



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 11/28/2017

District: ALL

Item Creation Date: 11/7/2017

HCD17-105 Mutual Aid Agreement HHA

Agenda Item#: I.c.

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of an Inter-Jurisdictional Mutual Aid Agreement between the City of Houston and the Houston Housing Authority, providing up to \$1,812,200 in Federal Emergency Management Agency (FEMA) funds for the operation of the Rapid Rehousing Financial Assistance Intermediary (FAI). The FAI will assist those households affected by Hurricane Harvey by providing rental assistance, rental and utility deposits, and utility payments to those living in non-congregant shelter for no longer than a six-month period.

Hurricane Harvey made landfall on Friday, August 25, 2017, between Port Aransas and Port O'Connor, Texas as a Category 4 hurricane, causing catastrophic flooding, other severe weather, and hazardous conditions. Hurricane Harvey also presented an imminent threat to public health and safety and has resulted in the displacement of thousands of individuals and families who were placed at emergency shelters established in various locations across the City, including the George R. Brown Convention Center and the Toyota Center.

The Houston Housing Authority will deliver the following program services: (1) management of the Houston/Harris County Continuum of Care Rapid Rehousing Collaborative financial assistance funds, and (2) operation of direct rental and utility assistance to approximately 340 families affected by Hurricane Harvey.

The Inter-Jurisdictional Hurricane Harvey Mutual Aid Agreement may continue until services are no longer required. FEMA funding under this agreement will be for no more than a six-month period. City Council is requested to authorize the appropriation and allocation of \$1,812,200 from FEMA Fund 5303. City Council will be asked to authorize additional appropriation and allocation of the remaining funding amount for this agreement in the coming months.

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Tom McCasland, Director

**Amount of Funding:**

\$1,812,200

Federal Emergency Management Agency (FEMA) Fund 5303

**Contact Information:**

Roxanne Lawson

382-394-6307



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 11/28/2017

District I

Item Creation Date: 11/7/2017

HCD17-104 Residence on Emancipation  
Management Agreement

Agenda Item #: I.d.

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a second amendment to add \$1,735,000 of FEMA funds to the Management Agreement with New Hope Housing, Inc., a Texas non-profit corporation. The additional funding will secure five months of operations management for the Residence on Emancipation property.

Hurricane Harvey made landfall on Friday, August 25, 2017, between Port Aransas and Port O'Connor, Texas as a Category 4 hurricane, causing catastrophic flooding, other severe weather, and hazardous conditions. Hurricane Harvey also presented an imminent threat to public health and safety and has resulted in the displacement of thousands of individuals and families who were placed at emergency shelters established in various locations across the City, including the George R. Brown Convention Center and the Toyota Center.

It was necessary to identify locations for more permanent emergency housing for displaced individuals and families as soon as possible. Emergency college-dormitory-style space was available at 419 Emancipation Avenue (the "Property"), which enabled the City to provide up to approximately 296 of these displaced individuals and families with emergency housing for the next twelve months. To secure this space, the City entered into a Management Agreement with New Hope Housing, Inc. to operate emergency housing at the Property.

Due to the urgency of this situation, the Mayor or the Mayor's Designee delegated the authority to negotiate the terms and conditions of the Management Agreement so that this agreement became effective as soon as possible and the affected individuals could relocate immediately.

The Management Agreement is in place for a 12-month period, expiring on September 30, 2018, and may be extended at the City's request. At this time, City Council is requested to authorize the appropriation and allocation of \$1,735,000 from FEMA Fund 5303. City Council will be asked to authorize additional appropriation and allocation of the remaining funding amount for this agreement in the coming months.

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Tom McCasland, Director

**Prior Council Action:**

(O) 2017-687

**Amount of Funding:**

\$1,735,000.00

Federal Emergency Management Agency (FEMA) Fund 5303

**Contact Information:**

Roxanne Lawson

832-394-6307



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 11/28/2017  
District I  
Item Creation Date: 11/6/2017

HCD17-103 Residence on Emancipation Lease Agreement

Agenda Item#: I.e.

**Background:**

Approval of a second amendment providing \$474,700 in additional FEMA funding is requested for a Lease Agreement with 419 Hope Partners LLC, a Texas limited liability company, which is providing college-dormitory-style housing at the Residence on Emancipation for Houstonians displaced by Hurricane Harvey. The additional funding will secure five months of lease payments for the Residence on Emancipation property.

