

## Housing and Affordability Committee

January 31, 2025 Michael Nichols, Director





#### **Agenda**

- Welcome/Introductions
- **Finance**
- Planning & Grant Reporting
- IV. Single Family
- V. Multifamily
- VI. Public Services
- VII. Director's Comments
- VIII. Public Comments















#### II. FINANCE

#### II. TIRZ Affordable Housing Funds Appropriation (All Districts)

An Ordinance authorizing Council appropriation of \$20,349,265.40 of TIRZ (2409) Affordable Housing Funds for single-family, multifamily, disaster recovery activities, and administration.

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:





## II. TIRZ Affordable Housing Funds Appropriation (All Districts)

Category	Total Amount	Description
Affordable Housing Administration & Federal	\$9,599,265.40	Administrative costs for administering local, state, and federally funded activities
/ State Grant Leveraging	φ9,399,203.40	by HCD
Disaster Recovery	\$7,000,000.00	Funding for disaster recovery program
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	





## II. TIRZ Affordable Housing Funds Appropriation (All Districts)

Note: This TIRZ appropriation includes \$3,000,000.00 of program income from the sale of single-family homes through the City's New Home Development Program.

This TIRZ appropriation also authorizes those funds for Single-Family activities.

This appropriation is made in coordination with the Mayor's Office of Economic Development with \$17,349,265.40 of TIRZ affordable housing funds being transferred to Fund 2409 to support affordable housing activities.





## III. PLANNING & GRANT REPORTING

An Ordinance authorizing a Substantial Amendment to the Houston Action Plan for Community Development Block Grant Disaster Recovery (2021 Winter Storm) to:

- (1) increase cap in the Home Repair Program's (HRP) Reimbursement Pathway from \$6,000.00 to \$10,000.00,
- (2) streamline and clarify eligibility criteria for the HRP,
- (3) transfer \$550,000.00 from Rental Housing Counseling to Neighborhood Facilities Resilience
- (4) make other minor edits throughout the Plan for clarity.





#### These changes will:

- help 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 U.S. Department of Housing and Urban Development (HUD).





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

<b>Community Development Block Grant – Disaster Recovery</b>
2021 Budget Changes

Budget Line Item Amended	Budget	Budget
Budget Line item Amerided	Decrease	Increase
Renter Housing Counseling	(\$550,000.00)	
Neighborhood Facilities		\$550,000.00
Resilience Program		φ330,000.00
TOTAL	\$550,000.00	\$550,000.00





This First Amendment to the Plan does not result in any change in 2021 Winter Freeze funding. 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 17, 2025, through February 16, 2025.





#### IV. SINGLE FAMILY

## IV.a. Fifth Amendment to the HRP MCA (1 of 2) (All Districts)

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.

This Fifth Amendment will extend the termination dates of these two MCAs by an additional two years.

No funding is attached to this item.





#### IV.a. Fifth Amendment to the HRP MCA (1 of 2) (All Districts)

The HRP provides home repair and reconstruction services for Low-to Moderate-Income (LMI) homeowners to alleviate threats to their health, life, and safety.

With the original seven contractors, the HRP has completed 297 homes with an additional 46 homes currently in preconstruction.

Funding under the MCA's will be expended through Tri-Party Agreements between the City, Homeowner, and the Contractor for each Project, not to exceed the allocated funding available.





## IV.b. Fifth Amendment to the HRP MCA (2 of 2) (All Districts)

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 five MCAs by two years.

No funding is attached to this item.





An Ordinance adopting the Guidelines for the Single-Family 2021 Winter Storm Uri Home Repair Program, providing two pathways for home repair assistance:

The Rehabilitation or Reconstruction will serve LMI households at or below 80% of the AMI, whose primary residence was impacted by 2021 Winter Storm (Uri).

The Reimbursement will serve LMI households and Urgent Need (UN) households earning up to 120% AMI.





The 2021 Winter Storm (Uri) brought a record amount of snow and ice impacting Texas, resulting in a Presidential Disaster Declaration On February 20, 2021.

The Program budget is a total of \$40,106,250.00 and is funded with CDBG-DR21 funds to support long-term recovery from the disaster.

