



Housing and Community Affairs Committee

Committee Members

Mike Laster (Chair)
Jerry Davis
David W. Robinson
Richard Nguyen

Robert Gallegos (Vice Chair)
Larry Green
Ed Gonzalez
Dwight A. Boykins

AGENDA

Tuesday, October 20, 2015 10:00 AM
City Hall Chambers

Call to Order/Welcome Remarks – Council Member Mike Laster, Chair

I. Public Services

For review and possible authorization:

- a) Coalition for the Homeless of Houston and Harris County (All Districts) – An Ordinance authorizing the use of \$130,000 in federal Community Development Block Grant funds for a contract between the City of Houston and the Coalition for the Homeless of Houston and Harris County for strategic homeless planning activities
- b) Child Care Council of Greater Houston (All Districts) – An Ordinance authorizing a Second Contract Amendment between the City of Houston and Child Care Council of Greater Houston to add \$304,921 of Emergency Solutions Grant funds to the current contract for the administration and operation of the City's Homeless Services Program

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Melody Barr, Administration Manager

II. Supportive Services

For review and possible authorization:

- a) VisionLink Crisis Cleanup (All Districts) – An Ordinance appropriating \$345,000 for a professional services contract with VisionLink to implement Crisis Cleanup, a web-based platform which speeds relief and recovery of elderly, disabled and low- to moderate-income residents whose homes are damaged in disasters

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Amin Smith, Deputy Assistant Director

III. Public Facility

For review and possible authorization:

- a) Love & Joy Services Inc. (District D) – An Ordinance authorizing approval of a Contract between the City of Houston and Love & Joy Services Inc., providing \$2,500,000 in Tax Increment Reinvestment Zone funds for reconstruction of its 4317 Mallow St. facility which was destroyed by fire

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Andrea Smith, Financial Analyst IV

IV. Multifamily

For review and possible authorization:

- a) Houston Heights Towers (District C) – An Ordinance approving: 1) a \$240,000 increase in the property's senior loan, which is in a superior lien position to the Housing and Community Development Department's grant, and 2) the extension of the completion date
- b) Pleasant Hill Village Renovation (District B) – An Ordinance to: 1) amend the existing Loan Agreement among the City of Houston, Pleasant Hill Community Development Corporation, and Pleasant Hill Community Apartments, Ltd. and 2) provide a new \$2,000,000 loan to 165 Pleasant Hill Seniors GP, LLC for the renovation of this 165-unit affordable apartment community for seniors

Presentation:

- Neal Rackleff, Director, Housing and Community Development Department
- Joel North, Deputy Director

V. Public Comments

Action may be taken on any or all of the above items.

Committee meetings are open to the public.

For information about this committee, contact Jonny Flores 832.393.3015.

VI. Director's Comments

Neal Rackleff, Director, Housing and Community Development Department

TO: Mayor via City Secretary **REQUEST FOR COUNCIL ACTION**

10/2/15 Coalition - Planning

SUBJECT: An Ordinance authorizing the use of \$130,000 in federal CDBG funds for a contract between the City of Houston and the Coalition for the Homeless of Houston and Harris County for strategic homeless planning activities	Category	Page 1 of 1	Agenda Item # <i>I.A.</i>
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FROM: Neal Rackleff, Director Housing and Community Development Department	Origination Date 10/02/15	Agenda Date 11/20/15
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DIRECTOR'S SIGNATURE:	Council District affected: All
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For additional information contact: Roxanne Lawson Phone: 832-394-6282	Date and identification of prior authorizing Council action: N/A
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RECOMMENDATION: Approval of an Ordinance authorizing the use of \$130,000 in federal CDBG funds for a contract between the City of Houston and the Coalition for the Homeless of Houston and Harris County for strategic homeless planning activities

Amount of Funding: \$130,000.00	Finance Budget:
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SOURCE OF FUNDING: General Fund Grant Fund Enterprise Fund
Community Development Block Grant (CDBG)

SPECIFIC EXPLANATION:

The Housing and Community Development Department (HCDD) recommends approval of a contract between the City of Houston and the Coalition for the Homeless of Houston and Harris County (the Coalition), providing \$130,000 in federal CDBG funds for 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 the program 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 implementation planning, and transitional 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.

CDBG funds are providing 9% of the cost of these strategic planning activities.

