

Housing and Affordability Committee

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

Tuesday, May 27, 2025, at 2:00 p.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. To sign up for Public Comment, please fill out the form below by 5 p.m. on Monday, May 26, 2025 <u>https://www.houstontx.gov/council/committees/speakers-housing.html</u>

Presentation handouts will also be available at <u>https://www.houstontx.gov/council/committees/housing.html</u>

I. Call to Order/Welcome/Attendance Council Member Tiffany D. Thomas, Chair

II. Compliance & Grant Administration

- a. The Housing and Community Development Department (HCD), recommends Council approval of an Ordinance authorizing a **Seventh Amendment** to accept and administer a \$23,486,698.00 Community Development Block Grant Disaster Recovery 2016 Flood Events (**CDBG-DR 16**) Subrecipient Agreement (19-076-008-B357) between the City of Houston (City) and the Texas General Land Office (GLO). (All Districts)
- b. An Ordinance approving a **Fourth Amendment** to the Community Development Block Grant Disaster Recovery Harvey **(CDBG-DR17)** Subrecipient Agreement #21-134-000-C788) with the Texas General Land Office (GLO). (All Districts)

Michael Nichols, Director Kennisha London, Deputy Director

III. Public Services

- a. An Ordinance authorizing a First Amendment to the Subrecipient Agreement between the City of Houston and **Career and Recovery Resources, Inc.,** providing up to an additional \$244,427.00 in Community Development Block Grant (CDBG) funds for the continued operation of a program providing an additional 120 individuals transitioning from homelessness with employment training and substance use disorder services. (District D)
- b. An Ordinance authorizing a First Amendment between the City and SER—Jobs for Progress providing an additional \$105,836.20 of Department of Housing and Urban Development Community Project Funds (HUD-CPF) to the original \$433,776.58 of HUD-CPF and \$68,310.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA-SLFRF) for the Houston Financial Empowerment Center (HFEC), providing a total of \$607,922.78 funds to the project. (District D, B and I)

- c. An Ordinance authorizing a First Amendment to the Agreement between the City of Houston (City) and **Houston Community College System District** (HCC). This Amendment adds additional locations to the original scope of work as well as line items that were not included in the original budget, but will not change the total funding amount of \$459,206.09 (\$376,706.09 in Department of Labor Community Project Funding (DOL-CPF) funds and \$82,500.00 American Rescue Plan Act (ARPA) funds) for the EmPowering Solar Jobs Program. (All Districts)
- d. An Ordinance authorizing an Interlocal Agreement between the City of Houston (City) and **Harris County** providing up to \$40,000.00 in Emergency Rental Assistance Administrative funds to reimburse for third party costs incurred by Harris County to perform an independent file review of Houston-Harris County Emergency Rental Assistance Program (ERA Program) case files. (All Districts)
- e. An Ordinance authorizing a Second Amendment to the Subrecipient Agreement (Agreement) between the City of Houston (City) and **Houston SRO** Housing Corporation (Houston SRO), to extend the term of the Agreement and provide up to \$139,327.00 in additional Housing Opportunities for Persons with AIDS (HOPWA) funds for the continued operation of a permanent housing community residence with supportive services to a minimum of 33 very low-income single-person households living with HIV/AIDS. (District D)
- f. An Ordinance authorizing a Second Amendment to the Subrecipient Agreement between the City of Houston (City) and Houston HELP, Inc. (Houston HELP), to extend the term of the Agreement and provide up to \$200,000.00 in additional Housing Opportunities for Persons with AIDS (HOPWA) funds for the continued operation of a permanent housing community residence with supportive services to a minimum of 50 verylow income households living with HIV/AIDS. (District D)

Michael Nichols, Director Melody Barr, Assistant Director

IV. Single Family

- a. An Ordinance authorizing the use of the Legal Documents for the Harvey Homebuyer Assistance Program 2.0 (HbAP 2.0). The legal documents include but are not limited to the Deferred Payment Loan Note, Second Lien Deed of Trust, Terms and Conditions, and Forgivable Loan Agreement. (All Districts)
- b. An Ordinance authorizing a Substantial Amendment to the **2021 Winter Storm Single Family Home Repair Program Guidelines**. The Substantial Amendment will (1) increase the maximum Reimbursement assistance amount from \$6,000.00 to \$10,000.00, (2) streamline and clarify eligibility selection criteria for the 2021 Winter Storm SFHRP, (3) add Composite Pricing as a method of procurement, and (4) add the template homeowner closing documents as attachments to the Guidelines, including the Tri-Party Agreement, all Exhibits thereto and the Homeowners Certification. (All Districts)