Impacted applicants who resided in the City of Houston between February 13-17, 2021, 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 below program budget table reflects the allocation for Single Family Programs for 2021 Winter Storm:





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%





## IV.d. 2<sup>nd</sup> Amendment Robins Landing Agreement (District B)

An Ordinance authorizing a Second Amendment to the Loan Agreement between the City and Houston Habitat for Humanity, Inc. (Habitat) in order to:

- (1) reduce the Original Loan Amount for the Robins Landing Phase 1 infrastructure construction from \$4,793,228.00 to \$2,104,667.03,
- (2) eliminate future advances on the City Loan,
- (3) reduce the administrative reporting burden, and
- (4) reduce the total number of units reserved at 80% Area Median Income (AMI) from 400 to 100, within phases 1-4 of the project.





#### IV.d. Amendment to Robins Landing Loan Agreement (District B)

Robins Landing is a 127-acre, mixed-income master planned community, featuring a 468-unit single-family affordable housing community located on Tidwell Road between Mesa Drive and C E King Parkway to the east.

- 300 Habitat homes will be reserved for homebuyers earning up to 120% AMI
- 100 of the 468 total new single-family homes will be reserved for homebuyers earning up to 80% AMI.
- 68 homes will be sold at market rates.





#### IV.d. Amendment to Robins Landing Loan Agreement (District B)

Habitat has identified alternative funding for the remaining project infrastructure and 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.





#### IV.d. Amendment to Robins Landing Loan Agreement (District B)

This project is administered by HCD's Affordable Home Development Program (AHDP) with the aim of increasing access to affordable single-family homeownership opportunities for households earning between 60% to 120% of the Area Median Income (AMI).

This project is aligned with the City's efforts to invest in creating affordable housing opportunities for lowto moderate-income homebuyers in desirable neighborhoods throughout the city.





#### V. MULTIFAMILY

An Ordinance authorizing a Loan Agreement between the City of Houston 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 Acres Homes, providing 103 one-, two-, and three-bedroom apartment homes, for households earning between 30% and 60% AMI.

Residents will have access to New Hope's world-class services specifically tailored by NHH Wheatley's Resident Services coordinator.

New Hope's combination of Housing+ Services will offer a launchpad to stabilize and improve the lives of its residents.





NHH is 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 generator, which will power elevators, amenity spaces, emergency lighting, and water to the residents during 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
<b>Total Source of Funds:</b>	\$32,956,138.00	<b>Total Project Cost:</b>	\$32,956,138.00





#### VI. PUBLIC SERVICES

An Ordinance authorizing a First Amendment to the Subrecipient Agreement between the 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 administration of a workforce development, case management, career placement and retention program serving 110 LMI adults residing in the City of Houston.





The initial Agreement period was from January 1, 2024, to December 31, 2024, and was administratively extended through February 28, 2025.

This First Amendment will extend the Agreement to January 31, 2026.





#### Capital IDEA participants will:

- work to obtain a vocational certificate or a postsecondary education in on-demand job sectors with livable wages.
- benefit from career placement services, resume building, job search assistance, and placement in positions paying 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%

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.





# VII. DIRECTOR'S COMMENTS

#### **Director's Comments**

#### **CDBG-DR17 Update**

Temika Jones, Assistant Director & CFO

Presentation on Housing Tax Credits
Cody Campbell, Director of Multifamily Programs

**TDHCA** (Virtual)

**HCD Project Highlights** 

Michael Nichols, Director

**Public Comments** 





# CDBG – DR17 CONTRACT OVERVIEW & BENCHMARK PROGRESS

#### **Program Closeout Update – Proposed Amendment 4**

	Contract End Date		Revised Budget						
	Closeout Completed								
Public Services	Aug-24	\$	17,175,963						
Closeout In Progress									
Homebuyers	Aug-24	\$	16,246,507						
Planning <sup>2</sup>	Aug-24	\$	22,213,801						
HoAP <sup>2</sup>	Jan-25	\$	63,343,397						
Economic Development <sup>1</sup>	May-25	\$	20,732,068						
Multifamily <sup>1</sup>	Aug-25	\$	370,855,752						
Small Rental <sup>12</sup>	Aug-25	\$	12,188,104						
Buyout <sup>12</sup>	Oct-25	\$	55,800,000						
Admin	Oct-25	\$	15,000,000						
Single Family <sup>2</sup>	-	\$	32,073,827						
	Grand Total	\$	625,629,417						
<sup>1</sup> Benchmarks Pending Based on Extensions									
<sup>2</sup> Budget Reallocation Request Pending									





