

Housing and Affordability Committee

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

Friday, January 31, 2025, 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 <u>https://www.houstontx.gov/council/committees/housing.html</u>

I. Call to Order/Welcome/Attendance

II. Finance

The Housing and Community Development Department (HCD) is requesting Council appropriation of \$20,349,265.40 of **TIRZ (2409)** Affordable Housing Funds for single-family activities, multifamily activities, disaster recovery activities, and to administer HCD's affordable home activities. (All Districts)

Michael Nichols, Director Temika Jones, Assistant Director & CFO

III. Planning & Grant Reporting

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a **Substantial Amendment to the Houston Action Plan** for Disaster Recovery – 2021 Winter Storm (Plan). This is the first Amendment to this Plan and will not result in any change in the total funds awarded for the 2021 Winter Freeze. (All Districts)

Michael Nichols, Director Deputy Director Derek Sellers for Angela Simon, Assistant Director

IV. Single Family

- a. HCD recommends Council approval of an Ordinance authorizing a Fifth Amendment to the Home Repair Program (HRP) Master Contractor Agreement (MCA) to be executed by the City and each of the following contractors: PMG CONSTRUCTION, INC and REBUILDING TOGETHER - HOUSTON, to extend the termination dates of the MCAs by an additional two years. No funding is attached to this item. (All Districts)
- b. HCD recommends Council approval of an Ordinance authorizing a Fifth Amendment to the Home Repair Program (HRP) Master Contractor Agreement (MCA) to be executed by the City and each of the following contractors: DSW HOMES, LLC; HABITAT FOR HUMANITY, INC; JAMES W. TURNER CONSTRUCTION, LTD.; MAYBERRY HOMES, INC; and SLSCO, LTD., to extend the termination dates of the MCAs by an additional two years. No funding is attached to this item. (All Districts)

- c. HCD recommends Council approval of an Ordinance adopting the Single-Family Home Repair Program 2021 Winter Storm Program Guidelines. The Program will provide assistance through two pathways: the Reimbursement Pathway and the Rehabilitation or Reconstruction Pathway. (All Districts)
- d. HCD recommends Council approval of an Ordinance authorizing a Second Amendment to the Loan Agreement between the City of Houston (City) and Houston Habitat for Humanity, Inc. (Habitat) amending the City Loan Agreement for Robins Landing to (1) reduce the Original Loan Amount from \$4,793,228 to \$2,104,667.03 for infrastructure paid in Phase 1, (2) eliminate future advances on the City Loan, (3) reduce the administrative reporting burden on Habitat, and (4) reduce the total number of designated units from 400 to 100, to be completed within phases 1-4 of the project. (District B)

Michael Nichols, Director Cedrick LaSane, Assistant Director

V. Multifamily

HCD recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston and Houston Area Community Development Corporation (Borrower), providing a loan of \$4,000,000.00 in HOME funds. The loan will be used to partially finance construction of **New Hope Housing Wheatley** (NHH Wheatley), to be located at 1117 Bland Street, Houston, TX 77091. (District B)

Michael Nichols, Director Ryan Bibbs, Deputy Assistant Director

VI. Public Services

HCD recommends Council approval of an Ordinance authorizing a First Amendment to the Subrecipient Agreement between the City of Houston and Houston's Capital Investing in Development and Employment of Adults (**Capital IDEA**), providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds for the continued administration and operation of a workforce development, case management, and career placement and retention program for a minimum of 110 low-to-moderate income adults residing in the City of Houston. (District D)

Michael Nichols, Director Melody Barr, Assistant Director

VII. Director's Comments, Michael Nichols

CDBG-DR17 Update

Temika Jones, Assistant Director & CFO

Housing Tax Credit Allocations

Cody Campbell, TDHCA Director of Multifamily Programs (Virtual/Online)

HCD Project Highlights Michael Nichols, Director

VIII. Public Comments



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 01/29/2025 All Districts Item Creation Date: 01/03/2025

> HCD24-120 TIRZ Affordable Housing Agenda Item: II.