Michael Nichols, Director Cedrick LaSane, Assistant Director

V. Public Facilities

An Ordinance authorizing a modification to the Loan Agreement between the City of Houston and **MacGregor Grocery, LLC** in the original sum of \$6,888,000.00 in Economic Development Initiative Funds (EDI). This modification will amend the terms of the Loan such that all payments of principal will be deferred until the earliest of one of the following events: i) Maturity Date, ii) upon the sale of the property, or iii) an assignment of the ground lease. No additional funding. (District D)

Michael Nichols, Director Ryan Bibbs, Deputy Assistant Director

VI. Multifamily

- a. An Ordinance authorizing a \$4,000,000.00 forgivable loan consisting of \$2,500,000.00 in HOME Investment Partnerships Program (HOME) funds and \$1,500,000.00 of Homeless Housing Bonds (HHB), for an Agreement between the City of Houston and The Tejano Center for Community Concerns for the construction and acquisition costs for a new affordable multi-family home community for families known as **Andover Village Apartments** located at 6901 Bellfort Avenue, Houston, Texas 77087. (District I)
- b. An Ordinance authorizing \$4,000,000.00 of HOME Investment Partnerships Program (HOME) funds, for an Agreement between the City of Houston and New Faith Church of Houston, a Texas non-profit corporation towards the new construction and acquisition costs for a senior apartment development to be known as The **New Faith Senior Village Apartments**, located on SE corner of W Fuqua St. & Monrad Dr., Houston, Texas 77045. (District K)

Michael Nichols, Director Ryan Bibbs, Deputy Assistant Director

- VII. Director's Comments Michael Nichols, HCD Director
- VIII. Public Comments Council Member Tiffany D. Thomas, Chair

IX. Adjourn

Council Member Willie Davis, Vice Chair



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 5/28/2025 District ALL Item Creation Date: 4/23/2025

HCD25-53 Community Development Block Grant Disaster Recovery 2016 Flood Events (CDBG-DR16) Seventh Amendment Agenda Item: II.a.

Background:

The Housing and Community Development Department (HCD), recommends Council authorize and approve a Seventh Amendment to the Community Development Block Grant Disaster Recovery 2016 Flood Events (CDBG-DR 16) Subrecipient Agreement (19-076-008-B357) between the City of Houston (City) and the Texas General Land Office (GLO).

The GLO is now proposing to extend the City's CDBG-DR 16 Agreement term from July 31, 2025, to December 31, 2025 and revise contractual language. The extension will align the Program closeout with the completion of activities by GLO's third party vendor, AECOM, and the closeout of the City's Harvey Buyout Program. There are no changes to the funding.

<u>History:</u>		
Ordinance	Date Approved	Description
2018-721	9/12/2018	Application to GLO requesting \$23,486,698.00 of CDBG-DR16 funds for a Housing Buyout Program
2019-109	2/20/2019	Contract with GLO to accept and administer \$23,486,698.00 of CDBG-DR16 funds for a Housing Buyout Program
2020-259	4/1/2020	1st Amendment to GLO contract with the City CDBG-DR16 Housing Buyout Program to provide that only MF properties will be eligible for buyout
2021-186	3/24/2021	2nd Amendment to GLO contract with the City CDBG-DR16 Housing Buyout Program to extend the contract term to 4/30/22 and add additional reporting requirements and documentation.
2022-246	4/6/2022	3rd Amendment to GLO contract with the City CDBG-DR16 Housing Buyout Program to extend the term to 4/30/23 and add additional reporting requirements and documentation.
2023-132	2/22/2023	4th Amendment to GLO contract with the City to extend the contract term to 4/30/24 and revise certain language and correct certain administrative errors.
2024-149	3/20/2024	5th Amendment to GLO contract with the City the CDBG-DR16 Housing Buyout Program to extend the contract term to 11/30/24 and revise and replace the Revised General Affirmations with the most current version.
2024-792	10/16/2024	6th Amendment to CDBG-DR16 contract with the GLO to extend the term to 7/31/25 and the revision and replacement of the Revised General Affirmations with the most current version.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