Hurricane Harvey made landfall on Friday, August 25, 2017, between Port Aransas and Port O'Connor, Texas as a Category 4 hurricane, causing catastrophic flooding, other severe weather, and hazardous conditions. Hurricane Harvey also presented an imminent threat to public health and safety and has resulted in the displacement of thousands of individuals and families who were placed at emergency shelters established in various locations across the City, including the George R. Brown Convention Center and the Toyota Center.

It was necessary to identify locations for more permanent emergency housing for displaced individuals and families as soon as possible. Emergency dormitory-style space was available at 419 Emancipation Avenue (the "Property"), which enabled the City to provide up to 296 of these displaced individuals and families with emergency housing for the next 12 months. To secure this space, the City entered into a Lease Agreement with 419 Hope Partners LLC.

Due to the urgency of this situation, the Mayor or the Mayor's Designee delegated the authority to negotiate the terms and conditions of the Lease Agreement so that these agreements became effective as soon as possible and the affected individuals could relocate immediately.

The Lease Agreement is in place for a 12-month period, expiring September 30, 2018, and may be extended at the City's request. At this time, City Council is requested to authorize the appropriation and allocation of \$474,300 from FEMA Fund 5303. City Council will be asked to authorize additional appropriation and allocation of the remaining funding amount for these agreements in the coming months.

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Tom McCasland, Director

**Prior Council Action:**

(O) 2017-687

**Amount of Funding:**

\$474,700.00

Federal Emergency Management Agency (FEMA) Fund 5303

**Contact Information:**

Roxanne Lawson  
832-394-6307



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 3/30/2020

District B, D, H

Item Creation Date: 10/19/2017

HCD17-107 Amendment #3

CDBG-DR Round 2 Infrastructure Grant (#14-236-000-8329)

Agenda Item#: II.a.

**Background:**

The City of Houston needs to extend the CDBG-DR Round 2 Infrastructure contract (#14-236-000-8329) between GLO and City of Houston. The end date is currently 12/31/2018.

The Texas General Land Office (GLO) has a contract with the City of Houston for Hurricane Ike Community Development Block Grant (CDBG) Disaster Recovery (DR) Round 2, Phase 2, Infrastructure projects. This contract has been amended twice, which added three main projects, extended the end date to 12/31/2018 and shifted line item budgets.

The third amendment will move funds among categories to allow the four open ditch projects to be split into two phases. This will enable all the projects to be completed in a structurally sound manner. Various adjustments need to be made to the projects listed in the infrastructure contract. In addition, HCDD wants to extend the contract to 12/31/2019. Here are the proposed overall movement of funds:

**Proposed Movement of Funds for Amendment #3 to CDBG-DR Round 2 Infrastructure Contract with GLO:**

HUD Activity	Categories	Grant Funds (Grantee)	Grant Funds (Third Party)	Amendment #3 Changes	Total Funding
5	Flood and Drainage Facilities	\$20,117,572.90	\$ ---	\$ ---	\$20,117,572.90
30	Engineering / Architectural Services	\$ 1,923,000.00	\$2,496,264.10	\$ 218,330.85	\$ 4,637,594.95
33	Project Delivery	\$ 481,190.00	\$1,097,959.00	\$(213,330.85)	\$ 1,365,818.15
35	Environmental	\$ 5,000.00	\$ 28,000.00	\$ (5,000.00)	\$ 28,000.00
<b>Total</b>		<b>\$22,526,762.90</b>	<b>\$3,622,223.10</b>	<b>\$ ---</b>	<b>\$26,148,986.00</b>

**Project Status for CDBG-DR Round 2 Infrastructure Contract (14-236-000-8329) with GLO:**

Project	Status
Near Northside Infrastructure Project	Phase I Construction completed. Phase II Hernandez Tunnel, construction start date is expected to be ~August 2018 and the end date is expected to be ~ December 2018.
Open Ditch Construction	Greater Fifth Ward – Nichols, Environmental request approved Near Northside – Gano, Environmental request approved Greater Fifth Ward – Coke, Environmental request approved OST / South Union – Calhoun, Phase II Environmental Requested  Office of the City Engineer completed the review of the engineering plans. GLO approved the plans on 2/13/2017. The Nichols, Gano, and Coke construction start date is expected to be ~February 2018 and the end date is expected to be ~ September 2018. The Calhoun construction



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: 12/13/2017

District: ALL

Item Creation Date: 11/6/2017

HCD17-XX

Housing Opportunities for Persons with AIDS (HOPWA)

Agenda Item # II.b.

