

Housing and Affordability Committee

Council Member Tiffany D. Thomas, Chair Council Member Willie Davis, Vice Chair

Tuesday, November 19, 2024, at 10:00 a.m. City Hall Council Chambers 901 Bagby, 2nd Floor, Houston, Texas 77002

This meeting will also be broadcast on <u>HTV</u>, the City of Houston's Municipal Channel.

Presentation handouts will also be available at

https://www.houstontx.gov/council/committees/housing.html

I. Call to Order/Welcome/Attendance

II. Public Facilities

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Lease Agreement between the City of Houston and The Coalition for the Homeless of Houston/Harris County (Coalition) to extend the lease and allow the Coalition to continue operations at the Housing Navigation Center, 2903 Jensen, Houston, TX. (District B)

Michael Nichols, Director Ryan Bibbs, Deputy Assistant Director

III. Single Family

- a. HCD recommends Council approval of an Ordinance authorizing a Second Amendment to the Developer Agreement (CHDO Single-Family Development Program) between the City of Houston and A Caring Safe Place, Inc. (ACSP) (District B)
- b. HCD recommends Council approval of an Ordinance authorizing a First Amendment to the Developer Agreement (CHDO Single-Family Development Program) between the City of Houston and Heart of Houston Community Development Corporation, Inc. (District D)
- c. HCD recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston and the Texas General Land Office (GLO) using Uptown TIRZ Series 2021 Affordable Homes funds to reimburse the GLO for the purchase of 12.22 acres of land (known as Stella Link) in the amount of \$13,970,540.11. (District K)

Michael Nichols, Director Cedrick LaSane, Assistant Director

IV. Public Services

HCD recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston and Catholic Charities of the Archdiocese of Galveston-Houston, providing up to \$100,000.00 in Community Development Block Grant (CDBG) funds to support an Out of School Time Program for low-to moderate-income families living in Alief Independent School District (Alief ISD) and within the City. (District F)

Michael Nichols, Director Melody Barr, Assistant Director

V. Compliance & Grant Administration

- a. HCD recommends Council approval of an Ordinance authorizing and approving a Tenth Amendment to the Community Development Block Grant Disaster Recovery, Hurricane Ike (CDBG-DR2) Program Rental Housing Projects, Round 2 Subrecipient Agreement (#13-181-000-7294) between the City of Houston and the GLO. (All Districts)
- b. HCD recommends Council approval of an Ordinance authorizing and approving a Third Amendment to the Community Development Block Grant Disaster Recovery, Harvey (CDBG-DR17) Subrecipient Agreement (#21-134-000-C788) between the City of Houston and the GLO. (All Districts)

Michael Nichols, Director Kennisha London, Deputy Director

VI. Director's Comments, Michael Nichols

VII. Public Comments

Meeting Date: 12/4/2024 District B Item Creation Date: 9/19/2024

HCD24-100 Coalition for the Homeless First Amendment (Lease Agreement)

Agenda Item: II.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Lease Agreement (Lease) between the City of Houston (City) and The Coalition for the Homeless of Houston/Harris County (Coalition), modifying the Agreement to allow the Coalition to continue operations at the Housing Navigation Center, located at 2903 Jensen, Houston, TX in accordance with the Scope of Services. No additional funds are associated with this Amendment.

Pursuant to Ordinance No. 2022-68 executed on January 26, 2022, City Council authorized a Construction Contribution Agreement with the Coalition, in which HCD awarded the Coalition \$3,500,000.00 in ESG-CV funds. An additional \$763,332.17 in insurance proceeds were awarded to the Coalition for the rehabilitation and reconstruction of the Housing Navigation Center.

Pursuant to Ordinance No. 2022-69 executed on January 26, 2022, City Council authorized a Lease Agreement with the Coalition to lease the city-owned facility, procure and manage capital improvements, and to procure and manage an operator to run the facility. The lease expires December 31, 2024, or 12 months whichever the sooner of after the expiration of the Emergency Declaration on which the ESG-CV funding is based.

