



Housing and Affordability Committee

Michael Nichols, Director
September 17, 2024



CITY OF HOUSTON ★ HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT



Agenda

- I. Welcome/Introductions
- II. Planning and Grant Reporting
- III. Public Services
- IV. Multifamily
- V. Director's Comments
- VI. Public Comments

II. PLANNING AND GRANT REPORTING

Angela Simon, Assistant Director

II. Submission of Amended 2024 Annual Action Plan (All Districts)

An Ordinance authorizing the following:

- 1) The submission of the Amended 2024 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD), which includes an application for a special allocation of \$1,000,000.00 in Emergency Solutions Grants called Rapid Unsheltered Survivor Housing funding (ESG-RUSH), a rapid response program to address homelessness by filling in federal assistance gaps in communities hit by disasters.

II. Submission of Amended 2024 Annual Action Plan (All Districts)

- 2) The execution of the grant agreement between the City of Houston and HUD for the grant by the Mayor, or the Mayor's designee.
- 3) The execution of related forms and documents for the grants by the Mayor, or the Mayor's designee.

II. Submission of Amended 2024 Annual Action Plan (All Districts)

The City of Houston was impacted by both the Houston Derecho, a Presidentially declared disaster on May 17, 2024 (DR-4781-TX), and Hurricane Beryl, a Presidentially declared disaster dated July 9, 2024 (DR-4798-TX).

In response, on August 28, 2024, HUD announced the availability of ESG-RUSH funding in the amount of \$1,000,000.00 for the City of Houston.

This funding will be used to provide rapid re-housing (housing subsidies and case management) for up to 37 individuals experiencing homelessness.



II. Submission of Amended 2024 Annual Action Plan (All Districts)

HCD proposed to budget the \$1,000,000.00 in ESG-RUSH funding for the following eligible activities:

| Emergency Solutions Grants Rapid Unsheltered Survivor Housing (ESG-RUSH) | | |
|---|-----------------------|---------------|
| Rapid Re-Housing | \$925,000.00 | 92.5% |
| Administration | \$75,000.00 | 7.5% |
| TOTAL | \$1,000,000.00 | 100.0% |

II. Submission of Amended 2024 Annual Action Plan (All Districts)

HUD has the authority to reduce citizen participation requirements when a disaster strikes.

To expedite the awarding of ESG-RUSH funds and rapidly provide homeless assistance, HUD has waived consultation and citizen participation requirements for this allocation of ESG-RUSH.

However, a summary of these changes can be found on HCD's website. To access this funding, the City must submit an amendment to the 2024 Annual Action Plan no later than September 27, 2024.

III. PUBLIC SERVICES

Melody Barr, Assistant Director

III.a. Acceptance of FY2025 HHSP General Funds (All Districts)

An Ordinance authorizing the City of Houston (City) to execute a contract with the Texas Department of Housing and Community Affairs (TDHCA) and,

Accepting \$1,153,871.00 of Fiscal Year 2025 Texas Homeless Housing Services Program (HHSP) General Set-Aside funds.

III.a. Acceptance of FY2025 HHSP General Funds (All Districts)

The General allocation must be used by the City on activities eliminating or preventing homelessness. Allowable activities include:

Construction, development, or procurement of housing for homeless persons;

Rehabilitation of structures targeted to serving homeless persons or persons at-risk of homelessness;

III.a. Acceptance of FY2025 HHSP General Funds (All Districts)

Provision of direct services and case management to homeless persons or persons at-risk of homelessness;

Operations of emergency shelters;

Or other homelessness-related activities as approved by the TDHCA.

III.a. Acceptance of FY2025 HHSP General Funds (All Districts)

HHSP was established by the 81st Texas Legislature through an appropriations rider and codified during the 82nd Texas legislative session.

Through HHSP, the state provides funding to the nine largest cities in Texas in support of services to individuals and families that are homeless or at-risk of homelessness.

Cities currently served through HHSP include Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Plano and San Antonio.

III.a. Acceptance of FY2025 HHSP General Funds (All Districts)

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

III.b. Acceptance of FY2025 HHSP Youth Funds (All Districts)

An Ordinance authorizing the City of Houston (City) to execute a contract with the Texas Department of Housing and Community Affairs (TDHCA) and,

Accepting \$400,342.00 of Fiscal Year 2025 Texas Homeless Housing Services Program (HHSP) Youth Set-Aside funds.

Youth set-aside funds must be used by the City on activities eliminating or preventing homelessness in youth-headed households.