Prior Council Action:

09/12/2018 (O) 2018-721; 02/20/2019 (O) 2019-109; 04/01/2020 (O) 2020-259; 03/24/2021 (O) 2021-186; 04/06/2022 (O) 2022-246; 02/22/2023 (O) 2023-132; 03/20/2024 (O) 2024-149, 10/16/2024 (O) 2024-792

Contact Information:



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 6/11/2025 District ALL Item Creation Date: 4/30/2025

HCD25-57 Community Development Block Grant Disaster Recovery Harvey Fourth Amendment Agenda Item: II.b.

Background:

The Housing and Community Development Department (HCD), recommends Council authorize an Ordinance approving a Fourth Amendment to the Community Development Block Grant Disaster Recovery Harvey (CDBG-DR17) Subrecipient Agreement #21-134-000-C788) with the Texas General Land Office (GLO). The GLO proposes to amend the Subrecipient Agreement with the City in the following ways:

- Reduce the overall grant award of \$625,629,416.92 by \$12,523,137.63 for a total amount not to exceed \$613,106,279.29.
- Revise the performance statements to reflect the reduction or addition of funding and extend program completion dates for the Economic Revitalization program, Multifamily Rental Program, Small Rental Program, and Buyout Program.
- Add a performance statement for the Homebuyer Assistance Program 2.0.
- Revise contractual language.

Program	Amount	Change (+/-)	Revised Amount
Homeowner Assistance Program	\$63,343,396.52	\$4,717,278.56	\$68,060,675.08
Single Family Development Program	\$32,073,826.92	(\$28,484,387.55)	\$3,589,439.37
Multifamily Rental Program	\$370,855,752.00	\$0.00	\$370,855,752.00
Small Rental Program	\$12,188,103.56	(\$832,834.68)	\$11,355,268.88
Homebuyer Assistance Program	\$16,246,506.50	(\$7.55)	\$16,246,498.95
Buyout Program	\$55,800,000.00	(\$7,067,102.41)	\$48,732,897.59
Public Services Program	\$17,175,962.92	(\$479.73)	\$17,175,483.19
Harvey Economic Revitalization Program	\$20,732,067.50	(\$222,724.68)	\$20,509,342.82
Planning Program	\$22,213,801.00	(\$432,879.59)	\$21,780,921.41
Homebuyer Assistance Program 2.0	\$0.00	\$19,800,000.00	\$19,800,000.00
Administration	\$15,000,000.00	\$0.00	\$15,000,000.00
Total	\$625,629,416.92	(\$12,523,137.63)	\$613,106,279.29

Fiscal Note:

No Fiscal Note is required on grant items.

This item will be reviewed at the May 27, 2025 Housing & Affordability Committee meeting.

Michael Nichols, Director

Prior Council Action:

06/27/2018 (O) 2018-518; 02/03/2021 (O) 2021-93; 10/31/2023 (O) 2023-946; 09/11/2024 (O) 2024-679; 12/11/2024 (O) 2024-977

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/4/2025 District: D Item Creation Date: 4/22/2025

HCD25-34 Career and Recovery Resources, Inc. Project Connect, First Amendment Agenda Item: III.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Subrecipient Agreement (Agreement) between the City of Houston (City) and Career and Recovery Resources, Inc. (Career and Recovery) to (i) extend the term of the Agreement and (ii) provide up to an additional \$244,427.00 in Community Development Block Grant (CDBG) funds for the continued operation of the program, including providing an additional 120 individuals transitioning from homelessness with employment training and substance use disorder services.

Through Project Connect, Career and Recovery will continue to provide workforce development to participants through job training, employment support, and placement services. To further reduce barriers and support re-entry into the workplace, participants are offered 90-day outpatient substance use services, which will provide treatment, counseling, aftercare, and coordination with other health services.