Pursuant to Ordinance No. 2023-45 executed on January 18, 2023, extending the grant period to March 31, 2023 to allow for completion of construction On July 18, 2023 the City authorized a Second Amendment to provide an additional \$663,142.14 in ESG-CV and \$150,000.00 in Tax Increment Reinvestment Zone (TIRZ) 2409 funds for a total City contribution of \$5,049,474.31.

The term of the lease was extended to December 31, 2027, via Letter of Agreement between the City and The Coalition dated November 5, 2024. Through this Amendment, the Coalition now wishes to modify the terms of the lease to conform to certain requirements stated in the lease to the requirements of the current stream of operational funding provided to the Navigation Center by the City via separate agreement.

The Coalition for the Homeless serves as the lead administrative, planning, and coordination agency of The Way Home, the regional homeless response system. Through the Coalition's tireless work, the City and its partners have successfully reduced homelessness more than any other major city in the nation. Since 2012, more than 24,000 individuals have been permanently housed (with nearly a 90% long-term, success rate), leading to more than a 55% reduction in homelessness.

This item was reviewed by the Housing and Affordability Committee on November 19, 2024.

Michael Nichols, Director

Prior Council Action:

1/26/2022 (O) 2022-68; 1/26/2022 (O) 2022-69;

1/18/2023 (O) 2023-45; 7/18/2023 (O) 2023-535; 7/19/2023 (O) 2023-554

Contact Information:

Roxanne Lawson, (832) 394-6307

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CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/20/2024 District: B Item Creation Date: 10/2/2024

HCD24-101
A Caring Safe Place, Inc.
Second Amendment to the Developer Agreement
(CHDO Single-Family Development Program)
Agenda Item: III.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the Developer Agreement (CHDO Single-Family Home Community Housing Development Program) between the City of Houston and A Caring Safe Place, Inc. (ACSP) to (1) reduce the maximum amount of the Agreement by \$554,000.00 from \$3,868,000.00 to \$3,132,000.00; (2) reduce the total number of CHDO Homes that A Caring Safe Place, Inc. may build from 13 to 11; (3) amend cost projections; (4) increase the amount of time the Director may extend for performance; (5) change provisions regarding definitions, CHDO Proceeds, Recapture Requirements, the affordability period, and sales contracts; and (6) replace the forms of the Homebuyer HOME Statement, Homebuyer Note, and Homebuyer Deed of Trust. No additional funding is attached to this item.

The initial Developer Agreement, by Ordinance 2020-1074, authorized the development of up to nine affordable single-family homes. On July 12, 2023, by Ordinance 2023-552, City Council approved an Ordinance authorizing a First Amendment to amend the Developer Agreement and relevant provisions, exhibits, and related documents (1) to increase the maximum number of affordable single-family homes that ACSP may build pursuant to the Developer Agreement from nine to thirteen (13); and (2) increase funding from \$2,286,000.00 to \$3,686,000.00 in HOME funds for the development of the additional homes and to cover construction cost increases.

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

The Housing and Affordability Committee Chair was briefed on this item on November 13, 2024 and it was reviewed by the Housing and Affordability Committee on November 19, 2024.

Michael Nichols, Director

Prior Council Action:

02/12/2019 (O) 2019-0082; 12/09/2020 (O) 2020-1074; 07/12/2023 (O) 2023-552

Contact Information:

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Meeting Date: 11/20/2024 District: D Item Creation Date: 10/8/2024

HCD24-102

Heart of Houston Community Development Corporation First Amendment to the Developer Agreement (CHDO Single-Family Development Program) Agenda Item: III.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Developer Agreement (CHDO Single-Family Home Community Housing Development Program) between the City of Houston and Heart of Houston Community Development Corporation Inc., to (1) increase the amount of time the Director may extend the time of performance; (2) change provisions regarding definitions, CHDO Proceeds, Recapture Requirements, the affordability period, and sales contracts; and (3) replace the forms of the Homebuyer HOME Statement, Homebuyer Note, and Homebuyer Deed of Trust. No funding is attached to this item.