#### CDBG-DR17 Harvey Grant Update Benchmark Progress as of December 16, 2024

	Contract End Date	Revised Budget			REVISED ecember 31, 2024 Benchmark	Remaining to Meet 12/31/24 Revised Benchmark	% Benchmark Met	Approved	
Admin	Oct-25	\$	15,000,000	\$		\$	-	\$	3,749,092
Buyout	Oct-25	\$	55,800,000	\$	53,010,000	\$ 17,056,801	68%	\$	35,953,199
Economic Development	May-25	\$	20,732,068	\$	19,695,464	\$ (606,944)	103%	\$	20,302,408
HoAP	Jan-25	\$	63,343,396.52	\$	63,343,397	\$ 6,884,582.57	89%	\$	56,458,814.43
Homebuyers	Aug-24	\$	16,246,507	\$	16,246,507	\$ 84,878	99%	\$	16,161,629
Multifamily	Aug-25	\$	370,855,752	\$	352,312,964	\$ 10,511,419	97%	\$	341,801,545
Planning	Aug-24	\$	22,213,801	\$	22,213,801	\$ 686,100	97%	\$	21,527,701
Public Services	Aug-24	\$	17,175,963	\$	17,175,963	\$ (12,714)	100%	\$	17,188,677
Single Family	Feb-25	\$	60,000,000	\$	57,000,000	\$ 12,942,020	77%	\$	44,057,980
Small Rental	Feb-25	\$	12,188,104	\$	11,578,698	\$ 3,803,766	67%	\$	7,774,932
Grand Total		\$	653,555,590	\$	612,576,794	\$ 51,969,566		\$	564,975,978

#### 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.

















### CDBG-DR17 Harvey Grant Update As of January 28, 2025

	Contract End Date	Budget		Approved			nder GLO Review	Submitted		
Admin	Oct-25	\$	15,000,000	\$	4,821,813	\$		\$	6,445,697.82	
Buyout	Oct-25	\$	55,800,000	\$	35,982,751	\$		\$	36,086,030.40	
Economic Development	May-25	\$	20,732,068	\$	20,333,158	\$		\$	20,333,157.56	
HoAP	Jan-25	\$	63,343,396.52	\$	56,458,814.43	\$	103,660.69	\$	58,141,032.59	
Homebuyers	Aug-24	\$	16,246,507	\$	16,294,499	\$	-	\$	16,294,498.95	
Multifamily	Aug-25	\$	370,855,752	\$	344,352,943	\$		\$	346,498,665.78	
Planning	Aug-24	\$	22,213,801	\$	21,781,147	\$	-	\$	21,781,146.74	
Public Services	Aug-24	\$	17,175,963	\$	17,188,677	\$		\$	17,188,676.66	
Single Family	•	\$	32,073,827	\$	44,057,980	\$		\$	44,057,979.89	
Small Rental	Aug-25	\$	12,188,104	\$	8,012,789	\$		\$	8,940,664.58	
Grand Total		\$	625,629,417	\$	569,284,571	\$	103,661	\$	575,767,550.97	