CATEGORY	AMOUNT	PERCENT
Program	\$224,386.00	91.80%
Administration	\$20,041.00	8.20%
Total	\$244,427.00	100.00%

HCD released a Notice of Funding Availability (NOFA) for CDBG services in December 2022 with the option for renewal in up to one-year increments at the City's discretion. Career and Recovery was one of the agencies selected. The initial agreement period was February 1, 2024 – January 31, 2025, and was administratively extended to July 31, 2025. This First Amendment will extend the Agreement to March 31, 2026.

As of April 2025, Career and Recovery has met 284% of its client goal and utilized approximately 71% of its total funds. There were no findings during their most recent annual compliance monitoring review.

Fiscal Note:

No fiscal note is required for grant items.

This item will be reviewed by the Housing & Affordability Committee on May 27, 2025.

Michael Nichols, Director

<u>Amount of Funding</u> \$ 244,427.00 Federal Government – Grant Fund – (5000)

Prior Council Action

1/17/2024 (O) 2024-20

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/18/2025 Districts: B, D; and I Item Creation Date: 4/28/2025

HCD25-54

SER—Jobs for Progress U.S. Department of Housing and Urban Development – Community Project Funding (HUD-CPF) and American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA-SLFRF) Agenda Item: III.b.

Background:

Housing and Community Development (HCD) recommends Council approval of an Ordinance authorizing a First Amendment between the City and SER—Jobs for Progress providing an additional \$105,836.20 of United States Department of Housing and Urban Development Community Project Funds (HUD-CPF) to the original \$433,776.58 of HUD-CPF and \$68,310.00 in American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds (ARPA-SLFRF) for the Houston Financial Empowerment Center (HFEC), providing a total of \$607,922.78 funds to the project.

The Houston Financial Empowerment Center (HFEC) was launched to assist residents' move towards financial independence. The HFEC launched its first location in January 2020 as a free, on-demand, professional financial counseling service for all Houstonians regardless of income, employment status, or resident status in the Acres Home Multi-Service Center (MSC). The HFEC provided a critical economic mobility program for the residents through safe and affordable bank accounts, securely depositing earnings, and paying bills more efficiently. Since its inception, the HFECs have served residents through counseling sessions on credit, savings, debt, and banking products.

The program is located at four physical locations: 1) Magnolia Park-Manchester, 2) Acres Homes, 3) Sunnyside, and 4) Kashmere Gardens.

Category	HUD-CPF Amount	Additional HUD-CPF	ARPA-SLFRF Amount	TOTAL	Percent
Program Personnel	\$355,256.00			\$458,638.42	75.44%
Other Program Costs	\$42,760.00	\$2.78	\$68,310.00	\$111,072.78	18.27%
Administration	\$35,760.58	\$2,451.00	\$0.00	\$38,211.58	6.29%
Total	\$433,776.58	\$105,836.20	\$68,310.00	\$607,922.78	100%

The Agreement period is from January 19, 2024 to January 18, 2026. This First Amendment does not extend the term.

Community Project Funding is allocated by the U.S. Congress as congressionally directed spending of federal funds. HCD submitted an application to HUD to receive an award of HUD-CPF funds with SER—Jobs for Progress being designated as the contractor in the approved application.

Fiscal Note:

No fiscal note is required for grant items.

This item will be reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

<u>Amount of Funding</u> \$607,922.78 – Federal Government – Grant Fund – (5000) Prior Council Action 12/17/2024 (O) 2024-1014

Contact Information:



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 6/18/2025 All Districts Item Creation Date: 4/28/2025

HCD25-55 Houston Community College System District Department of Labor – Community Project Funding (DOL-CPF) Agenda Item: III.c.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a First Amendment to the Agreement between the City of Houston (City) and Houston Community College System District (HCC). This Amendment adds additional locations to the original scope of work as well as line items that were not included in the original budget, but will not change the total funding amount of \$459,206.09 (\$376,706.09 in Department of Labor – Community Project Funding (DOL-CPF) funds and \$82,500.00 American Rescue Plan Act (ARPA) funds) for the EmPowering Solar Jobs Program, a workforce development program focused on providing STEM career opportunities for residents without college degrees.