The initial Developer Agreement, by Ordinance 2023-0689, 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.

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

The Housing and Affordability Committee Chair was briefed on this item on November 13, 2024.

Michael Nichols, Director

Prior Council Action: 08/30/2023 (O) 2023-0689

Contact Information:

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THOU HOUSE

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/3/2024 District: K Item Creation Date: 10/16/2024

HCD24-113
Stella Link Road Development
Agenda Item: III.c.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and the Texas General Land Office (GLO) to use Uptown TIRZ Series 2021 Affordable Homes funds to reimburse the GLO for the purchase of 12.22 acres of land in the amount of \$13,970,540.11.

The land is located north of Stella Link Rd, south of Main St, and east of Willowbend, known as 10301 Stella Link Road (Property). The acquisition and development of the Property was initially supported by the HCD Harvey Single Family Development (HSFD) Program, which was funded through a Community Development Block Grant - Disaster Recovery 2017 (CDBG-DR17) grant to develop affordable owner-occupied single-family homes.

The reimbursement to the GLO will allow the City to (i) remove GLO/CDBG-DR17 restrictions from the Property, (ii) create its own timeline for the development of the Property, (iii) use local funds to develop the Property, and (iv) create affordable housing for low-to moderate-income workforce homebuyers whose income does not exceed 120% of the Area Median Income. Additionally, following the reimbursement to the GLO, the City will design a Homebuyer Assistance Program (HbAP 2.0) to be utilized throughout the City of Houston.

The Property will be a new construction project of single-family homes in the Willowbend neighborhood. This development will increase Houston's housing stock by approximately 100-150 affordable homes, depending on design and detention.

This development will be administered by HCD and is aligned with the City's efforts to invest in creating affordable housing opportunities for low-to moderate-income homebuyers in desirable neighborhoods throughout the city. The chart below reflects the breakdown of the reimbursement costs:

Source	Amount	Use
Uptown TIRZ Series 2021 Affordable Homes	\$13,970,540.11	Acquisition of Land
Total	\$13,970,540.11	

Fiscal Note:

No significant Fiscal Operating impact is anticipated as a result of this project.

The	Housing and	d Affordability	Committee	Chair was	briefed on	this item	on November	13	2024
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Michael Nichols,	Director

Prior Council Action:

02/03/2021 (O) 2021-93; 07/21/2021 (O) 2021-627; 03/30/2022 (O) 2022-235

Amount of Funding:

\$13,970,540.11 Uptown TIRZ Series 2021 Affordable Homes Fund (2430)

Contact Information:

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Meeting Date: 12/3/2024 District: F Item Creation Date: 11/01/2024

HCD24-115

Catholic Charities of the Archdiocese of Galveston-Houston Out of School Time Program Agenda Item: IV.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Catholic Charities of the Archdiocese of Galveston-Houston (Catholic Charites), providing up to \$100,000.00 in Community Development Block Grant (CDBG) funds to support an Out of School Time Program for low-to moderate-income families living in Alief Independent School District (Alief ISD) and within the City.

The Out of School Time Program will serve 30 unduplicated households with school-age youth up to 18 years old and living within Alief ISD. The program will take place two days a week for two hours after school during the school year. The after-school program will incorporate homework assistance, cultural lessons, and social/emotional learning activities. Activities include a three-week summer program for immigrant students with a focus on language, social/emotional and cultural support. The program will also create positive partnerships with parents and integrate them into their children's school and communities by facilitating parent orientations and coordinating parent-teacher meetings.

CATEGORY	AMOUNT	PERCENT
Program	\$90,000.00	90.00%
Administration	\$10,000.00	10.00%
Total	\$100,000.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for Childcare and Out-of-School Time Programming in May 2024, with the option for up to a one-year renewal, at the City's discretion. Catholic Charities was one of the agencies selected. This Agreement term will provide funding from January 1, 2025 – December 31, 2025. Catholic Charities has received funding from the City of Houston since 2003 and had no findings on their last compliance monitoring review.