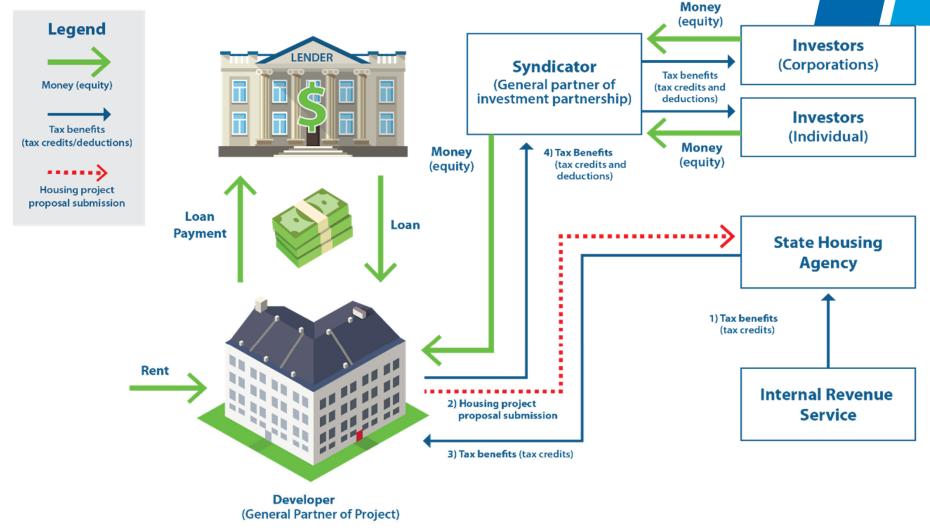






## ALLOCATION OF HOUSING TAX CREDITS

#### **Mechanics of Tax Credit Allocation**



















# COMMUNITY EVENTS & PROJECT HIGHLIGHTS

#### **Virtual Community Office Hours**



### Grand Opening, Southern Palms 12/12/2024 5320 MLK at OST, 77021 (District D)

















#### **Grand Opening, Southern Palms 12/12/2024** 5320 MLK at OST, 77021 (District D)



















### Grand Opening, Southern Palms 12/12/2024 5320 MLK at OST, 77021 (District D)











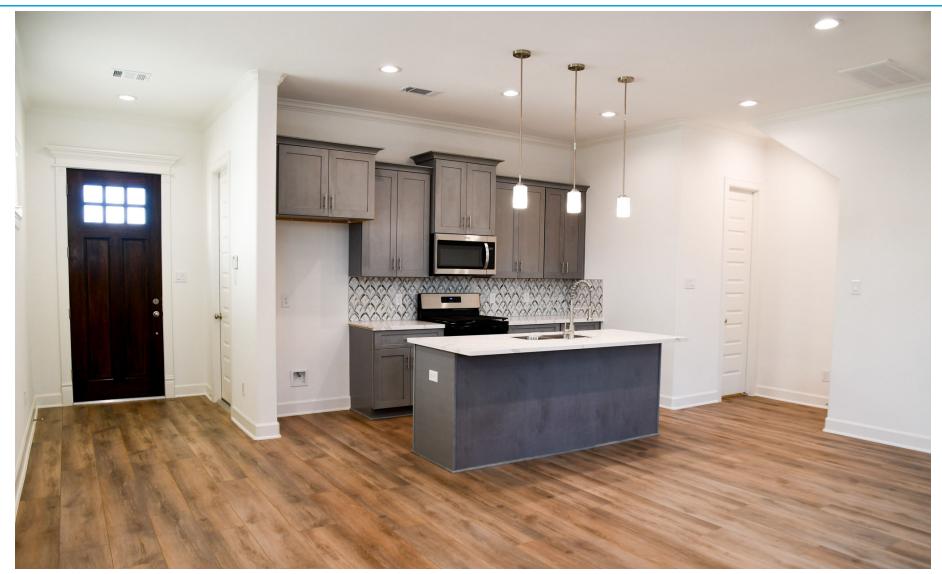








### Grand Opening, Southern Palms 12/12/2024 5320 MLK at OST, 77021 (District D)



















### Project Progress: Connect Highstar 1/16/2025 6440 Hillcroft, 77081 (District J)











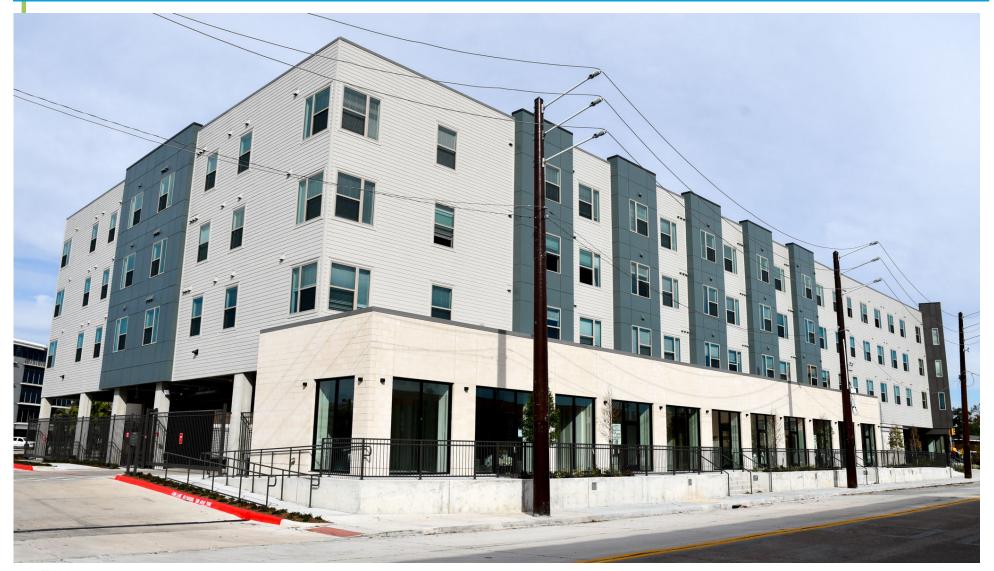








#### **Project Progress: Connect Highstar 1/16/2025** 6440 Hillcroft, 77081 (District J)



















### Project Progress: Ella Grand 1/16/2025 2077 S. Gessner, 77063 (District J)











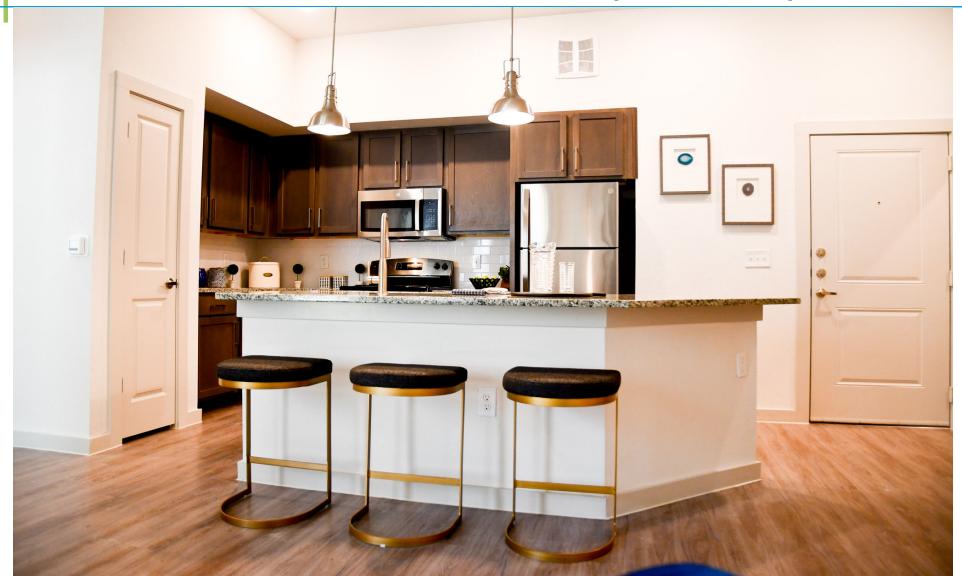








### Project Progress: Ella Grand 1/16/2025 2077 S. Gessner, 77063 (District J)



















#### 6168 S. East Loop Apartments, 1/13/2025 **HC Center for Mental Health & IDD 77033 (District I)**



















#### 6168 S. East Loop Apartments, 1/13/2025 HC Center for Mental Health & IDD 77033 (District I)



















#### Heart of Houston CDC, 1/8/2025 3008 McGowen, 