Category	Amount	Percentage
Program Administration	\$18,438.35	14%
Program Services	\$111,561.65	86%
Total	\$130,000.00	100%

This contract will provide funding for a 12-month period, from December 1, 2015 - November 30, 2016.

The Housing and Community Affairs Committee reviewed this item on October 20, 2015.

NR:JN:MB:RLJ

Cc: City Secretary
Legal Department
Finance Department
Mayor's Office

REQUIRED AUTHORIZATION		
Finance Director:	Other Authorization:	Other Authorization:

SUBJECT: An Ordinance authorizing a Second Contract Amendment between the City of Houston and Child Care Council of Greater Houston to add \$304,921 of ESG funds to the current contract for the administration and operation of the City's Homeless Services Program		Category	Page 1 of 1	Agenda Item # <i>I.b.</i>										
FROM: Neal Rackleff, Director Housing and Community Development Department		Origination Date 10/6/15	Agenda Date											
DIRECTOR'S SIGNATURE:		Council Districts affected: All												
For additional information contact: Roxanne Lawson Phone: 832-394-6282		Date and identification of prior authorizing Council action: 2015-0342												
RECOMMENDATION: Approval of an Ordinance authorizing a Second Contract Amendment between the City of Houston and Child Care Council of Greater Houston to add \$304,921 of ESG funds to the current contract for the administration and operation of the City's Homeless Services Program														
Amount of Funding: \$304,921.00			Finance Budget:											
SOURCE OF FUNDING: <input type="checkbox"/> General Fund <input checked="" type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund Emergency Solutions Grants														
SPECIFIC EXPLANATION:														
<p>The Housing and Community Development Department (HCDD) recommends approval of a Second Contract Amendment between the City of Houston and Child Care Council of Greater Houston to add \$304,921 of Emergency Solutions Grants funds to the current contract for the administration and operation of the Homeless Services Program (HSP).</p> <p>This program is designed to address the needs of families who are homeless or at risk of becoming homeless. HSP activities include: (1) emergency shelter for individuals, families and victims of domestic violence; (2) food; (3) street outreach; (4) medical and mental health services; (5) assistance in obtaining permanent housing; (6) assistance in obtaining services or benefits; and (7) assistance with short-term rent and utility payments to prevent eviction or termination of services.</p> <p>In prior action, the City Council approved a contract with Child Care Council authorizing up to \$1,367,715 in Emergency Solutions Grants Funds. HCDD is adding \$304,921 in Emergency Solutions Grants funds to the contract. This funding will allow 50 additional individuals and families to be served. The original contract provides funding for a 12-month period from April 1, 2015 – March 31, 2016, and will remain the same.</p>														
<table border="1"> <thead> <tr> <th>Funding Source</th> <th>Original Amount</th> <th>Additional Funds</th> <th colspan="2">Amount</th> </tr> </thead> <tbody> <tr> <td>Emergency Solutions Grants</td> <td>\$1,367,715.00</td> <td>\$304,921.00</td> <td colspan="2">\$1,672,636.00</td> </tr> </tbody> </table>					Funding Source	Original Amount	Additional Funds	Amount		Emergency Solutions Grants	\$1,367,715.00	\$304,921.00	\$1,672,636.00	
Funding Source	Original Amount	Additional Funds	Amount											
Emergency Solutions Grants	\$1,367,715.00	\$304,921.00	\$1,672,636.00											
<p>HCDD conducted a Request for Proposals for FY2015 for ESG Administrative Services. Child Care Council was the selected agency.</p> <p>This item was presented to the Housing and Community Affairs Committee on October 20, 2015.</p> <p>NR:JN:MB:RLJ cc: City Secretary Legal Department Finance Department Mayor's Office</p>														
REQUIRED AUTHORIZATION														
Finance Director:		Other Authorization:		Other Authorization:										

TO: Mayor via City Secretary REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance appropriating \$345,000 for a professional services contract with VisionLink to implement Crisis Cleanup, a web-based platform which speeds relief and recovery of elderly, disabled and low- to moderate-income residents whose homes are damaged in disasters	Category # 4	Page 1 of 2	Agenda Item # <i>II. a.</i>
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FROM: Neal Rackleff, Director Housing and Community Development Department	Origination Date 9/1/2015	Agenda Date
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DIRECTOR'S SIGNATURE:	Council District affected: All
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For additional information contact: Roxanne Lawson Phone: 832-394-6282	Date and identification of prior authorizing Council action:
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RECOMMENDATION: Approval of an Ordinance appropriating \$345,000 of Tax Increment Reinvestment Zone Funds for a professional services contract with VisionLink to implement Crisis Cleanup, a web-based platform which speeds relief and recovery of elderly, disabled and low- to moderate-income residents whose homes are damaged in disasters