III.b. Acceptance of FY2025 HHSP Youth Funds (All Districts)

Specifically allowable activities include:

Essential services, street outreach and transitional living for persons experiencing homelessness in youth-headed households;

Provision of direct services and case management to persons experiencing homelessness in youth-headed households;

Other homelessness-related activities as approved by the TDHCA.

III.b. Acceptance of FY2025 HHSP Youth Funds (All Districts)

HHSP was established by the 81st Texas Legislature through an appropriations rider and codified during the 82nd Texas legislative session.

Through HHSP, the state provides funding to the nine largest cities in Texas in support of services to individuals and families that are homeless or at-risk of homelessness.

Cities currently served through HHSP include Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Plano and San Antonio.

III.b. Acceptance of FY2025 HHSP Youth Funds (All Districts)

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

III.c. Housing Navigation Center - HHSP Funds (District B)

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

Providing up to \$580,791.00 of Fiscal Year 2025 (FY25) Homeless Housing and Services Program (HHSP) funding

For the continued operation of the Housing Navigation Center located at 2903 Jensen Drive, Houston, Texas 77026.

III.c. Housing Navigation Center - HHSP Funds (District B)

The City partnered with the Coalition to operate the Housing Navigation Center, which temporarily houses individuals living on the streets, including those from encampments selected for decommissioning, and assists placing them into permanent housing.

Potential clients must be referred to and transported by homeless agencies and/or first responders to enter and utilize on-site services.

III.c. Housing Navigation Center - HHSP Funds (District B)

The Coalition, through a selected subrecipient, manages the operations, administration and reporting for the Housing Navigation Center.

The facility provides bridge beds for 200 clients annually to stay during the housing process. “Bridging” is the time from housing assessment to placement into permanent housing.

HHSP funding will support eligible shelter operations, such as but not limited to, food, supplies, staff costs and security services.

III.c. Housing Navigation Center - HHSP Funds (District B)

Regulations pertaining to use of the previously approved Community Development Block Grant – CARES Act (CDBG-CV) funds for operations do not allow for the purchase of food.

HHSP funding will assist in providing three meals a day to clients residing at the facility.

The current Agreement term expires on January 31, 2025, and is not being extended with this amendment.

The Coalition has received funding through the City for various grants since 2005.



III.c. Housing Navigation Center - HHSP Funds (District B)

| CATEGORY | AMOUNT | TOTAL | PERCENT |
|----------------|---------------------|---------------------|----------------|
| Program | \$580,791.00 | \$580,791.00 | 100.00% |
| Administration | \$0.00 | \$0.00 | 0.00% |
| Total | \$580,791.00 | \$580,791.00 | 100.00% |

There were no findings during the last annual compliance monitoring and the agency has expended approximately 88% of allocated funds through June 2024.

III.d. Wesley Community Center - CDBG Funds (District H)

An Ordinance authorizing a First Amendment to the Subrecipient Agreement between the City of Houston (City) and Wesley Community Center, Inc. of Texas (Wesley),

Providing up to an additional \$250,000.00 in Community Development Block Grant (CDBG) funds

To provide case management and employment services to a minimum of 200 unduplicated low-to-moderate income individuals living in Houston.

III.d. Wesley Community Center - CDBG Funds (District H)

Employment services may include job training and education such as beginning and advanced Bridge Classes in healthcare and career tracks requiring certification.

By providing these services, Wesley will help participants increase their stability and obtain the resources they need to successfully gain and maintain employment.

III.d. Wesley Community Center - CDBG Funds (District H)

HCD conducted a Notice of Funding Availability (NOFA) for CDBG services in December 2022 with a one-year renewal option, at the City's discretion. Wesley was one of the selected agencies.

The original Agreement provides funding from November 1, 2023, through October 31, 2024.

This First Amendment will provide funding through October 31, 2025.

III.d. Wesley Community Center - CDBG Funds (District H)

| CATEGORY | AMOUNT | PERCENT |
|------------------------|---------------------|-------------|
| Program Services | \$212,694.00 | 85.08% |
| Program Administration | \$37,306.00 | 14.92% |
| Total | \$250,000.00 | 100% |

As of June 2024, Wesley has achieved 47% of its annual client goal and expended approximately 64% of funding.

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

IV. MULTIFAMILY

Ryan Bibbs, Deputy Assistant Director

IV. HHA PFC Resolution of Approval (Districts A, D, K)

Chapter 303 of the Texas Local Government Code provides that an exemption from property taxation for multifamily residential developments must meet certain requirements.