Background:

The Housing and Community Development Department (HCD) is requesting Council appropriation of \$20,349,265.40 of TIRZ (2409) Affordable Housing Funds for single-family, multifamily, disaster recovery activities, and administrative funds to administer HCD's affordable home activities.

For direct program activities, specific contracts will be brought to the Council for allocation in accordance with local procurement rules. A brief description of each TIRZ funding category follows.

Please note that this overall appropriation of TIRZ funds includes \$3,000,000.00 of program income generated from the sale of single-family homes through the City's New Home Development Program. This overall appropriation of TIRZ funds also authorizes those funds for single-family activities.

Category	Total Amount	Description
Affordable Housing	\$9,599,265.40	Administrative cost for administering local, state,
Administration & Federal /		and federally funded activities by HCD
State Grant Leveraging		
Disaster Recovery Program	\$7,000,000.00	Funding for disaster recovery program costs
		deemed ineligible and/or disallowed
Single-Family Activities*	\$3,000,000.00	Single-family activities for, but not limited to, home
		repair, new construction, down payment
		assistance, and activity delivery costs
Multifamily Activities	\$450,000.00	Multifamily and public facility activities including,
		but not limited to rehabilitation, new construction,
		maintenance, utilities, and activity delivery costs
Homelessness	\$300,000.00	Efforts leading to permanent homes for homeless
		individuals and families
Total	\$20,349,265.40	

Fiscal Note:

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

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Michael Nichols, Director

Amount of Funding:

\$20,349,265.40 – TIRZ Affordable Housing Fund 2409

Contact Information :

Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 01/29/2025 District ALL Item Creation Date: 11/22/2024

HCD24-118 Substantial Amendment to Action Plan for Disaster Recovery 2021 Winter Storm Agenda Item: III.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Substantial Amendment (Amendment) to the Houston Action Plan for Disaster Recovery – 2021 Winter Storm (Plan). This Amendment will: (1) increase the assistance amount in the Home Repair Program's Reimbursement Pathway from \$6,000.00 to \$10,000.00, (2) streamline and clarify eligibility criteria for the Home Repair Program, (3) transfer \$550,000.00 of Community Development Block Grant – Disaster Recovery 2021 (CDBG-DR21) funds from the Rental Housing Counseling budget line item to the Neighborhood Facilities Resilience Program budget line item and (4) make other minor edits throughout the Plan for clarity.

The purpose of these changes is to meet homeowners' needs, align the Winter Storm Home Repair Program with other HCD home repair activities, and realign funds to effectively manage the CDBG-DR21 funds received from the United States Department of Housing and Urban Development (HUD).

Community Development Block Grant – Disaster Recovery 2021 Budget Changes				
Budget Line Item Amended	Budget Decrease	Budget Increase		
Rental Housing Counseling	(\$550,000.00)			
Neighborhood Facilities Resilience Program		\$550,000.00		
TOTAL	\$550,000.00	\$550,000.00		

The chart below shows the changes in funding for the CDBG-DR21 Action Plan budget.

This is the first Amendment to this Plan and does not result in any change in the total funds awarded for the 2021 Winter Freeze.

In accordance with HUD's regulations and the Citizen Participation Plan for Houston's CDBG-DR21, the City is required to amend components of its Plan for a variety of reasons, including when there is a proposed change in program benefit or eligibility criteria or when an activity is deleted from the Plan. The 30-day public comment period for the Draft Action Plan Amendment extended from January 16, 2025, through February 16, 2025.

Fiscal Note:

No fiscal note is required for grant items.

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Michael Nichols, Director

Prior Council Action 05/03/2023 (O) 2023-308

Contact Information: Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: TBD District: ALL Item Creation Date: 12/20/2024

HCD24-124 Home Repair Program Fifth Amendment to the Master Contractor Agreement Agenda Item: IV.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Fifth Amendment to the Home Repair Program (HRP) Master Contractor Agreement (MCA) to be executed by the City and the following contractors: PMG CONSTRUCTION, INC and REBUILDING TOGETHER - HOUSTON, to extend the termination dates of the MCAs by an additional two years. No funding is attached to this item.