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Affordability Committee Chair was briefed on this item on November 13, 2024 and
it was reviewed by the Housing and Affordability Committee on November 19, 2024.

Michael Nichols, Director

Amount of Funding:

\$100,000.00 Federal Government – Grant (5000)

Contact Information:

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Meeting Date: 11/19/2024 District ALL Item Creation Date: 10/21/2024

HCD24-112

Community Development Block Grant - Disaster Recovery Hurricane Ike (CDBG-DR2) Tenth Amendment Agenda Item: V.a.

Background:

The Housing and Community Development Department (HCD), recommends City Council authorize an Ordinance approving a Tenth Amendment to the Hurricane Ike Community Development Block Grant Disaster (CDBG-DR 2) Program Rental Housing Projects, Round 2 Subrecipient Agreement (#13-181-000-7294) between the City of Houston (City) and the Texas General Land Office (GLO). The Subrecipient Agreement allowed the City to carry out multifamily activities, including rehabilitation, reconstruction, and new construction of subsidized housing benefiting low-to moderate-income families. There are no changes to the funding.

The proposed Amendment extends the City's CDBG-DR 2 Agreement term from September 30, 2024, to August 31, 2025, and updates contractual language. This extension accommodates the completion and closeout of the St. Elizabeth Place Rehabilitation Project, an 85-unit Multifamily rental housing complex in the Lyons Avenue Corridor in Houston's Fifth Ward.

The Housing and Affordability Committee Chair was briefed on this item on November 13, 2024 and it was reviewed by the Housing and Affordability Committee on November 19, 2024.

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Michael Nichols, Director

Prior Council Action:

03/01/2022 (O) 2022-133, 12/26/2023 (O) 2023-1133

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Meeting Date: 12/3/2024 District ALL Item Creation Date: 10/21/2024

HCD24-114

Community Development Block Grant - Disaster Recovery
Harvey Third Amendment
Agenda Item: V.b.

Background:

The Housing and Community Development Department (HCD), recommends Council authorize an Ordinance approving a Third 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:

- Reduce the overall grant award from \$653,555,590.00 by reducing funding in the amount of \$27,926,173.08 for a total amount not to exceed \$625,629,416.92.
- Revise contractual language.
- Extend the term of the Agreement from February 28, 2025 to February 28, 2027.
- Revise the Single-Family Development Program Performance Statement to reflect all project activities and the reduction of \$27,926,173.08 in grant funding.

Program	Amount	Change (+/-)	Revised Amount
Homeowner Assistance Program	\$63,343,396.52	\$0.00	\$63,343,396.52
Single Family Development Program	\$60,000,000.00	(\$27,926,173.08)	\$32,073,826.92
Multifamily Rental Program	\$370,855,752.00	\$0.00	\$370,855,752.00
Small Rental Program	\$12,188,103.56	\$0.00	\$12,188,103.56
Homebuyer Assistance Program	\$16,246,506.50	\$0.00	\$16,246,506.50
Buyout Program	\$55,800,000.00	\$0.00	\$55,800,000.00
Public Services Program	\$17,175,962.92	\$0.00	\$17,175,962.92
Harvey Economic Revitalization Program	\$20,732,067.50	\$0.00	\$20,732,067.50
Planning Program	\$22,213,801.00	\$0.00	\$22,213,801.00
Administration	\$15,000,000.00	\$0.00	\$15,000,000.00
Total	\$653,555,590.00	(\$27,926,173.08)	\$625,629,416.92

This Subrecipient Agreement allows the City to provide financial assistance with funds appropriated under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Pub. L. No. 115-56), enacted on September 8, 2017, 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.

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Affordability Committee Cha	air was briefed on this item on November 13, 2024 and it
was reviewed by the Housing and Affordability	y Committee on November 19, 2024.

Michael Nichols, Director

<u>Prior Council Action</u>: 02/02/2021 (O) 2021-93; 10/31/2023 (O) 2023-946; 09/11/2024 (O) 2024-679

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