To obtain a tax exemption, the development must be approved by the governing body of the municipality in which the development is located.

IV. HHA PFC Resolution of Approval (Districts A, D, K)

HCD recommends Council approve a Resolution of Approval for three Houston Housing Authority Public Facility Corporations seeking tax exemptions for the multifamily mixed-income housing developments listed below:

| Development Name | Development Address | Council District | Construction Type | Target Population |
|-------------------|---|------------------|-------------------|-------------------|
| Allora Med Center | 10201 S. Main St, 77025 | K | New | Family |
| Ariza Park Row | 1100 Blackhaw St, 77079 | A | New | Family |
| Orem Circle | 12781 Martin Luther King Blvd, 77048 | D | New | Family |

IV. HHA PFC Resolution of Approval (Districts A, D, K)

HCD has performed a threshold review and recommends a Resolution of Approval for the following reasons:

- Allora Med Center – low poverty
- Ariza Park Row – low poverty
- Orem Circle – Gulfgate TIRZ

The Houston Housing Authority will hold a public hearing for the PFCs listed above on October 15, 2024.

IV. HHA PFC Resolution of Approval – Allora Med Center (District K)

| | 60% AMI | 80% AMI | Market | Totals | Avg. sq. ft. |
|--------------------|---------------|---------------|---------------|----------------|----------------|
| 1 Bedroom | 55 | 81 | 134 | 270 | 733 |
| 2 Bedrooms | 19 | 29 | 48 | 96 | 1,229 |
| 3 Bedrooms | 0 | 0 | 0 | 0 | - |
| Totals | 74 | 110 | 182 | 366 | 863 |
| Percentages | 20.22% | 30.05% | 49.73% | 100.00% | 315,998 |

| Source | Total | Per Unit | Use | Total | Per Unit |
|---------------------|---------------------|------------------|------------------|---------------------|------------------|
| Loan | \$37,784,050 | \$103,235 | Hard Costs | \$62,973,416 | \$172,059 |
| Equity | \$36,267,730 | \$99,092 | Soft Costs | \$11,078,364 | \$30,269 |
| | | | Other | \$0 | \$0 |
| Total Source | \$74,051,780 | \$202,327 | Total Use | \$74,051,780 | \$202,327 |

IV. HHA PFC Resolution of Approval – Allora Med Center (District K)



IV. HHA PFC Resolution of Approval – Ariza Park Row (District A)

| | 60% AMI | 80% AMI | Market | Totals | Avg. sq. ft. |
|--------------------|---------------|---------------|---------------|----------------|----------------|
| 1 Bedroom | 44 | 65 | 107 | 216 | 698 |
| 2 Bedrooms | 23 | 35 | 57 | 115 | 1,001 |
| 3 Bedrooms | 4 | 6 | 11 | 21 | 1,302 |
| Totals | 71 | 106 | 175 | 352 | 833 |
| Percentages | 20.17% | 30.11% | 49.72% | 100.00% | 293,225 |

| Source | Total | Per Unit | Use | Total | Per Unit |
|---------------------|---------------------|------------------|------------------|---------------------|------------------|
| Loan | \$45,846,217 | \$130,245 | Hard Costs | \$65,494,596 | \$186,064 |
| Equity | \$35,457,958 | \$100,733 | Soft Costs | \$15,809,579 | \$44,914 |
| | | | Other | \$0 | \$0 |
| Total Source | \$81,304,175 | \$230,978 | Total Use | \$81,304,175 | \$230,978 |