**Summary:**

LEGAL ONLY TO ENTER CAPTION HERE

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of an amendment to the Housing Opportunities for Persons with AIDS (HOPWA) Program Summary Budgets under the 2014 and 2017 Annual Action Plans.

In accordance with HUD's Citizen Participation Plan regulations, the City is required to amend components of its Consolidated Plan/Annual Action Plan for a variety of reasons, including when a reallocation of funds increases or decreases the budget of an activity by more than 25%.

The following amendments to the HOPWA Budget are necessary to reallocate funds for Project or Tenant Based Rental Assistance and Short-Term Rent Mortgage and Utility subsidies.

Housing Opportunities for Persons with AIDS (HOPWA)			
Budget Year Amended	Activity	Budget Decrease	Budget Increase
2014	Resource Identification/Technical Assistance/Housing Information	(120,921.00)	
2014	Project or Tenant Based Rental Assistance		120,921.00
2017	Project or Tenant Based Rental Assistance	(500,000)	
2017	Short-term Rent, Mortgage, & Utility Subsidies		500,000.00
	<b>Total HOPWA Budget Changes:</b>	<b>(620,921.00)</b>	<b>620,921.00</b>

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Tom McCasland, Director

**Amount of Funding**

No funding required

Housing Opportunities for Persons With AIDS (HOPWA) - Fund 5000

**Prior Council Action:**

**Contact Information:**

Roxanne Lawson - (832) 394-6307



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: [Click here to enter a date](#)

District ALL

Item Creation Date: 9/29/2017

Houston Area Community Services

HCD 17-XX HOPWA 2<sup>nd</sup> Contract Amendment

Agenda Item # III.a.

**Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a second contract amendment to exercise the renewal option between the City of Houston and Houston Area Community Services (HACS) to finance the operation of (1) a Tenant-Based Rental Assistance (TBRA) Program with supportive services, (2) a Short-Term Rent, Mortgage, and Utility Assistance (STRMUA) Program with supportive services, and (3) operation of a transitional medical respite facility.

The City will grant HACS \$1,828,150 to serve low-income persons and their families living with HIV/AIDS. Special emphasis will be placed on addressing those who are homeless or at risk of homelessness. HACS will serve at least 660 households affected by HIV/AIDS. HACS' services include rental subsidies and short-term rent, mortgage and utility assistance to prevent homelessness by helping families remain in their own dwellings. HACS operates a transitional medical respite facility for persons with AIDS who are homeless and have acute medical conditions that require a stable living environment with nursing care and supportive services. Supportive services include housing case management, permanent housing placement (rent and utility deposits, applications fees), and behavioral health services. HOPWA funds are providing 26% of the cost of this program.

Category	Total Contract Amount	Percent	Households Served
Administrative	\$97,806.02	5%	N/A
Supportive Services	\$171,297.66	9%	50
Perm. Housing Placement	\$54,478.87	3%	60
TBRA	\$1,145,153.16	63%	300
STRMUA	\$259,231.67	14%	200
Operations (Transitional Medical Respite Facility)	\$100,182.62	6%	50
Total	\$1,828,150.00	100%	660

HCDD conducted a Request for Proposals (RFP) for HOPWA contracts for fiscal year 2016. HACS was one of the providers selected. The original contract period was from December 1, 2015 – November 30, 2016. The first contract amendment was from December 1, 2016 – November 30, 2017. This second amendment extends the contract through November 30, 2018. HACS began receiving HOPWA funds through the City in 2000.

This item was reviewed by the Housing and Community Affairs Committee on November 28, 2017.

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Tom McCasland, Director

**Prior Council Action:**

1/20/16 (O)2016-48;  
11/16/16 (O)2016-895

**Amount of Funding:**

\$1,828,150

Housing Opportunities for Persons with AIDS (HOPWA) - Fund 5000

**Contact Information:**

Roxanne Lawson  
(832) 394-6307





**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: [Click here to enter a date](#)

District ALL

Item Creation Date: 11/8/2017

Coalition for the Homeless of Houston and Harris County

HCD 17-98 Homeless Planning 2<sup>nd</sup> Contract Amendment

Agenda Item # III.b.