The HRP provides home repair and reconstruction services for eligible low-and moderate-income (LMI) homeowners to alleviate immediate threats to their health, life, and safety. The Home Repair Program, with the existing seven contractors, has completed 297 homes with an additional 46 homes currently in preconstruction

Funding under the Master Contractor Agreements will continue to be expended through Tri-Party Agreements between the City, Homeowner, and the Contractor for each Rehabilitation or Reconstruction Project. The total of all Tri-Party Agreement amounts will not exceed the allocated funding available.

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Michael Nichols, Director

Prior Council Action:

01/24/2018 (O) 2018-56; 02/07/2018 (O) 2018-84; 11/28/2018 (O) 2018-936; 12/04/2018 01/13/2019 (O) 2019-83; 06/26/2019 (O) 2019-498; 01/29/2020 (O) 2020-77; 05/19/2020 (O) 2020-406; 02/03/2021 (O) 2021-092; 4/21/2021 (O) 2021-273; 12/07/2022 (O) 2022-933; 12/20/2023 (O) 2023-1149; 12/20/2023 (O) 2023-1150; 12/11/2024 (O) 2024-948

Contact Information:

Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: TBD District: ALL Item Creation Date: 1/14/2025

HCD25-13 Home Repair Program Fifth Amendment to the Master Contractor Agreement – Additional Contractors Agenda Item: IV.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Fifth Amendment to the Home Repair Program (HRP) Master Contractor Agreement (MCA) to be executed by the City and each of the following contractors: DSW HOMES, LLC; HABITAT FOR HUMANITY, INC; JAMES W. TURNER CONSTRUCTION, LTD.; MAYBERRY HOMES, INC; and SLSCO, LTD., to extend the termination dates of the MCAs by an additional two years. No funding is attached to this item.

The HRP provides home repair and reconstruction services for eligible low-to moderate-income (LMI) homeowners to alleviate immediate threats to their health, life, and safety. The Home Repair Program, with the existing seven contractors, has completed 297 homes with an additional 46 homes currently in preconstruction.

Funding under the Master Contractor Agreements will continue to be expended through Tri-Party Agreements between the City, Homeowner, and the Contractor for each Rehabilitation or Reconstruction Project. The total of all Tri-Party Agreement amounts will not exceed the allocated funding available.

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Michael Nichols, Director

Prior Council Action:

01/24/2018 (O) 2018-56; 02/07/2018 (O) 2018-84; 11/28/2018 (O) 2018-936; 12/05/2018 (O) 2018-981; 01/13/2019 (O) 2019-83; 06/26/2019 (O) 2019-498; 01/29/2020 (O) 2020-77; 05/19/2020 (O) 2020-406; 02/03/2021 (O) 2021-092; 4/21/2021 (O) 2021-273; 12/07/2022 (O) 2022-933; 12/20/2023 (O) 2023-1149; 12/20/2023 (O) 2023-1150; 12/11/2024 (O) 2024-948

Contact Information:

Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: TBD District: All Item Creation Date: 1/6/2025

HCD24-125 2021 Winter Storm Single Family Home Repair Program Guidelines Agenda Item: IV.c.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance adopting the Single-Family 2021 Winter Storm Single Family Home Repair Program Guidelines. The Program will provide assistance through two pathways, the Reimbursement Pathway and through the Rehabilitation or Reconstruction Pathway. The Rehabilitation or Reconstruction Pathway will provide assistance to low-and-moderate-income (LMI) households with annual income at or below 80% of Area Median Income (AMI), and whose primary residence was directly or indirectly impacted by the 2021 Winter Storm (2021 Winter Storm Uri or 2021 Winter Freeze). The Reimbursement Pathway will assist LMI households and urgent need (UN) households up to 120% AMI.

The 2021 Winter Storm was a severe weather event in which a record amount of snow and ice impacted the entire State of Texas, including the City of Houston. The 2021 Winter Storm lasted 5 days, February 13 -17, 2021.On February 20, 2021, the President of the United States approved a Texas Disaster Declaration.