IV. HHA PFC Resolution of Approval – Ariza Park Row (District A)



IV. HHA PFC Resolution of Approval – Ariza Park Row (District A)

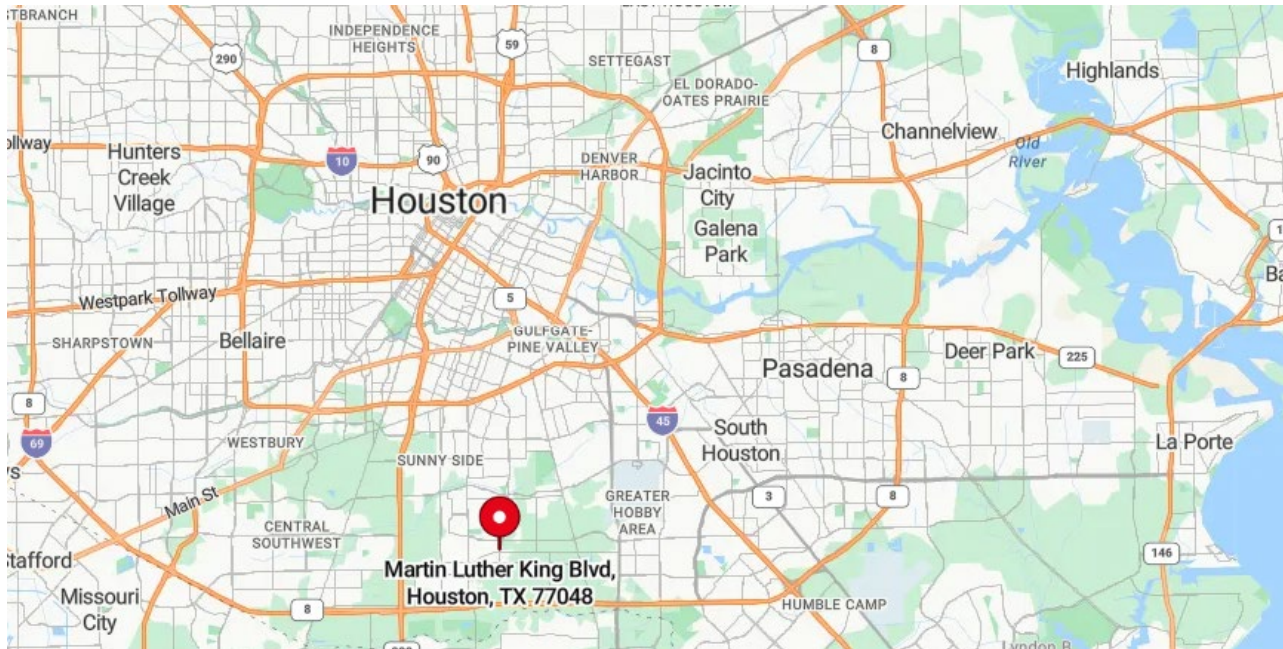


IV. HHA PFC Resolution of Approval – Orem Circle (District D)

| | 60% AMI | 80% AMI | Market | Totals | Avg. sq. ft. |
|--------------------|---------------|---------------|---------------|----------------|----------------|
| 1 Bedroom | 28 | 41 | 69 | 138 | 705 |
| 2 Bedrooms | 23 | 34 | 57 | 114 | 1,082 |
| 3 Bedrooms | 3 | 6 | 9 | 18 | 1,224 |
| Totals | 54 | 81 | 135 | 270 | 898 |
| Percentages | 20.00% | 30.00% | 50.00% | 100.00% | 242,562 |

| Source | Total | Per Unit | Use | Total | Per Unit |
|---------------------|---------------------|------------------|------------------|---------------------|------------------|
| Loan | \$24,491,823 | \$90,710 | Hard Costs | \$40,819,706 | \$151,184 |
| Equity | \$20,784,413 | \$76,979 | Soft Costs | \$4,456,531 | \$16,506 |
| | | | Other | \$0 | \$0 |
| Total Source | \$45,276,236 | \$167,690 | Total Use | \$45,276,236 | \$167,690 |

IV. HHA PFC Resolution of Approval – Orem Circle (District D)



IV. HHA PFC Resolution of Approval – Orem Circle (District D)



V. DIRECTOR'S COMMENTS

Michael Nichols, Director

Director's Comments

- **CDBG-DR17 Update**
Temika Jones, Assistant Director and CFO
- **Multifamily NOFA and Project Highlights**
Michael Nichols, Director
- **Public Comments**

CDBG-DR17

Contract Overview & Benchmark Progress

Temika Jones, Assistant Director and CFO

Program Closeout Update

| | Contract End Date | Revised Budget |
|-----------------------------|-------------------|-----------------------|
| Closeout Completed | | |
| Public Services | Aug-24 | \$ 17,175,963 |
| Closeout In Progress | | |
| Homebuyers | Aug-24 | \$ 16,246,507 |
| Planning | Aug-24 | \$ 22,213,801 |
| HoAP | Aug-24 | \$ 63,343,397 |
| Admin | | |
| 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 September 13, 2024

