

Housing Commission October Regular Meeting

October 23, 2019



CITY OF SAN ANTONIO
**NEIGHBORHOOD & HOUSING
SERVICES DEPARTMENT**

Verónica R. Soto, AICP
Director

Agenda

Item 1: Approval of Minutes for September 25 and October 1 Meeting

Item 2: Briefing on the proposed changes to the City's Housing Tax Credit Policy

Item 3: Briefing on Anti-Displacement Efforts

Item 4: Briefing on the Status of the Removing Barriers Committee

Item 5: Briefing on the 2017-2022 Neighborhood Improvements Bond Program

Item 6: Director's Report



Item 1: Approval of Minutes



Item 2: Briefing on the Housing Tax Credit Policy



Policy Development Timeline

Practitioner Focus Groups (August 20, September 5, and September 20)



SA Speak Up Survey (September 23- October 11)



Housing Commission Briefing (September 25)



Draft Policy Open for Comment (September 26- October 4)



Planning & Community Development Committee (October 14)



Housing Commission Policy Review (October 23)



City Council (October 31)

Proposed Updates

Public Housing

- Applications that include public housing are eligible for the maximum points for affordability

Displacement Statements:

- Cannot displace residents currently on site without relocation assistance.
- If temporary displacement, must have a plan that includes, at minimum:
 - Informing residents of the temporary displacement & timeline at least 90 days before it begins.
 - A timeline and budget including any necessary storage, moving, and boarding costs.
 - Certification that no affordable units will be lost as a result of the rehabilitation.

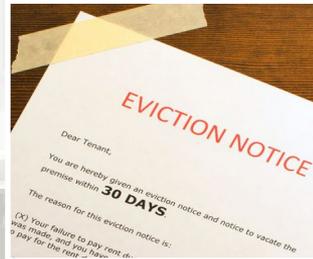
Tie Breaker for Concerted Revitalization Plans

- Developers get points from the state for the City saying their development would contribute most to the revitalization efforts of the area.
- If 2 developers apply for the same area tie breaks:
 - Highest score on city application
 - Have public housing/ project based vouchers
 - Furthest from other HTC development

Item 3: Briefing on Anti-Displacement Efforts



What is displacement?



What is displacement?

Displacement occurs when residents can no longer remain in their homes due to:

Rising housing costs



Forced relocation due to eminent domain, lease non-renewals, and evictions

Deterioration of physical conditions that render their homes uninhabitable



What are we doing about it?

Building Collective
Understanding

Developing New
Policies

Advocating for State-
Level Change

What are we doing about it?

Building Collective Understanding

Research current best practices and reports and learn about displacement locally

Developing New Policies

Establish Risk Mitigation Fund Policy

Establish Community Land Trust Framework

Establish Neighborhood Empowerment Zones

ForEveryoneHome Initiative

Advocating for State-Level Change

Support Rep. Rodriguez's Homestead Preservation District Bill

Support Rep. Bernal's Anchor Neighbor Bill

Today we will discuss 3 components

Building Collective Understanding

Research current best practices and reports and learn about displacement locally

Developing New Policies

Establish Risk Mitigation Fund Policy

Establish Community Land Trust Framework

Establish Neighborhood Empowerment Zones

ForEveryoneHome Initiative

Advocating for State-Level Change

Support Rep. Rodriguez's Homestead Preservation District Bill

Support Rep. Bernal's Anchor Neighbor Bill

ForEveryoneHome Initiative

18 month anti-displacement & inclusive growth initiative *co-led by community*

- Peer learning
- Three Deliverables:
 - Needs Assessment
 - Anti-Displacement & Inclusive Growth Agenda
 - Implementation Plan



ForEveryoneHome Initiative

Our Core Team



Mayor Ron Nirenberg

Verónica Soto, NHSD Director

Lourdes Castro Ramirez, Housing Commission Chair
& President, University Health Systems Foundation

Jessica O. Guerrero, Housing Commissioner
& Board President, Vecinos de Mission Trails

Graciela Sanchez, Executive Director of Esperanza Peace &
Justice Center

Richard Milk, Director of Policy & Planning, SAHA

Tuesdaé Knight, President & CEO, SAGE

ForEveryoneHome Initiative Timeline

Launch

June 2019

**Conduct
Needs
Assessment**

July-November 2019

**Craft an Anti-
Displacement
Agenda**

December 2019-
April 2020

**Moving from
Plan to
Action**

May – September 2020

ForEveryoneHome Needs Assessment

- What's causing displacement in San Antonio and at what scale?
- Quantitative and qualitative elements
- Expected completion: November 2019



Community Land Trusts

Goal: Community-driven long-lasting affordable homeownership and rental opportunities

Tool: CLTs provide lasting affordability by separating land from structure and capping the resale value of the structure.

Benefits include:

- Reduced mortgage cost
- Reduced property taxes
- Ability to build wealth (if a homeowner)
- 99-year affordability covenant



CLT Appraisal in Texas

Travis County's CLT Appraisal Method



Homes

Appraised Value Year 1 = Purchase price

Appraised Value Years 2 through 30 = Previous year AV + 2%

Appraised Value after Year 30 = Year 30 AV



Land

Appraised Value = (Monthly ground lease fee x 12) / 2% cap rate

EG: \$6,000 = (\$10 p/month x 12) / 2% cap rate

Community Land Trusts: Next steps

- Letter of support from BCAD
- Grounded Solutions Network-led education sessions



Neighborhood Empowerment Zones

Goal: Prevent displacement due to dilapidation or property tax increase following property improvement.

Possible Tools:

- Tax abatements
- Fee waivers
- Expedited review



Neighborhood Empowerment Zones

1

Homeowner qualifies based on income and neighborhood

2

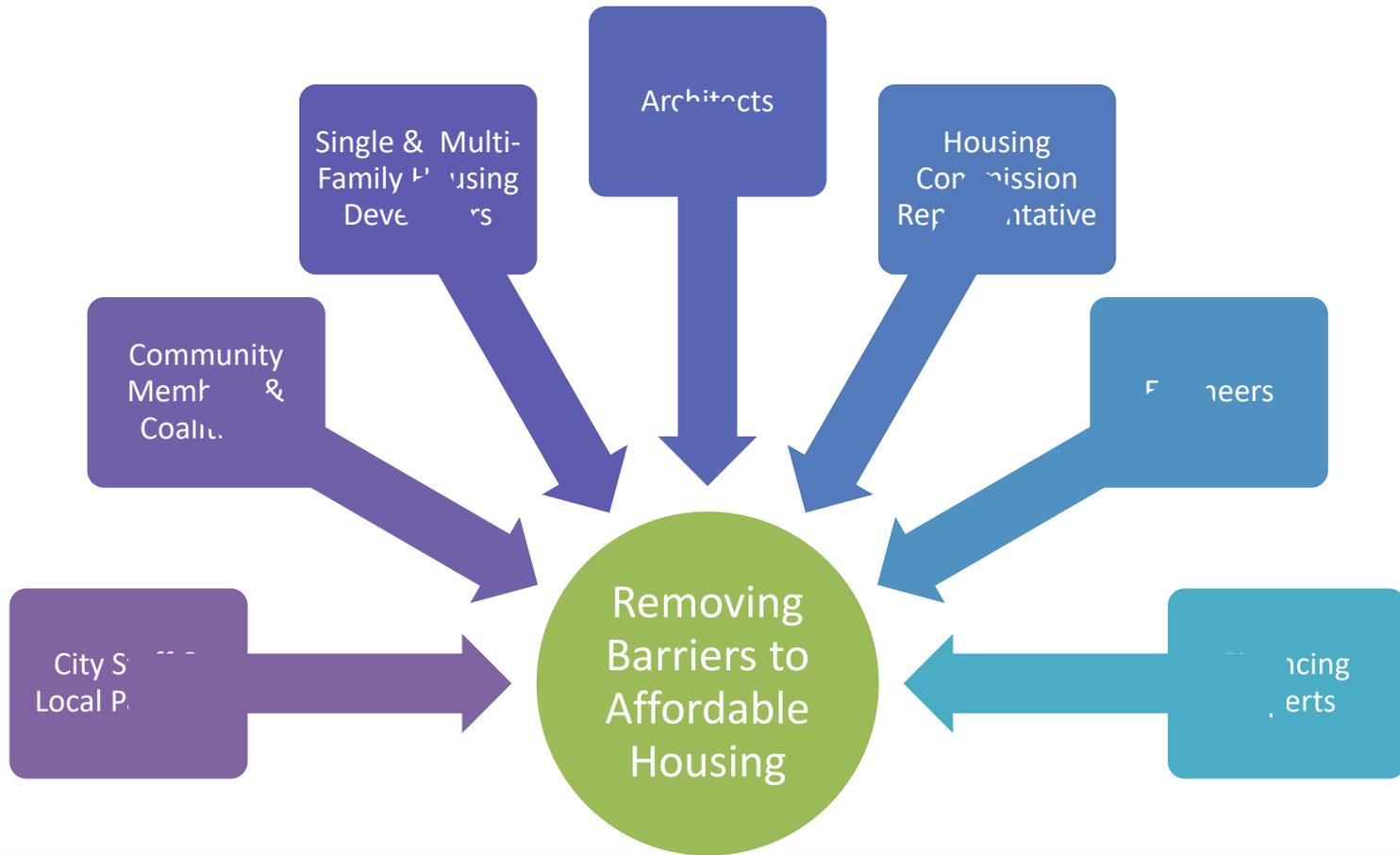
Homeowner makes a qualifying improvement to their home

3

Homeowner receives property tax abatement

Item 4: Briefing on the Status of the Removing Barriers Committee





Removing Barriers to Affordable Housing



PUBLIC ENGAGEMENT

REMOVING BARRIERS TO AFFORDABLE HOUSING

COSA PUBLIC PARTICIPATION GUIDING PRICIPLES



GOALS & PRIORITIES

- Engage the Public in Removing Barrier Meetings
- Inform the Public about Proposed UDC Amendments

WHO

Technical Experts: targeted to attend subcommittee meetings

Public: knowledge sharing at larger public meeting

WHERE

Meetings in different parts of the city

Meeting held during different times of day

Facilities with low/no cost associated

HOW

Consider literacy levels

Include accommodation information on agendas, flyers, etc.

Look for ways to reach those without internet

Ensure outreach is meaningful & informative

PARTNERS

Neighborhood Associations

Faith Based Liajson, Faith Communities

School Districts

City Council Offices

Other City Departments



Item 5: Briefing on the 2017-2022 Neighborhood Improvements Bond Program



Voter Approved 2017-2022 Bond Program

\$850 Million Combined Total



**STREETS,
BRIDGES &
SIDEWALKS**

\$450 Million



**DRAINAGE &
FLOOD CONTROL**

\$144 Million



**PARKS,
RECREATION
& OPEN SPACE**

\$116 Million



**FACILITY
IMPROVEMENTS**

\$120 Million



**NEIGHBORHOOD
IMPROVEMENTS**

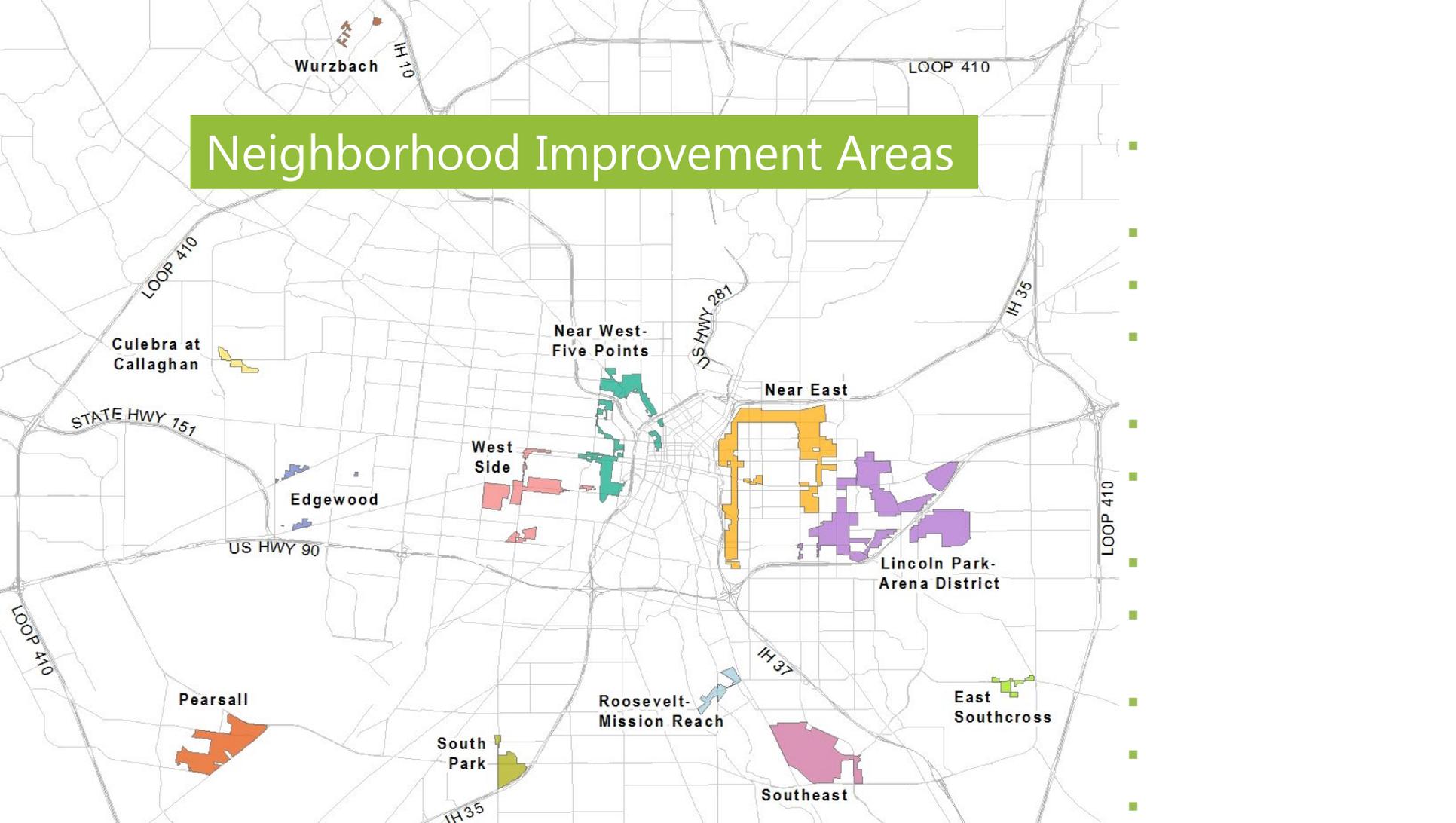
\$20 Million

Neighborhood Improvements Bond Overview



- \$20 Million to purchase distressed properties in one or more of 12-eligible areas
- Makes properties ready for housing development
- Contracts with nonprofit and private developers to build housing
- City does not construct the housing units
- Recommended by City's Housing Commission
- Aligned with SA Tomorrow Goals, transportation corridors, and regional centers
- Participation is voluntary - no eminent domain
- No family displacement/relocation
- Proceeds from sale reinvested in Neighborhood Improvements Bond Program
- Ensures compatibility with surrounding neighborhood