The Program budget is approximately \$40,106,250.00 funded by the Community Development Block Grant Disaster Recovery 2021 (CDBG-DR21) funds to support long-term recovery from the disaster. The program budget table below reflects the allocations for Single Family Programs for 2021 Winter Storm (\$38,449,272.00 + 1,656,978.00 = \$40,106.250.00).

Reimbursement Pathway (LMI)	\$969,332.00	
Activity Delivery Reimbursement Pathway (LMI)	\$107,704.00	
Reimbursement Pathway (Urgent Need)	\$521,948.00	
Activity Delivery Reimbursement Pathway (Urgent Need)	\$57,994.00	
Winter Storm Home Repair Program: Reimbursement Pathway	\$1,656,978.00	3.3%
Reconstruction and Rehabilitation Pathway (LMI)	\$34,604,345.00	
Activity Delivery Reconstruction and Rehabilitation Pathway (LMI)	\$3,844,927.00	
Winter Storm Home Repair Program: Recon. And Rehab. Pathway	\$38,449,272.00	76.8%

Applicants who resided in the City of Houston jurisdiction between February 13-17, 2021, at the time of the storm, at a property that served as the applicant's primary residence may be eligible for assistance. The City will administer its 2021 Winter Storm Single Family Home Repair Program per the Guidelines and HUD CDBG-DR regulations and guidance.

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Contact Information: Roxanne Lawson

(832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: TBD District: B

Item Creation Date: 12/31/2024

HCD25-02 Second Amendment to Robins Landing Loan Agreement Agenda Item: IV.d.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the Loan Agreement between the City of Houston (City) and Houston Habitat for Humanity, Inc. (Habitat) amending the City Loan Agreement to (1) reduce the Original Loan Amount from \$4,793,228.00 to \$2,104,667.03, which represents the current amount reimbursed by the City to Habitat for construction of infrastructure in Phase 1 of the Robins Landing project, (2) eliminate future advances on the City Loan, (3) reduce the administrative reporting burden on Habitat, (4) reduce the number of affordable units designated at 80% AMI from 400 to 100 (to be completed during phases 1-4 of the project), and (5) agree upon a form of Intercreditor and Subordination Agreement for use when Habitat acquires additional third-party construction financing. The remaining 300 homes will be restricted to homebuyers earning up to 120% Area Median Income (AMI), with the remaining 68 homes to sold at market rates.

Robins Landing is a 127-acre mixed-use, mixed-income master planned community located on Tidwell Road between Mesa Drive to the west and C E King Parkway to the east. Of the 468 original number, 300 Robins Landing homes will be restricted at 120% AMI, 100 homes will be restricted at 80% AMI with the remaining 68 homes sold at market rates.

Habitat has sourced alternative funding for the remaining infrastructure for the project and therefore no longer requires additional funding from the City Loan. Habitat has completed the development of Robins Landing phase 1 (lots and infrastructure) using the proceeds of the City Loan, in furtherance of the goal of providing new single-family homes for LMI Households.

The First Amendment to the Loan Agreement, previously approved via Ordinance No. 2023-173, replaced the HCD Minimum Construction Standards v.3.0 adopted May 21, 2019, that were attached to the original Loan Agreement with the HCD Minimum Construction Standards v.5.0 adopted April 13, 2022, and the Robins Landing Design Guidelines. The original Loan Agreement, approved via Ordinance No. 2021-1022, provided up to \$4,793,228.00 to finance the development and construction of the infrastructure of the subdivision.

This project is administered by HCD's Affordable Home Development Program (AHDP) with the aim of increasing affordable single-family homeownership opportunities for households earning between 60% to 120% of the Area Median Income (AMI) 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. No new funding is attached to this item.

The Housing and Affordability Committee reviewed this item on January 31, 2025.

Michael Nichols, Director

Prior Council Action:

12/03/2019 (O) 2019-0965; 01/06/2021 (O) 2021-0012; 05/05/2021 (O) 2021-0354; 09/01/2021 (O) 2021-756; 11/30/2022 (O) 2021-1022; 03/16/2023 (O) 2023-173 **Contact Information:** Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 03/12/2025 District B Item Creation Date: 12/18/2024

HCD25-01 New Hope Housing Wheatley - New Construction Agenda Item: V.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Loan Agreement between the City of Houston (City) and Houston Area Community Development Corporation (Borrower), providing \$4,000,000.00 in HOME funds to partially finance the new construction of New Hope Housing Wheatley (NHH Wheatley), to be located at 1117 Bland Street, Houston, TX 77091.