77004 Third Ward (District D)



















#### Heart of Houston CDC, 1/8/2025 3008 McGowen, 77004 Third Ward (District D)



















#### **Virtual Technical Assistance Training, 1/29/2025** HCD Offices, 2100 Travis, 77007 (District D)











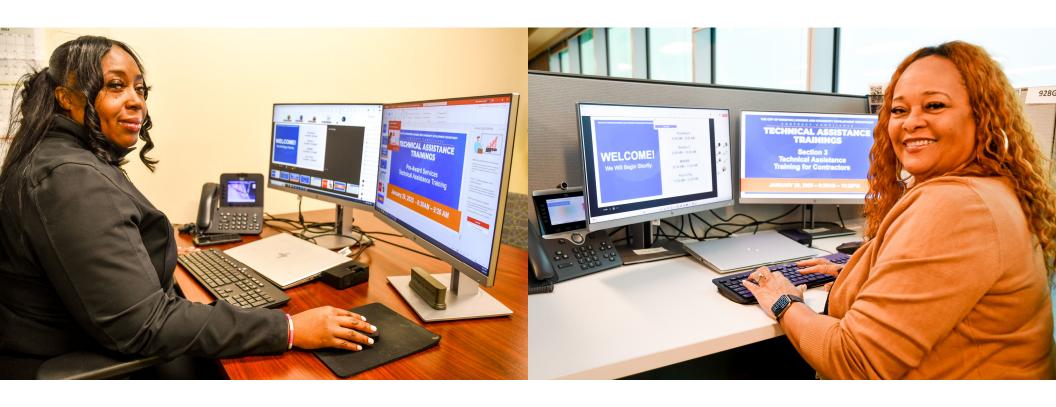








### Virtual Technical Assistance Training, 1/29/2025 HCD Offices, 2100 Travis, 77007 (District D)



















### New Hope Housing Avenue C (Rendering) 7520 Avenue C (District I)

















#### New Hope Housing Avenue C 7520 Avenue C, 77012 (District I)

**Completion Percentage: 11%** 

**Total Number of Units: 120** 

Total Restricted Units: 120 (30% - 60% AMI)

**Total Project Cost: \$41,025,424** 

**HCD Funding: \$3,000,000 (HHB)** 

**Developer: New Hope Housing** 

**Architect: GSM Architects** 

**Estimated Completion: April 2026** 





#### Project Progress: OST Lofts 5520 Old Spanish Trail 77023 - (District I)



















#### Update: OST Lofts 5520 Old Spanish Trail, 77023 (District I)

**Completion Percentage: 95%** 

**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: March, 2025** 





### Project Progress: Rosemary's Place Apartments 3300 Caroline - (District D)

















#### **Update: Rosemary's Place Apartments** 3300 Caroline, 77004 (District D)

**Completion Percentage: 97%** 

**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: March, 2025** 





### Project