



Housing and Community Affairs Committee

Committee Members

Mike Laster (Chair)
Dwight A. Boykins
Michael Kubosh
Mike Knox

Robert Gallegos (Vice Chair)
David W. Robinson
Karla Cisneros

AGENDA

Tuesday, May 16, 2017, 10:00 AM
City Hall Council Chambers

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

I. Planning & Grants Management

- a) Houston Action Plan for Disaster Recovery – 2015 Flood Events “Substantial Amendment” – (All Districts) An Ordinance authorizing a “Substantial Amendment” to the Houston Action Plan for Disaster Recovery – 2015 Flood Events, decreasing the Housing Buyout and Planning line items and increasing the Facilities and Improvements (Infrastructure) line item by \$11,143,507.21 in CDBG-DR funds
- b) Consolidated Plan and the Citizen Participation Plan – (All Districts) An Ordinance authorizing “Substantial Amendments” to specific pages in the 2015-2019 Consolidated Plan and the Citizen Participation Plan
- c) HOME and CDBG Substantial Amendments – (All Districts) An Ordinance authorizing “Substantial Amendments” to the budget pages and/or project sheets contained in the 2016 and 2013 Annual Action Plans

Presentation:

- Tom McCasland, Director, Housing and Community Development Department
- Derek Sellers, Division Manager

II. Public Services

Tenant Based Rental Assistance Project – (All Districts) An Ordinance authorizing a Contract between the City of Houston and Houston Housing Authority for chronic homeless surge and voucher mobility programs

Presentation:

- Tom McCasland, Director, Housing and Community Development Department
- Melody Barr, Deputy Assistant Director

III. Multifamily

- a) The Vireo Tax Credits Public Hearing – (ETJ) Establishing a date for a public hearing to provide a Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP
- b) The Vireo Tax Credits Resolution – (ETJ) A Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP

Presentation:

- Tom McCasland, Director, Housing and Community Development Department
- Ryan Bibbs, Division Manager

IV. 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 Jeremy Harris, 832.393.3369.

V. Director's Comments

Tom McCasland, Director, Housing and Community Development Department

SUBJECT: An Ordinance authorizing a "Substantial Amendment" to the Houston Action Plan for Disaster Recovery - 2015 Flood Events, decreasing the Housing Buyout and Planning line items and increasing the Facilities and Improvements (Infrastructure) line item by \$11,143,507.21 in CDBG-DR funds		Category #	Page 1 of 2	Agenda Item # I.a.
FROM: Tom McCasland, Director Housing and Community Development Department		Origination Date 5/2/2017	Agenda Date	
DIRECTOR'S SIGNATURE:		Council District affected: All		
For additional information contact: Roxanne Lawson Phone: 832-394-6307		Date and identification of prior authorizing Council action: 9-14-16 (O) 2016-705		
RECOMMENDATION: Approval of an Ordinance authorizing a "Substantial Amendment" to the Houston Action Plan for Disaster Recovery - 2015 Flood Events, decreasing the Housing Buyout and Planning line items and increasing the Facilities and Improvements (Infrastructure) line item by \$11,143,507.21 in CDBG-DR funds				
Amount of Funding: NO NEW FUNDING REQUIRED			Finance Budget:	
SOURCE OF FUNDING: [] General Fund [X] Grant Fund [] Enterprise Fund [] Other Community Development Block Grant Disaster Recovery Flood Events (CDBG-DR15) Fund 5000				
SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) requests approval of a "Substantial Amendment" to the Houston Action Plan for Disaster Recovery - 2015 Flood Events (Plan) to reallocate \$11,143,507.21 from the Housing Buyout and Planning line items to the Facilities and Improvements (Infrastructure) line item. The original budget submitted in the Plan estimated the proposed amounts for each budget line item. HCDD proposes to decrease the Housing Buyout and the Planning line item amounts; the funds from these reductions will increase the Facilities and Improvements line item. This "Substantial Amendment" does not result in any change in the total funds awarded for the 2015 Flood Events. The chart following this page shows the changes in the budget for the CDBG-DR15. The purpose of this change is to reflect the need of the community and realign funds to effectively manage the CDBG-DR15 funds received from the U.S. Department of Housing and Urban Development (HUD). A copy of the public notice stating these changes can be viewed on the CDBG-DR15 website at http://houstontx.gov/housing/2015_Flood_Events_Recovery.html . In accordance with HUD's Citizen Participation Plan regulations and the Citizen Participation Plan for Houston's CDBG-DR15 Program, the City is required to amend components of its Plan for a variety of reasons, including when a reallocation of funds increases or decreases the budget of an activity by more than 25% or when a new activity is added to the Plan. This item was reviewed by the Housing and Community Affairs Committee on May 16, 2017. TM:BS:DS:PC CC: City Attorney Mayor's Office City Secretary Finance Department				
REQUIRED AUTHORIZATION				
Finance Department Director:		Other Authorization:		Other Authorization:

SUBSTANTIAL AMENDMENT REALLOCATION AND CHANGES SUMMARY

Community Development Block Grant - Disaster Recovery (CDBG-DR) Budget Changes		
Budget Line Item Amended	Budget Decrease	Budget Increase
Housing Buyout	\$ (9,340,000.00)	
Planning	\$ (1,803,507.21)	
Facilities and Improvements (Infrastructure)		\$11,143,507.21
Total CDBG-DR Budget Changes:	\$(11,143,507.21)	\$11,143,507.21

TO: Mayor via City Secretary REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing "Substantial Amendments" to specific pages in the 2015-2019 Consolidated Plan and the Citizen Participation Plan		Category #	Page 1 of 1	Agenda Item # I.b.
FROM: Tom McCasland, Director Housing and Community Development Department		Origination Date 4/25/2017	Agenda Date	
DIRECTOR'S SIGNATURE:		Council District affected: All		
For additional information contact: Roxanne Lawson Phone: 832-394-6307		Date and identification of prior authorizing Council action: 4-15-15 (O) 2015-0338; 4-27-16 (O) 2016-0340		
RECOMMENDATION: Approval of an Ordinance authorizing "Substantial Amendments" to specific pages contained in the 2015-2019 Consolidated Plan and Citizen Participation Plan				
Amount of Funding: NO NEW FUNDING REQUIRED			Finance Budget:	
SOURCE OF FUNDING <input type="checkbox"/> General Fund <input checked="" type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund <input type="checkbox"/> Other Community Development Block Grant (CDBG), the HOME Investment Partnerships Grant (HOME), the Housing Opportunities for Persons with AIDS Grant (HOPWA), and the Emergency Solutions Grant (ESG)				
SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) proposes making changes to the following two documents: <ul style="list-style-type: none"> • 2015-2019 Consolidated Plan <ul style="list-style-type: none"> ○ Adding Complete Communities as local target areas ○ Updating with information about disaster related needs • Citizen Participation Plan <ul style="list-style-type: none"> ○ Adding updated regulatory language <p>HCDD proposes to update the 2015-2019 Consolidated Plan to include information about Complete Communities, a new strategic effort to improve selected communities, and disaster related needs from the 2015 flood events.</p> <p>Additionally, HCDD proposes to amend the Citizen Participation Plan (CPP). The CPP describes the framework through which citizens can have input in the planning, implementation, coordination, and assessment of HCDD's projects and activities. Resulting from a Final Rule published by HUD in December of 2016, the revisions to the CPP include adding organizations for consultation during plan development. The CPP was last revised in April 2016. The amended CPP was prepared pursuant to federal regulations. HCDD requests approval of the amended CPP.</p> <p>In accordance with HUD's CPP regulations, the City is required to amend components of its Consolidated Plan or Citizen Participation Plan for a variety of reasons, including when changing allocation priorities or changing the method of distribution of funds.</p> <p>As stipulated by federal regulations and in conformity with the CPP, residents have 30 days to comment on the proposed changes to the 2015-2019 Consolidated Plan and CPP before it is approved by City Council. The 30-day review period extended from May 12, 2017 through June 11, 2017.</p> <p>This item was reviewed by the Housing and Community Affairs Committee on May 16, 2017.</p> <p>TM:BS:MI cc: City Secretary, Legal Department , Finance Department, Mayor's Office</p> <p>Attachments</p>				
REQUIRED AUTHORIZATION				
Finance Director:		Other Authorization:		Other Authorization:

TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

SUBJECT: An Ordinance authorizing "Substantial Amendments" to the budget pages and/or project sheets contained in the 2016 Annual Action Plan for the reallocation of \$2,400,000 in HOME funds and 2013 Annual Action Plan for the reallocation of \$240,000 in CDBG funds	Category #	Page 1 of 2	Agenda Item # I.c.
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FROM (Department or other point of origin): Tom McCasland, Director Housing and Community Development Department	Origination Date 5/9/17	Agenda Date
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DIRECTOR'S SIGNATURE:	Council District(s) affected: All Districts
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For additional information contact: Roxanne Lawson Phone: 832-394-6307	Date and identification of prior authorizing Council action: 4-27-2016 (O) 2016-340 4-24-2013 (O) 2013-353
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RECOMMENDATION: Approval of an Ordinance authorizing "Substantial Amendments" to the budget pages and/or project sheets contained in the 2016 Annual Action Plan for the reallocation of \$2,400,000 in HOME funds and 2013 Annual Action Plan for the reallocation of \$240,000 in CDBG funds

Amount of Funding: NO NEW FUNDING REQUIRED	Finance Budget:
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SOURCE OF FUNDING General Fund Grant Fund Enterprise Fund Other

Community Development Block Grant and HOME Investment Partnerships (Fund 5000)

SPECIFIC EXPLANATION:

HCDD requests approval for a "Substantial Amendment" to the 2016 Annual Action Plan to reallocate \$2,400,000 in HOME Investment Partnerships (HOME) funding from the 2016 Multifamily activity line item to the new Tenant Based Rental Assistance activity line item for the 2016 program year.

The funds will be used to provide rental subsidies for eligible households to afford housing costs such as rent and security deposits. Households may also participate in a self-sufficiency program that will help improve their economic self-sufficiency by receiving assistance with job training, education, and transportation. To be eligible for this program, the renter must be at or below 60% of the area median income for the Houston-Woodlands-Sugar Land, TX Metropolitan Statistical Area. Specifics of the proposed HOME reallocations are listed on the table attached to this RCA.

HCDD also requests approval for a "Substantial Amendment" to the 2013 Annual Action Plan to use funds reallocated from the Economic Development and Lead Based Paint line items to create the new Housing Services activity line item. The funds will be used to implement and administer the Tenant Based Rental Assistance activity.

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

This item was reviewed by the Housing and Community Affairs Committee on May 16, 2017.

TM:BS:DS

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

Attachments

REQUIRED AUTHORIZATION		
Finance Director:	Other Authorization:	Other Authorization:

SUBSTANTIAL AMENDMENT REALLOCATION AND CHANGES SUMMARY

HOME Investment Partnerships Program			
Budget Year Amended	Activity	Budget Decrease	Budget Increase
2016	Multifamily Development	(\$2,400,000.00)	
2016	*Tenant Based Rental Assistance		\$2,400,000.00
Total HOME Budget Changes:		(\$2,400,000.00)	\$2,400,000.00

*Indicates a new activity for the Plan year

Community Development Block Grant (CDBG)			
Budget Year Amended	Activity	Budget Decrease	Budget Increase
2013	Lead Based Paint	(\$63,578.31)	
2013	Economic Development	(\$176,421.69)	
2013	*Housing Services		\$240,000.00
Total CDBG Budget Changes:		\$240,000.00	\$240,000.00