NHH Wheatley will be the first supportive housing development in the historic Acres Homes community. NHH Wheatley will provide 103 one-, two-, and three-bedroom apartment homes, all of which will be restricted to households earning between 30% and 60% of the Area Median Income.

Developed by New Hope Housing, Inc., NHH Wheatley will introduce an example of award-winning architecture in Acres Homes. Residents will have access to New Hope's world-class services specifically tailored by NHH Wheatley's Resident Services coordinator. New Hope's robust combination of Housing+ Services will offer a launchpad to stabilize and improve the lives of its residents. New Hope is particularly pleased to be partnering with Houston Healthcare for the Homeless, to provide a free, onsite primary-care clinic for families living at NHH Wheatley.

NHH Wheatley will also feature a major generator, which will power elevators, amenity spaces, emergency lighting, and water to the residents during long-term power outages. Total funding for NHH Wheatley will be as follows:

Sources:		Uses:	
National Equity Fund (NEF) - 9% Housing Tax Credits	\$17,598,240.00	Hard Cost	\$22,924,849.00
LISC Greenhouse Gas Reduction Fund	\$ 9,898,898.00	Soft Cost	\$ 4,581,516.00
City of Houston HOME	\$ 4,000,000.00	Developer Fee	\$ 2,918,000.00
Deferred Developer Fee	\$ 1,253,000.00	Acquisition Cost	\$ 2,200,000.00
45L Tax Credit Equity by NEF	\$ 206,000.00	Reserves	\$ 331,773.00
Total Source of Funds:	\$32,956,138.00	Total Project Cost:	\$32,956,138.00

Fiscal Note:

No Fiscal note is required on grant items.

This item was reviewed by the Housing and Affordability Committee on January 31, 2025.

Michael Nichols, Director

Amount of Funding

\$4,000,000.00 Federal Government – Grant Funded (5000)

Contact Information: Roxanne Lawson, (832) 394-6307

CITY OF HOUSTON – CITY COUNCIL



Meeting Date: 02/12/2025 District: D Item Creation Date: 01/03/2025

HCD25-09 Houston's Capital Investing in Development and Employment of Adults (Capital IDEA Houston) Agenda Item: VI.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Subrecipient Agreement between the City of Houston (City) and Houston's Capital Investing in Development and Employment of Adults (Capital IDEA), providing up to \$250,000.00 in Community Development Block Grant (CDBG) funds for the continued administration and operation of a workforce development, case management, and career placement and retention program for a minimum of 110 low-to-moderate income adults residing in the City of Houston.

Through Capital IDEA, participants will work to obtain a vocational certificate or a post-secondary education in on-demand job sectors with livable wages. As program participants near the end of their educational program, career placement services will be provided to assist in resume building, job search, and placement in positions paying a living wage of at least \$17.30 per hour.

CATEGORY	AMOUNT	PERCENT
Program	\$212,500.00	85.00%
Administration	\$37,500.00	15.00%
Total	\$250,000.00	100.00%

HCD released a Notice of Funding Availability (NOFA) for CDBG services in December 2022 with the option for renewal in up to a one-year increment at the City's discretion. Capital IDEA was one of the agencies selected.

The initial Agreement period was from January 1, 2024, to December 31, 2024, and was administratively extended to February 28, 2025. This First Amendment will extend the agreement to January 31, 2026. As of November 2024, Capital IDEA has met 88% of its client goal and utilized approximately 94% of its total funds. There were no findings during their most recent annual compliance monitoring review.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Affordability Committee on January 31, 2025.

Michael Nichols, Director

Prior Council Action: 11/15/2023 (O) 2023-983

<u>Amount of Funding:</u> \$250,000.00 Federal Government – Grant Funded (5000)

Contact Information:

Roxanne Lawson (832) 394-6307