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a second contract amendment to extend the contract between the City of Houston and the Coalition for the Homeless of Houston and Harris County (The Coalition) to continue providing strategic homeless planning activities.

The Coalition addresses solutions to homelessness through collaborative resource development and service coordination in the areas of affordable housing, education, employment, transportation, child care, mental health, food, and shelter. Currently, the City receives millions of dollars in federal funding for homelessness. These planning activities are required to keep such programs in regulatory compliance. Additionally, information gained through this planning process may result in an increase in future funding. Activities include the Community Strategic Plan to End Homelessness, permanent supportive housing continuation planning, and housing inventory analysis.

A critical part of the planning process is the Point-in-Time Enumeration, an annual count of homeless persons. The count is facilitated by the Coalition and is required of all communities receiving funding from the U.S Department of Housing and Urban Development (HUD). The count is reported to HUD, and is one factor in determining the amount of funding that our community receives in supportive housing program grants.

Community Development Block Grant (CDBG) funds are providing 10% of the cost of these strategic planning activities.

Category	Amount	Percentage
Program Administration	\$11,099.99	9%
Program Services	\$118,900.01	91%
<b>Total</b>	<b>\$130,000.00</b>	<b>100%</b>

The original contract was from December 1, 2016 - November 30, 2016, and the first amendment extended the contract through November 30, 2017. This second amendment extends the contract and provides funding through November 30, 2018.

The Housing and Community Affairs Committee reviewed this item on November 28, 2017.

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Tom McCasland, Director

**Prior Council Action:**

11-18-15 (O) 2015-1147

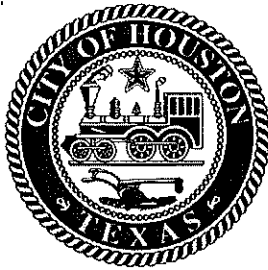
11-9-16 (O) 2016-0850

**Amount of Funding:**

\$130,000.00  
Community Development Block Grant (CDBG) - Fund 5000

**Contact Information:**

Roxanne Lawson  
832-394-6307



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: 12/20/2017

District K

Item Creation Date: 10/19/2017

HCD17-97 Brentwood Community Foundation

Agenda Item: III.c.

**Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a second contract amendment to extend a contract with Brentwood Economic Community Development Corp., dba Brentwood Community Foundation ("Brentwood") to January 31, 2019. This extension will also provide funding up to \$641,468.39 for the administration and operation of a community residence and an emergency rental assistance program, with supportive services, for low-income individuals/families living with HIV/AIDS.

The City will grant Brentwood up to \$641,468.39 in HOPWA funds. The project's scope of work is to provide rental assistance, budget counseling, and supportive services for approximately 498 low-income households. Brentwood operates an 18-unit transitional housing facility for men living with HIV/AIDS. Through its rental assistance programs, Brentwood provides rental subsidies to help participants at risk of becoming homeless obtain emergency housing assistance. Brentwood provides supportive services, including case management, professional counseling, a substance abuse program and nutritional services.

The City provides 83% of the budget for this program and the remaining 17% is from other funding sources.

<b>Category</b>	<b>Client Goal</b>	<b>Total Amount</b>	<b>Contract</b>	<b>Percent</b>
Administration	--	\$28,731.00		4.5%
Support Services	135	\$136,665.19		21.3%
Short-term Rent, Mortgage, Utility Program	338	\$370,972.20		57.8%
Operations: Community Residence (Transitional Housing)	25	\$105,100.00		16.4%
<b>TOTAL</b>	<b>498</b>	<b>\$641,468.39</b>		<b>100%</b>

HCDD conducted a Request for Proposals (RFP) for HOPWA contracts for fiscal year 2016 with a one-year renewal option for fiscal year 2017. Brentwood was one of the agencies selected. This second contract amendment will extend the contract period through January 31, 2019. Brentwood has received HOPWA funding through the City of Houston for various contracts since 1995.

This item was reviewed by the Housing & Community Affairs Committee on November 28, 2017.

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Tom McCasland, Director

**Amount of Funding**

\$641,468.39

Housing Opportunities for Persons With AIDS (HOPWA) - Fund 5000

**Prior Council Action:**

10/26/2016

(O) 2016-0820

2/3/2016

(O) 2016-0103

**Contact Information:**

Roxanne Lawson

(832) 394-6307



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: 12/20/2017

District ALL

Item Creation Date: 11/3/2017

HCD17-106 The Coalition for the Homeless

Agenda Item #III.d.

**Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a Contract Amendment between the City of Houston and The Coalition for the Homeless to appropriate and allocate HHSP, ESG and TIRZ funds to finance the operation of the Rapid Rehousing Case Management Intermediary (CMI). The CMI helps homeless individuals and families achieve immediate and long-term housing stability by linking them to targeted and mainstream resources available in the community.

The City will grant The Coalition for the Homeless \$223,045 in Homeless Housing and Service Program (HHSP) funds, \$452,000 in Emergency Solutions Grant (ESG) funds and \$25,000 in Tax Increment Reinvestment Zone (TIRZ) funds, for a total of \$700,045, to provide a scope of work that includes management and financial oversight of multiple vendor agencies for case management and navigation services for homeless individuals and families.

The Coalition for the Homeless will deliver the following program services: (1) conducting a Request for Proposals (RFP) process to select providers of Case Management and Housing Navigation services to a minimum of 400 Rapid Rehousing clients, (2) negotiating contracts with providers, (3) processing reimbursement requests, (4) monitoring performance and compliance with HUD regulations, and (5) providing technical and management assistance and training. The City provides 40% of the budget for this program and the remaining 60% is from other funding sources.

HCDD conducted a Request for Proposals in September 2016 for the Rapid Rehousing Case Management Intermediary utilizing HHSP and ESG funding. The Coalition for the Homeless was the selected agency. This Ordinance will grant the contract period from the Countersignature Date of the City Controller through December 31, 2018.

This item was reviewed by the Housing & Community Affairs Committee on November 28, 2017.

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Tom McCasland, Director

**Amount of Funding**

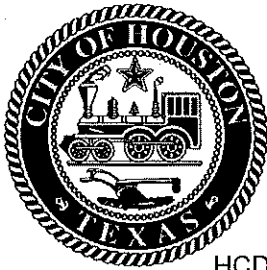
\$700,045.00	Total
\$223,045.00	Homeless Housing and Services Program (HHSP) - Fund 5010
\$452,000.00	Emergency Solutions Grant (ESG) - Fund 5000
\$25,000.00	Tax Increment Reinvestment Zone (TIRZ) - Fund 2409

**Prior Council Action:**

1/25/2017 (O) 2017-0053

**Contact Information:**

Roxanne Lawson  
(832) 394-6307



## CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 12/19/2017  
District H  
Item Creation Date: 11/7/2017

HCD17-100 Educational Programs Inspiring Communities

Agenda Item#: III.e.

### **Background:**

The Housing and Community Development Department (HCDD) is requesting a second contract amendment to exercise the renewal option for Educational Programs Inspiring Communities for Housing Entrepreneurial and Readiness Training (H.E.A.R.T.). This second contract amendment will begin January 31, 2018 and will provide up to \$200,000 for the administration and operation of a job training program for developmentally disabled adults.

H.E.A.R.T. will continue to provide special education, job training, transportation, and supportive services to 42 low- to moderate-income adults diagnosed with developmental disabilities. The CDBG funds will support a special education certified teacher, job training instructors, program manager, training facility, and administration costs of the program. By participating in the H.E.A.R.T. training program, participants will receive a customized training curriculum consisting of life skills, social skills, job readiness, hands-on training, on-the-job training, classroom training, and community-based vocational instruction. H.E.A.R.T. receives funding from the Federal Transit Administration (FTA) in the amount of \$100,540, and the Texas Council on Developmental Disabilities (TCDD) in the amount of \$125,000 to support this program. CDBG funds are providing 46% of the program cost.

Category	Contract	Percentage
Program Administration	\$33,928.00	17.0%
Program Services	\$166,072.00	83.0%
Total	\$200,000.00	100.0%

HCDD conducted a Request for Proposals (RFP) for CDBG contracts for fiscal year 2016. Educational Programs Inspiring Communities was one of the agencies selected. The original contract period was from February 1, 2016-January 31, 2017. The first contract amendment was from February 1, 2017-January 31, 2018. This second amendment extends the contract through January 31, 2019. The H.E.A.R.T. program has received CDBG funding through the City of Houston for various contracts since 2005.