Progress: Connect South 6440 Hillcroft Street, 77081 (District J)



















#### Update: Connect South 6440 Hillcroft Street, 77081 (District J)

**Completion Percentage: 97%** 

**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** 

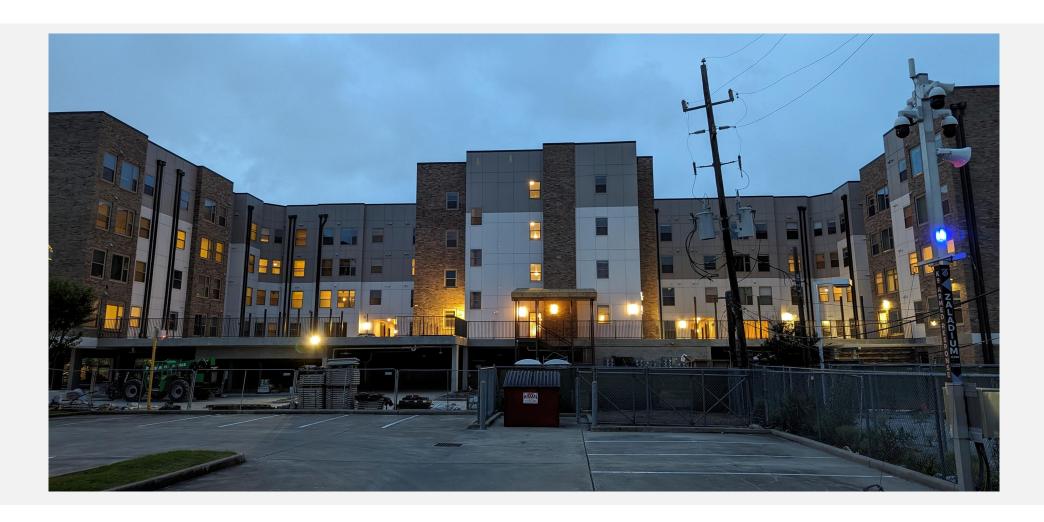
**Architect: Alley Poyner Macchietto Architecture, Inc.** 

**Estimated Completion: March, 2025** 





### Project Progress: Richmond Senior Village 5615 Richmond Ave. (District J)



















#### **Update: Richmond Senior Village 5615 Richmond Ave., 77057 (District J)**

**Completion Percentage: 100%** 

**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.** 





### Project Progress: Summit at Renaissance Park 12121 Greenspoint (District B)



















#### **Update: 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: \$14,900,000.00 (CDBG-DR17)

**Developer: TXZNH, LLC** 

**Architect: Forge Craft Architecture & Design** 

**Estimated Completion: March, 2025** 





### Project Progress: Houston Area Women's Center 3077 El Camino (District D)

















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

**Completion Percentage: 92%** 

**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: March, 2025** 





### **Project Progress: The HAY Center**3131 Gulf Freeway (District I)

















#### Update: 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: June, 2025** 





#### VIII. PUBLIC COMMENTS