| | Contract End Date | Revised Budget | REVISED December 31, 2024 Benchmark | Remaining to Meet 12/31/24 Revised Benchmark | % Benchmark Met |
|----------------------|-------------------|-----------------------|---|--|-----------------|
| Admin | Feb-25 | \$ 15,000,000 | \$ - | \$ - | - |
| Buyout | Feb-25 | \$ 55,800,000 | \$ 53,010,000 | \$ 17,216,481 | 68% |
| Economic Development | Feb-25 | \$ 20,732,068 | \$ 19,695,464 | \$ (535,770) | 103% |
| HoAP | Aug-24 | \$ 63,343,396.52 | \$ 63,343,397 | \$ 6,911,427.80 | 89% |
| Homebuyers | Aug-24 | \$ 16,246,507 | \$ 16,246,507 | \$ 84,878 | 99% |
| Multifamily | Feb-25 | \$ 370,855,752 | \$ 352,312,964 | \$ 21,580,379 | 94% |
| Planning | Aug-24 | \$ 22,213,801 | \$ 22,213,801 | \$ 748,906 | 97% |
| Public Services | Aug-24 | \$ 17,175,963 | \$ 17,175,963 | \$ (12,714) | 100% |
| Single Family | Feb-25 | \$ 60,000,000 | \$ 57,000,000 | \$ 12,942,020 | 77% |
| Small Rental | Feb-25 | \$ 12,188,104 | \$ 11,578,698 | \$ 4,925,658 | 57% |
| Grand Total | | \$ 653,555,590 | \$ 612,576,794 | \$ 64,409,750 | |

NOTES:

- 1 - Remaining to Meet 12/31 Revised Benchmark total sum does not include programs that have exceeded benchmark.
- 2 - Buyout program benchmarks suspended by GLO due to ongoing URA efforts.



Multifamily NOFA II (HOME Funds)

Michael Nichols, Director

Multifamily HOME NOFA II

- The City seeks applicants who can construct, rehabilitate, and manage multifamily housing for low-to moderate-income families, leveraging both public and private resources to maximize development and renovation efforts citywide.
- Approximately \$20MM
- Target Release date September 18, 2024
- Target Pre-application conference September 26, 2024
- No contact period – September 18 until awards are issued.
- All communication must be sent in writing to:
HCD_NOFA@houstontx.gov

Project Highlights

Michael Nichols, Director

Virtual Community Office Hours



**WE ARE
OPEN**

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



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024 2100 Memorial (District H)

Completion Percentage: 100%

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

Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



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Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Ribbon Cutting: August 28, 2024

2100 Memorial (District H)



Caroline Lofts Ribbon Cutting: August 2, 2024 2403 Caroline (District D)



Caroline Lofts Ribbon Cutting: August 2, 2024

2403 Caroline (District D)



Caroline Lofts Ribbon Cutting: August 2, 2024 2403 Caroline (District D)



Caroline Lofts Ribbon Cutting: August 2, 2024

2403 Caroline (District D)



Caroline Lofts Ribbon Cutting: August 2, 2024

2403 Caroline (District D)



CM Davis Town Hall: August 12, 2024

Alief Neighborhood Center (District F)



CM Davis Town Hall: August 12, 2024

Alief Neighborhood Center (District F)



CM Davis Town Hall: August 12, 2024

Alief Neighborhood Center (District F)



CM Davis Town Hall: August 12, 2024 Alief Neighborhood Center (District F)



CM Davis Town Hall: August 12, 2024 Alief Neighborhood Center (District F)



August 29, 2024 Home Repair Program Key Exchange - Smith Family - South Park (District D)



August 12, 2024 Single Family Home Repair Program Key Exchange - Smith Family - Settegast (District B)



August 28, 2024 Down Payment Assistance Program Virtual Presentation – 2100 Travis



Under Construction

Michael Nichols, Director

Richmond Senior Village

5615 Richmond Ave., 77057 (District J)



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

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



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

Completion Percentage: 92%

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

OST Lofts

5520 Old Spanish Trail, 77023 (District I)



OST Lofts

5520 Old Spanish Trail, 77023 (District I)

Completion Percentage: 85%

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

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



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

Completion Percentage: 99%

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

Connect South 6440 Hillcroft Street, 77081 (District J)



Connect South
6440 Hillcroft Street, 77081 (District J)

Completion Percentage: 92%

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

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



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

The HAY Center 3131 Gulf Freeway (District I)



The HAY Center

3131 Gulf Freeway, 77003 (District I)

Completion Percentage: 96%

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

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



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

Completion Percentage: 74%

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

Public Comments