This item was reviewed by the Housing and Community Affairs Committee on November 28, 2017.

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Tom McCasland Director

### **Prior Council Action:**

1/25/16  
Ordinance # 46-13642

### **Amount of Funding:**

\$200,000  
Community Development Block Grant (CDBG) 5000

**Contact Information:**

Roxanne Lawson (832) 394-6307





CITY OF HOUSTON – CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 10/27/2017

HCD17-99 Healthcare for the Homeless

Agenda Item#: III.f.

**Summary:**

**Background:**

The Housing and Community Development Department (HCDD) recommends approval of a second contract amendment between the City of Houston and Healthcare for the Homeless - Houston (HHH), providing \$150,000 to operate the Project Access homeless transportation program. Project Access provides transportation services Monday through Friday, from 7 a.m. to 5 p.m., 52 weeks a year, enabling homeless persons to access essential health and social service resources.

Through Project Access, a 40-passenger, wheelchair accessible bus travels a scheduled route with stops at 21 homeless services providers. The requested funding will provide transportation for a minimum of 2,700 unduplicated homeless persons, totaling more than 31,000 trips annually. HCDD conducted a Request for Proposals (RFP) for CDBG contracts for fiscal year 2016. Healthcare for the Homeless-Houston was one of the agencies selected.

The original contract period was from February 1, 2016-January 31, 2017. The first contract amendment period from February 1, 2017 through January 31, 2018. This second amendment extends the contract through January 31, 2019. HHH has received CDBG funding through the City of Houston for various contracts since 2003.

This item was reviewed by the Housing and Community Affairs Committee on November 28, 2017.

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Tom McCasland Director

**Prior Council Action:**

1/11/16

Ordinance # 46-13643

**Amount of Funding:**

\$150,000.00

Community Development Block Grant (CDBG) 5000

**Contact Information:**

Roxanne Lawson

Phone: (832) 394-6307



## CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 12/13/2017

District D

Item Creation Date: 11/20/2017

Village at Palm Center Condominium Consent

Agenda Item: IV.a.

### **Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

### **Background:**

The Housing and Community Development Department (HCDD) recommends Council approve an amendment to the Amended and Restated Loan Agreement executed October 11, 2017 between the City of Houston and Nautical Affordable Housing, Inc., joined by Houston 5110 Griggs Road Residential, LP. The amendment will allow the Village at Palm Center (VPC) to be converted into a condominium regime with a condominium unit that will include the residential portion of the project and a second condominium unit that will include the retail portion of the project. Each condominium unit will include undivided ownership (in proportion to the size of the unit) of certain common elements that are shared by the units. VPC includes 222 market-rate and LIHTC residential units (Residential Unit), 16,304 sq/ft of retail space (Retail Unit) and a podium parking structure which is shared by the Residential Unit and the Retail Unit. In connection with the condominium conversion, the City will release its lien against the Retail Unit, whose construction was not funded by the City, and will subordinate its lien against the land and the improvements to the condominium declaration. In exchange, the City's loan will be secured by a lien against the residential condominium unit, including a 96.042% interest in the common elements. The conversion to a condominium regime will allow the residential development to be evaluated for compliance with so-called "50% Test," which requires that at least 50% of such project's aggregate basis is financed by volume cap tax-exempt bonds.

The VPC transaction closed in October of 2014, financed in part by equity raised from 4% tax credits, a loan of \$20,000,000 in volume-cap tax exempt bond proceeds, and a \$15,300,000 "performance based" loan provided by the City of Houston. In October 2017, Council approved an \$1,500,000 increase in the city's loan to \$16,800,000 to fund a portion of the cost overruns for VPC.

The cost overruns amount for the project have led to a potential risk that the tax-exempt financing may not account for 50% of the aggregate basis for the overall project, including its

residential and retail components. If less than 50% of the aggregate basis in a project is financed by Bonds, then the project fails the 50% Test and the tax credits generated by the portion of the project's aggregate basis not financed by Bonds are forfeited entirely.

Instituting a condominium regime at the VPC will create two condominium units: a Retail Unit and a Residential Unit, each having a separate legal description and an undivided interest in the common elements. Upon institution of a condominium regime, the proceeds of the Bonds and of the City's loan and the housing tax credits will apply only to the Residential Unit and the basis in the Residential Unit will be used to calculate and meet the 50% Test.