*Indicates a new activity for the Plan year

SUBJECT: An Ordinance authorizing a Contract between the City of Houston and Houston Housing Authority, providing up to \$3,400,000 for the administration and operation of the Financial Assistance Intermediary for Chronic Surge and voucher mobility programs		Page 1 of 1	Agenda Item # II.a.
FROM: Tom McCasland, Director Housing and Community Development Department		Origination Date 05/09/17	Agenda Date
DIRECTOR'S SIGNATURE:		Council District affected: All Districts	
For additional information contact: Roxanne Lawson Phone: 832-394-6307		Date and identification of prior authorizing Council action:	
RECOMMENDATION: An Ordinance authorizing a Contract between the City of Houston and Houston Housing Authority, providing up to \$3,400,000 for the administration and operation of the Financial Assistance Intermediary and voucher mobility programs			
Amount of Funding: \$3,400,000			Finance Budget:
SOURCE OF FUNDING [] General Fund [X] Grant Fund [] Enterprise Fund HOME Investment Partnerships Fund 5000 & TIRZ Fund 2409			
SPECIFIC EXPLANATION: The Housing and Community Development Department (HCDD) recommends approval of a Contract between the City of Houston and Houston Housing Authority (HHA), providing up to \$3,400,000 to support chronic homeless and voucher mobility programs. Up to \$2,400,000 in HOME Tenant Based Rental Assistance (TBRA) funds will be used for the administration and operation of the Financial Assistance Intermediary (FAI) for chronic homeless surge. The remaining \$1,000,000 will be TIRZ funds used for a voucher mobility program to provide affordable housing. The FAI helps homeless households achieve immediate and long-term housing stability by providing short- to medium-term rental assistance, rental and utility deposits, and utility payments, as needed. The HOME funded \$2,400,000 will support the chronic homeless surge in housing up to 250 households. The funds will help cover a gap in funding left by a budget shortfall that caused the U.S. Department of Housing and Urban Development (HUD) to rescind Housing Choice Vouchers (HCVs) from individuals whose selected units have not yet passed the required safety inspections. This funding will assist up to 250 of the most vulnerable individuals, living on our streets and in shelters, move into permanent housing. The City will also grant HHA up to \$1,000,000 of TIRZ affordable housing funds for a voucher mobility program targeting households with children ages 4-8 years. The voucher mobility program will help families currently holding a HCV move to affordable homes in high-opportunity areas. The Houston Housing Authority will deliver the following program services: (1) management of the financial assistance funds, (2) administration of direct rental and utility assistance to approximately of 250 chronically homeless clients, and administer financial assistance to the voucher mobility program. The contract period is August 1, 2017 through July 31, 2018. This item was reviewed by the Housing & Community Affairs Committee on May 16, 2017. TM:MNB cc: Legal Department Mayor's Office City Secretary Finance Department			
REQUIRED AUTHORIZATION			
Finance Director:	Other Authorization:	Other Authorization:	

SUBJECT: Establishing a date for a public hearing to provide a Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP	Category #	Page 1 of 1	Agenda Item # III.a.
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FROM: Tom McCasland, Director Housing and Community Development Department	Origination Date 5/5/2017	Agenda Date
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DIRECTOR'S SIGNATURE:	Council District affected: ETJ
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For additional information contact: Roxanne Lawson Phone: 832-394-6307	Date and identification of prior authorizing Council action: N/A
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RECOMMENDATION: Approval of a motion establishing a date for a public hearing to provide a Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP

Amount of Funding: <p style="text-align: center;">None</p>	Finance Budget:
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SOURCE OF FUNDING	<input type="checkbox"/> General Fund	<input type="checkbox"/> Grant Fund	<input type="checkbox"/> Enterprise Fund
No funding required			

SPECIFIC EXPLANATION:

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 by The Vireo Apartments LP for a development located in the City's extraterritorial jurisdiction.

