\$ (1,000.00)
Net Operating Income	\$ (750.00)	\$ (500.00)	\$0	\$ 1,000.00

- Deeply affordable housing generates less income, necessitating increased public subsidy and philanthropic funding for development, construction and maintenance.
- Utilizing federal funds leads to higher development costs due to procurement rules, regulations, design specifications, compliance requirements, and reporting obligations.

Virtual Community Office Hours



Virtual
**COMMUNITY
OFFICE HOURS**

Every Wednesday

from 1 p.m. - 4 p.m.

Representatives from each division will be readily available to assist with your call

Call in on the following numbers:

832-394-6912 • 832-394-6227 • 832-394-6126



Project Progress: 2100 Memorial 2100 Memorial (District H)



Update: 2100 Memorial 2100 Memorial, 77007 (District H)

Completion Percentage: 98%

Total Number of Units: 196

Total Restricted Units: 100 (30% - 80% AMI)

Total Project Cost: \$61,799,200.00

HCD Funding: \$25,000,000.00 (CDBG-DR17, HTC)

Developer: HHA/Columbia Residential

Architect: JHP Architecture/Urban Design

Grand Opening: August 29th

Project Progress: OST Lofts 5520 Old Spanish Trail 77023 - (District I)



Update: OST Lofts 5220 Old Spanish Trail, 77023 (District I)

Completion Percentage: 84%

Total Number of Units: 130

Total Restricted Units: 109 (30% - 80% AMI)

Total Project Cost: \$43,708,342.00

HCD Funding: \$19,310,000.00 (CDBG-DR17)

**Developer: Tejano Center for Community Concerns
& DWR Development Group**

Estimated Completion: December, 2024

Project Progress: Rosemary's Place Apartments 3300 Caroline - (District D)



Update: Rosemary's Place Apartments 3300 Caroline, 77004 (District D)

Completion Percentage: 80%

Total Number of Units: 149

Total Restricted Units: 149 (30% - 80% AMI)

Total Project Cost: \$42,804,048.00

HCD Funding: \$18,656,631.00 (CDBG-DR17)

Developer: Magnificat Houses, Inc.

Architect: GSM Architects

Estimated Completion: November, 2024

Project Progress: Lockwood South Apartments 735 N. Drennan, 77003 (District H)



Update: Lockwood South Apartments 735 N. Drennan, 77003 (District H)

Completion Percentage: 95%

Total Number of Units: 80

Total Restricted Units: 72 (30% - 80% AMI)

Total Project Cost: \$29,424,378.00

HCD Funding: \$9,950,000.00 (CDBG-DR17)

**Developer: Buffalo Bayou Partnership &
Brinshore Development**

Architect: Humphreys & Partners Architects, LP

Estimated Completion: December, 2024



Project Progress: Connect South 6440 Hillcroft Street, 77081 (District J)



**Update: Connect South
6440 Hillcroft Street, 77081 (District J)**

Completion Percentage: 86%

Total Number of Units: 77

Total Restricted Units: 70 (30% - 80% AMI)

Total Project Cost: \$33,568,547.00

HCD Funding: \$11,900,000.00 (CDBG-DR17)

**Developer: My Connect Community &
Brinshore Development**

Architect: Alley Poyner Macchietto Architecture, Inc.

Estimated Completion: December, 2024

Project Progress: Richmond Senior Village 5615 Richmond Ave. (District J)



Update: Richmond Senior Village 5615 Richmond Ave., 77057 (District J)

Completion Percentage: 98%

Total Number of Units: 125

Total Restricted Units: 100 (30% - 80% AMI)

Total Project Cost: \$35,854,830.00

HCD Funding: \$15,500,000.00 (CDBG-DR17)

Developer: Brownstone

Architect: Brownstone Architects & Planners, Inc.

Estimated Completion: September, 2024

Project Progress: Summit at Renaissance Park 12121 Greenspoint (District B)



Update: Summit at Renaissance Park 12121 Greenspoint, 77060 (District B)

Completion Percentage: 87%

Total Number of Units: 325

Total Restricted Units: 166 (30% - 60% AMI)

Total Project Cost: \$88,570,081.00

HCD Funding: \$48,594,968.00 (CDBG-DR17, HTC)

Developer: TXZNH, LLC

Architect: Forge Craft Architecture & Design

Estimated Completion: December, 2024

Project Progress: Houston Area Women's Center 3077 El Camino (District D)



Update: Houston Area Women's Center (HAWC) 3077 El Camino, 77054 (District D)

Completion Percentage: 76%

Total Number of Units: 135

Total Restricted Units: 135 (30% - 80% AMI)

Total Project Cost: \$33,315,616.00

HCD Funding: \$15,850,000.00 (HOME-ARP)

Developer: New Hope Housing/HAWC

Architect: GSMArchitects

Estimated Completion: January, 2025

Project Progress: The HAY Center 3131 Gulf Freeway (District I)



Update: The HAY Center 3131 Gulf Freeway, 77003 (District I)

Completion Percentage: 92%

Total Number of Units: 50

Total Restricted Units: 40 (30% - 80% AMI)

Total Project Cost: \$39,343,276.00

HCD Funding: \$5,000,000.00 (CDBG-DR17)

Developer: Harris County

Architect: Gensler Architects

Estimated Completion: December, 2024

**HHA Presentation
&
Public Comments**