Creation of the condominium regime will require all lenders to consent to the by-laws and to subordinate their liens so that a subsequent foreclosure of their liens will not terminate the condominium regime. The City's affordability and use restrictions will remain against the Residential Unit.

The Bond lender and the City will execute partial releases of their liens against the Retail Unit, which was not funded by their loans. The City's existing affordable housing covenants and restrictions will not be applicable to the Retail Unit. However, the city-instituted prohibitions of certain inappropriate businesses will continue to apply to the Retail Unit.

HCDD is currently reviewing a Section 108 loan request from the VPC owner to finance of up to \$2.2 million of the Retail Unit. This request is currently being underwritten by HCDD and any request for funding will be sent to Council under separate cover.

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Tom McCasland, Director

**Contact Information:**

Roxanne Lawson  
(832) 394-6307



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: 12/06/2017

District D

Item Creation Date: 11/08/2017

HCD17-108 Anna Dupree Terrace

Motion to Hold a Public Hearing

Agenda Item: IV.c

**Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

**Background:**

The Housing and Community Development Department (HCDD) 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 Anna Dupree Terrace LP.

The Texas Department of Housing and Community Affairs (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.

Anna Dupree Terrace LP, intends to submit an application to the TDHCA requesting an award of 4% tax credits for the acquisition and rehabilitation of Anna Dupree Terrace, a 151-unit affordable housing community located at 10012 Cullen Boulevard. HCDD is not being asked to fund this development.

<b>Sources</b>		<b>Uses</b>	
First Mortgage (HUD Loan 223F)	\$6,700,000	Acquisition	\$10,570,000
Seller's Note	7,077,700	Hard Costs	7,641,031
Transfer of Existing Reserves	929,600	Soft Costs	2,417,307
Tax Credit Equity Partner	8,084,005	Developer Fee	1,530,000
Deferred Developer Fee	88,033	Reserves	721,000
<b>Total</b>	<b>\$22,879,338</b>	<b>Total</b>	<b>\$22,879,338</b>

HCDD requests a Motion to hold a public hearing on December 13, 2017, on the 4% tax credit Resolution of No Objection.

This item was reviewed by the Housing and Community Affairs Committee on November 28, 2017.

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Tom McCasland, Director

**Amount of Funding**

N/A

**Prior Council Action:**

Click here to enter a date

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**Contact information:**

Roxanne Lawson

(832) 394-6307



**CITY OF HOUSTON – CITY COUNCIL**

Meeting Date: 12/06/2017

District D

Item Creation Date: 11/08/2017

HCD17-110 Sunrise Orchard

Motion to Hold a Public Hearing

Agenda Item: IV.d.

**Summary:**

**LEGAL ONLY TO ENTER CAPTION HERE**

**Background:**

The Housing and Community Development Department (HCDD) 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 Sunrise Orchard LP.

The Texas Department of Housing and Community Affairs (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.

Sunrise Orchard LP, intends to submit an application to the TDHCA requesting an award of 4% tax credits for the acquisition and construction of Sunrise Orchard, a 52-unit affordable housing community located at 5300 Sunrise Road. City Council approved an Ordinance authorizing \$3,500,000 of HOME funds on July 13, 2016, and HCDD also plans to provide an additional \$1 million in gap financing in support of this development.

<b>Sources</b>		<b>Uses</b>	
HCDD HOME	\$3,500,000	Hard Costs	\$7,382,267
Tax Credit Equity (NEF)	3,407,058	Soft Costs	2,470,020
Harris County HOME	2,184,992	Developer Fee	1,427,720
Permanent Support Housing Capital Grant	1,018,976	Land	415,000
HCDD (additional HOME funds)	1,000,000	Reserves	305,230
Federal Home Loan Bank	500,000		
Deferred Developer Fee	389,211		
<b>Total</b>	<b>\$12,000,237</b>	<b>Total</b>	<b>\$12,000,237</b>

HCDD requests a Motion to hold a public hearing on December 13, 2017, on the 4% tax credit Resolution of No Objection.

This item was reviewed by the Housing and Community Affairs Committee on November 28, 2017.

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Tom McCasland, Director

**Amount of Funding**

No New Funding

**Prior Council Action:**

**Contact Information:**

Roxanne Lawson

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