HCDD recommends approval of this resolution based on a B ranked elementary school per Children at Risk rankings, no zoned school is on the State's Improvement Required list, the poverty concentration rate is below 26%, and the development will include 3-4 bedroom units.

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 (including the City's extraterritorial jurisdiction) 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.

The Vireo Apartments LP intends to submit an application to the TDHCA requesting an award of 4% tax credits for the construction of The Vireo Apartments, a 264-unit affordable housing community located at the southwest corner of Tidwell and CE King Parkway. HCDD is not being asked to fund this development.

Sources of Funds		Uses of Funds	
PR Mortgage Investment Corp Loan	\$21,317,500	Hard Costs	\$27,671,016
Bank of America Tax Credit Equity	15,090,490	Soft Costs	7,064,132
Deferred Developer Fee	4,154,331	Developer Fee	4,800,000
Developer Equity	1,131,171	Land Acquisition	2,158,444
Total Cost	\$41,693,492	Total Cost	\$41,693,592

HCDD requests a motion to hold a public hearing June 7, 2017, on the 4% tax credit Resolution of No Objection.

This item was reviewed by the Housing and Community Affairs Committee on May 16, 2017.

TM:RB

cc: Mayor's Office
City Secretary
Finance
Legal

REQUIRED AUTHORIZATION		
Finance Department:	Other Authorization:	Other Authorization:

SUBJECT: A Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP	Category #	Page 1 of 1	Agenda Item # III.b.
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FROM: Tom McCasland, Director Housing and Community Development Department	Origination Date 5/3/17	Agenda Date
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DIRECTOR'S SIGNATURE:	Council District(s) affected: ETJ
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For additional information contact: Roxanne Lawson Phone: 832-394-6307	Date and identification of prior authorizing Council action: N/A
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RECOMMENDATION: Approval of a Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP

Amount of Funding: <p style="text-align: center;">None</p>	Finance Budget:
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SOURCE OF FUNDING General Fund Grant Fund Enterprise Fund

No funding required

SPECIFIC EXPLANATION:
The Housing and Community Development Department (HCDD) recommends Council approve a Resolution of No Objection for the 4% tax credit application of The Vireo Apartments LP.

The Vireo Apartments LP intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) requesting an award of non-competitive 4% tax credits for the construction of The Vireo Apartments, a 264-unit affordable housing community located at the southwest corner of Tidwell and CE King Parkway. The price per unit is expected to be \$157,930.

Sources of Funds		Uses of Funds	
PR Mortgage Investment Corp Loan	\$21,317,500	Hard Costs	\$27,671,016
Bank of America Tax Credit Equity	15,090,490	Soft Costs	7,064,132
Deferred Developer Fee	4,154,331	Developer Fee	4,800,000
Developer Equity	1,131,171	Land Acquisition	2,158,444
Total Cost	\$41,693,492	Total Cost	\$41,693,592

The TDHCA administers the state's housing tax credit program, which provides federal tax credits to spur the development of quality, affordable housing.

In order to apply for the 4% tax credits, the developer must present a Resolution of No Objection from the governing body of the jurisdiction in which the development is located (including the City's Extraterritorial Jurisdiction). HCDD recommends approval of this resolution based on a B ranked elementary school per Children at Risk rankings, no zoned school is on the State's Improvement Required list, the poverty concentration rate is below 26%, and the development will include 3-4 bedroom units.

A public hearing on this resolution was held on June 7, 2017.

This item was reviewed by the Housing and Community Affairs Committee on May 16, 2017.

TM:RB

cc: Mayor's Office
City Secretary
Finance
Legal

REQUIRED AUTHORIZATION		
Finance Department:	Other Authorization:	Other Authorization: