



## Housing and Community Affairs Committee

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### Committee Members

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

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

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### AGENDA

Tuesday, August 23, 2016 10:00 AM  
City Hall Council Chambers

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

#### I. Public Facilities

For review and possible authorization:

- a) HBDI Resolution of Agreement - (District D) - An Ordinance authorizing an Agreement of Resolution of HBDI's Section 108 Loan balance in exchange for bridge financing for future projects in partnership with the City

Presentation:

- Tom McCasland, Interim Director, Housing and Community Development Department
- Ana Patino-Martinez, Division Manager

#### II. Single-Family Activities

For review and possible authorization:

- a) Rebuilding Together Houston Contract Amendment - (All Districts) - An Amendment to the contract between the City of Houston and Rebuilding Together Houston (RTH) to focus the Minor Critical Emergency Home Repair Program on repairing storm-damaged roofs and to broaden the eligibility criteria so more people who are income eligible can qualify for assistance
- b) Leland Woods Restrictive Covenants Amendment - (District B) - An Ordinance approving and adopting the Partially Amended and Restated Declaration of Land Use Restrictions (Restrictive Covenants) for Leland Woods

- c) Model Homes Contract - (District B) - An Ordinance approving an agreement between the City of Houston and Greater Houston Development Inc. to allow the sale of two model homes and the distribution of the proceeds from the sale

Presentation:

- Tom McCasland, Interim Director, Housing and Community Development Department
- Chris Butler, Deputy Director

### **III. Planning & Grants Management**

For review and possible authorization:

- a) Disaster Recovery - 2015 Flood Action Plan - (All Districts) - An Ordinance authorizing submission of the Action Plan for Disaster Recovery–2015 Flood Events (Plan), including the Budget and Application for the Community Development Block Grant Disaster Recovery funds associated with 2015 Flood Events (CDBG-DR15) to be received from the U.S. Department of Housing and Urban Development (HUD)

Presentation:

- Tom McCasland, Interim Director, Housing and Community Development Department
- Brenda Scott, Deputy Director

### **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, Interim Director, Housing and Community Development Department

TO: Mayor via City Secretary

**REQUEST FOR COUNCIL ACTION**

<b>SUBJECT:</b> An Ordinance authorizing an Agreement of Resolution of HBDI's Section 108 Loan balance in exchange for bridge financing for future projects in partnership with the City		<b>Category #</b>	<b>Page 1 of 1</b>	<b>Agenda Item #</b> I. a.
<b>FROM:</b> Tom McCasland, Interim Director Housing and Community Development Department		<b>Origination Date</b> 07/28/2016	<b>Agenda Date</b>	
<b>DIRECTOR'S SIGNATURE:</b>		<b>Council District affected:</b> District D		
<b>For additional information contact:</b> Roxanne Lawson Phone: 832-394-6307		<b>Date and identification of prior authorizing Council action:</b> 3/9/2011; O; 2011-183		
<b>RECOMMENDATION:</b> Approval of an Ordinance authorizing an Agreement of Resolution of HBDI's Section 108 Loan balance in exchange for bridge financing for future projects in partnership with the City				
<b>Amount of Funding:</b> <b>No additional funding required</b>			<b>Finance Budget:</b>	
<b>SOURCE OF FUNDING:</b> <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund  <input checked="" type="checkbox"/> Other (Specify) <b>Section 108 Loan Guarantee Program</b>				
<b>SPECIFIC EXPLANATION:</b> The Housing and Community Development Department requests Council approve the authorization of an Agreement of Resolution between City of Houston and HBDI regarding the remaining Section 108 Loan balance.  In January 2007, City Council approved City of Houston Ordinance 2007-141 providing additional EDI funds to support the City's Section 108 notes in the amount of \$8,890,000. HBDI was awarded and successfully deployed \$8,290,000 through small business loans, creating jobs for low- to moderate-income residents of the Houston area. Due to underperforming loans, HBDI has difficulty maintaining its minimum payments under the current Amended and Restated Subrecipient Promissory Note, which has an outstanding balance of \$1,540,646.47.  At the time EDI funds were awarded, HBDI and the City held a mutual understanding that EDI funds could be used as a loan loss guarantee in the event a small business could not fully repay its loan. However, EDI regulations limit how the loan loss reserve can be used and this reserve is not available to service the current outstanding balance. As a result, HBDI will likely fail to repay unless additional assistance is provided.  Formerly known as the City of Houston Small Business Development Corporation, HBDI has been a strong partner for over 29 years and has served as a vital instrument of the City to carry out HCDD's economic development mission.  In return for the proposed Agreement of Resolution of its Section 108 Loan balance, HBDI will provide bridge loans totaling \$1,540,646.47. These will provide gap funding for economic development projects in partnership with the City. Over the next five years, the City will propose projects under the HBDI's guidelines and receive priority consideration.  This item was reviewed by the Housing and Community Affairs Committee on August 23, 2016.  TM: AMP: AS  Cc: City Attorney Mayor's Office City Secretary Finance Department				
<b>REQUIRED AUTHORIZATION</b>				
<b>Finance Department Director:</b>		<b>Other Authorization:</b>		<b>Other Authorization:</b>



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/30/2016

ALL

Item Creation Date: 8/8/2016

HCD16-73 Rebuilding Together Houston

Agenda Item#: *II . a.*

### **Summary:**

An Amendment to the contract between the City of Houston and Rebuilding Together Houston (RTH) to focus the Minor Critical Emergency Home Repair Program on repairing storm-damage roofs and to broaden the eligibility criteria so more people who are income eligible can qualify for assistance

### **Background:**

On April 13, 2016, City Council approved Ordinance No. 2016-298, authorizing a \$2 million contract between the City of Houston and Rebuilding Together Houston (RTH) for the 3<sup>rd</sup> Minor Critical Emergency Home Repair Program. The program provides vital roofing, plumbing, electrical and heating repairs or system replacement to alleviate life, health or safety hazards to elderly and/or disabled households with incomes below 120% of the Area Median Income (AMI). Since the commencement of that program in mid-May, approximately 15 households are in process of being assisted at an aggregate amount of more than \$75,000.

HCDD recommends amending the contract to focus on the replacement or repair of roofs that have been storm-damaged and are covered with blue tarps. To meet the demand of replacing or repairing the number of damaged roofs in the city, the program's eligibility criteria will also need to be amended.

Currently, the program is open only to owner-occupied homes containing at least one person who is elderly (age 62 or older) or disabled. HCDD proposes broadening eligibility by removing the owner occupancy requirement and allowing non-rental homes occupied by family of the owner. Additionally, the new eligibility criteria remove the elderly/disabled requirement and open the program to anyone who is income eligible. This amendment will allow HCDD:

- to serve a much broader segment of City residents living in homes with blue tarps;
- greater flexibility in requiring a more robust commencement and completion time frame toward blue tarp roof repair/replacements; and
- the opportunity to update the 2015 income limits with the previously unavailable 2016 income limits.

This item was reviewed by the Housing and Community Affairs Committee on Aug. 23, 2016.

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Tom McCasland, Interim Director

### **Prior Council Action:**

April 13, 2016

(O) 2016-298

### **Contact Information:**

Roxanne Lawson

(832) 394-6307

TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

<b>SUBJECT:</b> An Ordinance approving and adopting the Partially Amended and Restated Declaration of Land Use Restrictions (Restrictive Covenants) for Leland Woods		<b>Category #</b>	<b>Page</b> 1 of 1	<b>Agenda Item #</b> II. 5.
<b>FROM:</b> Tom McCasland, Interim Director Housing and Community Development Department		<b>Origination Date</b> 8/8/16	<b>Agenda Date</b>	
<b>DIRECTOR'S SIGNATURE:</b>		<b>Council District affected:</b> B		
<b>For additional information contact: Chris Butler</b> <b>Phone: 832-393-8502</b>		<b>Date and identification of prior authorizing Council action:</b>		
<b>RECOMMENDATION:</b> Adopt an ordinance approving the partially amended and restated declaration of land use restrictions for Leland Woods				
<b>Amount of Funding:</b> <p style="text-align: center;">NONE</p>			<b>Finance Budget:</b>	
<b>SOURCE OF FUNDING:</b> <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund <input type="checkbox"/> Other				
<b>SPECIFIC EXPLANATION:</b>  In December of 2003, TIRZ 22 was created and shortly thereafter Builder's CDC was created by a group of builders from the Greater Houston Builders Association (GHBA) to provide affordable housing in Northeast Houston. On November 16, 2004, a 77.27 acre tract of land, which would eventually become Leland Woods, was purchased by Builder's CDC with North Houston Bank holding the note. The land was divided into two tracts. Tract 1, Section 1, is 19 acres with approximately 36 homes completed by the original developer and the remaining 45 homes by Contempo Homes. Tract 2, Section 1, is 22.14 acres and Contempo completed the infrastructure and began home construction in early 2016.  Tract 2 is 36.014 acres and is currently owned by Leland Woods Redevelopment Authority II (LWRA II). LWRA II has agreed to convey the property to Towne Park Development LLC (TPD) subject to the terms of the Contract of Sale. TPD has agreed to produce a mixed-used development with no more than 100 market-rate lots and 81 lots being sold as affordable units to households with annual incomes not exceeding 110 percent of the median income as determined by the U.S. Department of Housing and Urban Development (HUD).  The current restrictive covenants were last amended in 2004 and the department is requesting that City Council approve the Partially Amended and Restated Declaration of Land Use Restrictions (Restrictive Covenants) to reflect the change in ownership from LWRA II to Towne Park Development LLC.  This item was reviewed by the Housing and Community Affairs Committee on August 23, 2016.  TM: CB  cc: City Secretary Mayor's Office Legal Finance				

TO: Mayor via City Secretary

REQUEST FOR COUNCIL ACTION

<b>SUBJECT:</b> An Ordinance approving an agreement between the City of Houston and Greater Houston Development Inc. to allow the sale of two model homes and the distribution of the proceeds from the sale	<b>Category #</b>	<b>Page 1 of 1</b>	<b>Agenda Item #</b> <i>II.c.</i>
<b>FROM:</b> Tom McCasland, Interim Director Housing and Community Development Department	<b>Origination Date</b> 8/16/16	<b>Agenda Date</b>	
<b>DIRECTOR'S SIGNATURE:</b>	<b>Council District affected:</b> B		
<b>For additional information contact: Chris Butler</b> <b>Phone: 832-393-8502</b>	<b>Date and identification of prior authorizing Council action:</b>		
<b>RECOMMENDATION:</b> Adopt an Ordinance approving an agreement between the City of Houston and Greater Houston Development Inc. for the sale of two model homes in Trinity Gardens			
<b>Amount of Funding:</b> <b>NONE</b>		<b>Finance Budget:</b>	
<b>SOURCE OF FUNDING:</b> <input type="checkbox"/> General Fund <input type="checkbox"/> Grant Fund <input type="checkbox"/> Enterprise Fund <input type="checkbox"/> Other			
<b>SPECIFIC EXPLANATION:</b>  In 2009 the City Council approved an agreement between the City of Houston and Greater Houston Development Inc. (GHDI) in the amount of \$160,000 to build two model homes in Trinity Gardens. The intent of the agreement was that the City would grant GHDI up to \$80,000 per model to subsidize the construction costs, and in return GHDI would guarantee to use these as sales centers for a minimum of two years to promote new affordable housing in Trinity Gardens. After the two-year period, GHDI could sell the homes to low-income families.  The actual agreement that was approved by City Council stated that the model homes must be sold within the two-year period, which differed from the original intent. The approved agreement expired in 2011.  GHDI has been using the homes since their development to promote affordable housing in Trinity Gardens. Through this effort, 39 new homes were built from 2010 to 2015 with a total market value of \$3,597,604. GHDI now wishes to sell the model homes as originally planned. This ordinance will allow GHDI to do so.  This item was reviewed by the Housing and Community Affairs Committee on August 23, 2016.  TM: CB  Cc: City Secretary Mayor's Office Legal Finance			



Date: 7/29/2016	<b>Subject:</b> An Ordinance authorizing submission of the Plan, including the Budget and Application for the CDBG-DR15 funds to be received from HUD	Originator's Initials	Page 2 of 2
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Additionally, the ordinance adopts the Citizen Participation Plan for Disaster Recovery – 2015 Flood Events. The Citizen Participation Plan describes the framework through which citizens can have input in the planning, implementation, coordination, and assessment of HCDD's CDBG-DR15 projects and activities. The Citizen Participation Plan will be included in the finalized Action Plan.

As stipulated by federal regulations, residents have 14 days to comment on the Draft Action Plan for DR 2015 before it is approved by City Council. HCDD solicited public input about the Plan through a public comment period and one public hearing. The notice for the public hearing was published in the *Houston Chronicle* on August 3, 2016, and summary of the Plan was published in the *Houston Chronicle* on August 9, 2016. The 14-day comment period extended from August 9, 2016 through August 23, 2016.

This item will be presented to the Housing and Community Affairs Committee on August 23, 2016.

TM:BS:MI

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

**REQUIRED AUTHORIZATION**

<b>Finance Director:</b>	<b>Other Authorization:</b>	<b>Other Authorization:</b>
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