Neighborhood Improvement Areas



Development Types



Single-Family



**Duplex
Triplex
Fourplex**



Townhouse



**Multifamily
(Apartments
or Condos)**



Mixed-Use

Implementation Strategy



- Conducted a Request for Information in April 2018
- Staff recommends properties to acquire
- Properties placed under contract
- Release Request for Proposals
- Staff recommends development to NIAC and OUR SA
- City Council reviews/approves acquisition & development
- Urban Renewal Agency buys property & implements contracts



Neighborhood & Citizen Engagement



- City Council authorized 17-member Neighborhood Improvements Advisory Committee (NIAC)
 - 1 Chair appointed by Mayor
 - 10 Individuals Representing 10 Council Districts
 - 5 Individuals residing near Neighborhood Improvement Areas appointed by Mayor
 - 1 Individual representing a Housing-related board or commission appointed by Mayor
- Advisory Committee helps to ensure ongoing citizen feedback



Status Update



- RFI Responses – 36 Submissions with 500+ real estate parcels identified
 - ✓ 16 developer and builders
 - ✓ 10 neighborhood associations
 - ✓ 5 residents at large
 - ✓ 3 property owners/real estate professionals
 - ✓ 2 community organizations
- Pursued 7 sites, put 3 under earnest money contract
- 5 RFPs have been released and closed
- 3 developments have been Council approved and underway
 - ✓ 3830 Parkdale Drive
 - ✓ S. Frio Street
 - ✓ Former Southeast Service Cent

3830 Parkdale (Wurzbach)



Development Facts

- 196 family-sized units
- All units \leq 60% HUD AMI | 40 year affordability
- Community center, fitness center, youth programs, food pantry, financial literacy courses, 2 playscapes, pool, and gym
- Purchased for \$2.9M, to be sold to Franklin for \$30K
- \$4.4M in eligible reimbursements (gap)
- Total Development Cost: \$34M
- April 2020 – Construction Start
- October 2021 – Construction Complete

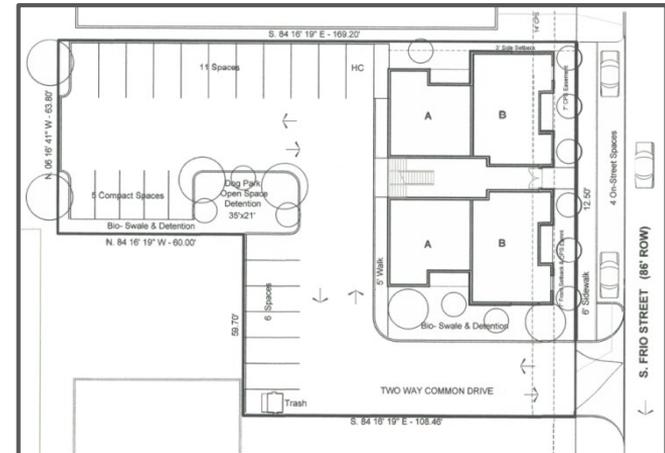


701 S. Frio Street (Near West-Five Points)



Development Facts

- 12-unit multiplex | All 2 bedrooms
- ½ of the units ≤ 80% AMI | 40-year affordability
- To be sold to Terramark for \$20K payable to OUR SA
- \$250K in eligible reimbursements (gap), \$50K City contingency
- Total Development Cost: \$2.12M
- January 2020 – Construction Start
- January 2021 - Construction Complete



S.E. Service Center (Southeast)



Development Facts

- 292 family-sized units | 204 – 2 bedroom | 88 – 3 bedroom
- 2/3 of the units \leq 60% AMI | 15% of units \leq 30-50% AMI
- Fitness and community centers, youth after school programs, food pantry, financial literacy courses, pool, children's play-scapes, civic park, partnership with YMCA*
- To be sold Franklin for \$480K
- \$4.2M in eligible reimbursements (gap)
- Total Development Cost: \$52.1M
- July 2020 – Construction Start
- January 2022 – Construction Complete



**in negotiations with YMCA*

Item 6: Director's Report



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