Amount of Funding: \$345,000.00 Tax Increment Reinvestment Zone Funds	Finance Budget:
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SOURCE OF FUNDING: [] General Fund [] Grant Fund [] Enterprise Fund [X] Other
Tax Increment Reinvestment Zone Fund 2409

SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) recommends that City Council approve an Ordinance authorizing the appropriation of \$345,000 of Tax Increment Reinvestment Zone funds to enhance the VisionLink Crisis Cleanup web platform. These enhancements will add functionality needed to improve the tool's effectiveness in helping Houstonians clean-up and repair homes damaged in disasters.

Crisis Cleanup is a free, open source web platform that connects disaster recovery organizations with residents who need help cleaning up after a disaster. The platform enables relief organizations to coordinate response efforts, unlocking the collaborative power of Houston's private, public, and volunteer resources. Crisis Cleanup improves collaborative community response by managing cleanup tasks for volunteers, facilitating multi-agency coordination, tracking the tasks ready to do and those already completed, and by creating a transparent view of cleanup efforts with real-time mapping tools. To date, Crisis Cleanup has connected more than 300 voluntary organizations and 40,000 volunteers with 15,000 families across 18 states.

It was first used in the Hurricane Sandy recovery in the Northeast and is currently being used by dozens of organizations still helping survivors of the recent Houston flooding. Along with cataloging homes where volunteers are responding, Crisis Cleanup also tracks volunteer hours spent responding. This is information which translates to direct dollars for the City of Houston in local match to FEMA funding. Additionally, Crisis Cleanup facilitates HCDD's ability to identify low- to moderate-income homes for subsequent funding of work such as carpet/flooring and sheet rock replacement which comes after the initial clean-up phase.

- Among the enhancements to be developed under the VisionLink contract are:
- Mapping tools capable of isolating geographic areas, such as low- to moderate-income communities, for faster response as well as specific analysis and custom reports
 - A smart phone app that enables volunteers to update data in real time as they canvas neighborhoods to identify damage and enter or complete tasks in the system
 - An incident dashboard for easy examination and analysis of data captured in the system

The contract is effective through December 31, 2015, with two 90-day renewal options, and may be terminated by the City Purchasing Agent and/or Director of Housing upon 30-days written notice to the contractor.

Founded in 1991, VisionLink creates solutions for education, workforce, social and health services and disaster response at the local, state and national levels. VisionLink created CommunityOS®, used by 2-1-1 centers to share important information with homeless shelters, by state governments to coordinate with local nonprofits, and by emergency disaster relief agencies to connect those in need with nonprofit resources.

This item was reviewed by the Housing and Community Affairs Committee on Oct. 20, 2015.

NR: AS: JH

cc: City Attorney, Mayor's Office, City Secretary, Finance Department

REQUIRED AUTHORIZATION		
Finance Department Director:	Other Authorization:	Other Authorization:

SUBJECT: An Ordinance authorizing approval of a Contract between the City of Houston and Love & Joy Services, Inc., providing \$2,500,000 in TIRZ funds for reconstruction of its 4317 Mallow St. facility which was destroyed by fire		Category #	Page 1 of 1	Agenda Item # <i>III. a.</i>
FROM: Neal Rackleff, Director Housing and Community Development Department		Origination Date 10/8/2015	Agenda Date 10/20/2015	
DIRECTOR'S SIGNATURE:		Council District affected: District D		
For additional information contact: Roxanne Lawson Phone: 832-394-6282		Date and identification of prior authorizing Council action:		
RECOMMENDATION: Approval of an Ordinance authorizing a Contract between the City of Houston and Love & Joy Services, Inc., providing \$2,500,000 in TIRZ funds for reconstruction of its 4317 Mallow St. facility which was destroyed by fire				
Amount of Funding: \$2,500,000.00			Finance Budget:	
SOURCE OF FUNDING: <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund <input checked="" type="checkbox"/> Other				
TIRZ Affordable Housing Fund 2409				
SPECIFIC EXPLANATION:				
<p>Love & Joy Services, Inc. seeks \$2,500,000 in TIRZ funds to reconstruct its facility destroyed by fire on Nov. 18, 2014. The organization, which has provided services and assisted living for mentally and physically challenged persons since 1992, was 85% complete on construction of its new 4317 Mallow St. facility when the structure was destroyed by fire. The general contractor's insurance had expired during the construction, leaving Love & Joy unprotected. Since few other Houston organizations provide the services offered at Love & Joy, HCDD recommends assisting the organization in rebuilding the destroyed facility.</p> <p>The new facility will be a one-story brick building totaling 11,701 square feet. Love & Joy will provide adult day care services and assisted living for physically and mentally challenged individuals experiencing homelessness, mental illness and developmental disabilities. The new facility will provide 40 beds for assisted living. The units will consist of 10 double-occupancy rooms with two beds each, four single-occupancy rooms and four ADA (American with Disabilities Act) rooms with four beds each. The adult day care program will serve 100 individuals daily.</p> <p>The Housing and Community Development Department requests approval of the contract between the City of Houston and Love & Joy Services, Inc. The total project budget is \$2,933,642. Love & Joy will utilize \$2,500,000 of TIRZ funding, \$400,000 of Love & Joy funds and \$33,642 of private funds to reconstruct the facility.</p> <p>Love & Joy currently delivers mental health care and assisted residential living services to over 168 individuals who are extremely low-income. Services include residential and group home support services, foster care, respite, day habilitation, nursing services, transportation, social learning, and access to psychiatrists, fitness and recreation, Veterans assistance and a dietary program.</p> <p>This item was reviewed by the Housing and Community Affairs Committee on October 20, 2015.</p>				
NR: APM: SL				
Cc: City Attorney Mayor's Office City Secretary Finance Department				
REQUIRED AUTHORIZATION				
Finance Department Director:		Other Authorization:		Other Authorization:

TO: **Mayor via City Secretary** **REQUEST FOR COUNCIL ACTION** **15-Heights increase senior loan**

SUBJECT: An Ordinance approving: 1) a \$240,000 increase in the property's senior loan, which is in a superior lien position to the Housing and Community Development Department's grant, and 2) the extension of the completion date		Category #	Page 1 of 1	Agenda Item # <i>I.V.a.</i>
FROM: Neal Rackleff, Director Housing and Community Development Department		Origination Date 10/5/2015	Agenda Date	
DIRECTOR'S SIGNATURE:		Council District affected: District C		
For additional information contact: Roxanne Lawson Phone: 832-394-6282		Date and identification of prior authorizing Council action: 2013-57, 2013-256, 2014-374, 2015-647		
RECOMMENDATION: Support of an Ordinance approving: 1) a \$240,000 increase in the property's senior loan, which is in a superior lien position to the Housing and Community Development Department's grant, and 2) the extension of the completion date				
Amount of Funding: <p style="text-align: center;">None</p>			Finance Budget:	
SOURCE OF FUNDING <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund				
No funding required				
SPECIFIC EXPLANATION:				
<p>On January 22, 2013, City Council approved an Ordinance authorizing \$8,500,000 of Community Development Block Grant (CDBG) funds for the rehabilitation of the 38-year-old Houston Heights Towers, a seniors/disabled multifamily community located at 330 W. 19th Street. This transaction was amended on March 26, 2013, to swap funding sources to \$2,965,131 in CDBG funds and \$5,534,869 in HOME funds for the project (no change to total commitment of \$8,500,000). It was further amended on April 30, 2014, to increase the funding amount to \$10,000,000 due to needed changes in the project scope.</p> <p>On July 8, 2015, City Council approved an Ordinance approving a new loan for up to \$2,000,000 that the borrower would receive from Community Bank of Texas. The additional funds will allow the owner to add back several items of scope that were eliminated from the original budget due to cost increases, and provide a cushion of operating funds until occupancy increases (within this eight-story building, two full floors are vacant at all times during construction – one floor under renovation and one floor housing relocated tenants). Scope increases include common area flooring and finishes, energy upgrades, increase in drywall allowance, landscaping and irrigation, elevator lobby finishes, and additional contingency, general conditions and architect's fee.</p> <p>Subsequent to receiving Council approval for the senior loan, the owner determined that there was \$240,000 in additional expenses they wanted to include in the budget, which the senior lender agreed to fund. These include additional contingency required by the senior lender (\$131,700), loan origination fee (\$20,000), and several construction line item increases.</p> <p>The Community Bank loan agreement includes a clause requiring City Council approval of the additional \$240,000. HCDD continues to believe that securing this senior loan is important for the continued success of the Heights Tower project.</p> <p>Due to delays primarily relating to negotiating the Community Bank loan, HCDD recommends extending the construction completion date from September 20, 2015 to March 31, 2016.</p> <p>This item was reviewed by the Housing and Community Affairs Committee on October 20, 2015.</p>				
NR:JN:SS				
cc: CSC, FIN, MYR, LGL				
REQUIRED AUTHORIZATION				
Finance Department:		Other Authorization:		Other Authorization:

SUBJECT: An Ordinance to 1) amend the existing Loan Agreement among the City of Houston, Pleasant Hill Community Development Corporation, and Pleasant Hill Community Apartments, Ltd. and 2) provide a new \$2,000,000 loan to 165 Pleasant Hill Seniors GP, LLC for the renovation of this 165-unit affordable apartment community for seniors

Category #	Page 1 of 1	Agenda Item # IV. b.
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FROM:
Neal Rackleff, Director
Housing and Community Development Department

Origination Date 10/5/15	Agenda Date
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DIRECTOR'S SIGNATURE:

Council District affected:
District B

For additional information contact: Roxanne Lawson
Phone: 832-394-6282

Date and identification of prior authorizing Council action: 6/28/96 Ord. 96-680; 2/12/14 Ord. 14-111; 11/12/14 Ord. 14-999

RECOMMENDATION: Approval of an Ordinance to 1) amend the existing Loan Agreement among the City of Houston, Pleasant Hill Community Development Corp. and Pleasant Hill Community Apartments, Ltd. and 2) provide a \$2,000,000 loan to 165 Pleasant Hill Seniors GP, LLC for the renovation of this 165-unit seniors affordable apartment community

Amount of Funding: \$2,000,000.00

Finance Budget:

SOURCE OF FUNDING [] General Fund [X] Grant Fund [] Enterprise Fund
Community Development Block Grant (CDBG)

SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) proposes to fund \$2,000,000 for a portion of the renovation cost of the Pleasant Hill Village Apartments, a seniors facility in the 5th Ward.

In June, 1996, City Council approved an Ordinance authorizing a Loan Agreement for \$670,000 in CDBG funds for the construction of a 165-unit community for senior citizens. City Council subsequently approved an amendment to increase the loan to \$757,000. Of the 165 units, 52% (85 units) are restricted at affordable rents for low-income Houstonians.

On February 14, 2014, City Council provided a one-year extension to the loan term and the affordability period, and a subsequent action extended the loan term to October 29, 2015 and the affordability period to September 1, 2016. The modification requested in this RCA includes a 20-year extension of the existing loan.

The owner has requested new funding to renovate the property as part of a 4% tax credit project. HCDD believes that this property is pivotal to the revitalization activity on Lyons Avenue and proposes to provide a \$2,000,000 loan in conjunction with a modification of the existing indebtedness (which was an interest bearing, cash flow loan). The existing debt would be repaid as follows.

1. Owner will reduce the outstanding principal balance of \$757,000 by paying \$150,000 at closing.
2. The loan will be extended for an additional 20 years.
3. The remaining principal (\$607,000) will be paid to the City in equal installments of \$2,500 per month (20 years, 3 months).
4. When the owner sells or refinances the property, proceeds will be used to pay off the then-current principal balance, plus accrued interest (\$548,000), to the extent funds are available.

Funding of the property renovation will be provided as follows:

<u>Sources of Funds:</u>		<u>Uses of Funds:</u>	
Tax credit equity	\$3,204,190	Pay off existing Amegy mortgage	\$2,199,091
Permanent loan (bonds)	\$4,453,869	Transaction costs	\$574,500
HCDD gap financing (CDBG)	\$2,000,000	Rehab hard costs	\$4,900,500
Total Renovation Sources	\$9,658,059	Rehab soft costs	\$637,500
		Developer fee	\$831,468
		Reserves	\$515,000
		Total Renovation Cost	\$9,658,059

This item was reviewed by the Housing and Community Affairs Committee on October 20, 2015.

NR:JN:SS
cc: CSC, FIN, MYR, LGL

REQUIRED AUTHORIZATION

Finance Department:	Other Authorization:	Other Authorization:
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