The workforce development program will offer training in electrical technician and solar installer certificate programs, purchase instructional supplies, and provide case management services for 100 participants. The program will be located at the following HCC locations:

- South Campus (South College), 1990 Airport Blvd, Houston, TX 77051
- West Loop Campus (Southwest College), 5601 W Loop S, Houston, TX 77081
- Felix Fraga Campus (Southeast College), 301 N Drennan St, Houston, TX 77003
- Alief Bissonnet Campus (Northwest), 13803 Bissonnet St, Houston, TX 77083
- Brays Oaks (Southwest College), 8855 W. Bellfort Ave, Houston, TX 77031
- Stafford Campus (Southwest College), 10041 Cash Rd, Stafford, TX 77477
- Central Campus (Central College), 1300 Holman St, Houston, TX 77004
- Northeast Campus (Northeast College), 555 Community College Drive, Houston, TX 77013
- North Forest Campus (Northeast College), 6010 Little York Road, Houston, TX 77016
- Northline Campus (Northeast College), 8001 Fulton Street, Houston, TX 77022

The Agreement term will be November 1, 2023 through October 31, 2025. This First Amendment does not extend the term.

Community Project Funding is allocated by the U.S. Congress as congressionally directed spending of federal funds. HCD submitted an application to the Department of Labor to receive an award of DOL-CPF funds with HCC being designated as one of the training providers in the approved application.

Fiscal Note:

No fiscal note is required for grant items.

This item will be reviewed by the Housing and Affordability Committee on May 27, 2024.

Michael Nichols, Director

Amount of Funding

\$459,206.09 – Federal Government – Grant Fund – (5000)

Prior Council Action 10/17/2023 (O) 2023-872

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 06/11/2025

Meeting Date: 06/11/2025 All Districts Item Creation Date: 05/01/2025

HCD25-TBD ERA Costs Reimbursement Harris County Interlocal Agreement Agenda Item: III.d.

Background:

The Housing and Community Development Department (HCD), recommends Council approval of an Ordinance authorizing an Interlocal Agreement between the City of Houston (City) and Harris County providing up to \$40,000.00 in Emergency Rental Assistance Administrative funds to reimburse for third party costs incurred by Harris County to perform an independent file review of Houston-Harris County Emergency Rental Assistance Program (ERA Program) case files.

The Houston-Harris County ERA Program was a Covid-19 program intended to provide rental assistance to eligible households impacted by and/or during the Covid-19 pandemic. The program has spent all program funds through January 2023. The County and the City worked with an independent third party to perform a program file review to respond to follow up desk review questions from the United States Treasury Department. The expected ERA2 program close out date is September 29, 2025.

CATEGORY	AMOUNT	PERCENT
Program Services	\$0.00	0.00%
Administration	\$40,000.00	100.00%
Total	\$40,000.00	100.00%

The Houston-Harris County Emergency Rental Assistance Program provided over \$300 million in rental assistance and assisted over 77,000 households impacted by and/or during Covid-19 pandemic.

This Agreement provides Emergency Rental Assistance Administration funding to reimburse Harris County by July 31, 2025, for fifty percent (50%) of the total expenses paid to the third party for the independent file reviews.

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

<u>Amount of Funding:</u> \$40,000.00 Federal Government – Grant (5000)

<u>Contact Information:</u> Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/4/2025

Meeting Date: 6/4/2025 District D Item Creation Date: 1/30/2025

HCD25-19 Houston SRO Housing Corporation Housing Opportunities for Persons with AIDS (HOPWA) Agenda Item: III.e.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the Subrecipient Agreement (Agreement) between the City of Houston (City) and Houston SRO Housing Corporation (Houston SRO) to extend the term of the Agreement and provide up to \$139,327.00 in additional Housing Opportunities for Persons with AIDS (HOPWA) funds for the continued operation of a permanent housing community residence with supportive services to a minimum of 33 very low-income single-person households living with HIV/AIDS.

Supportive services include comprehensive case management, housing counseling, referrals for general health services, job training and placement, mental health, and substance abuse counseling, and other supportive services that reinforce opportunities towards independent living. Operating costs include, but are not limited to, property management, utilities, maintenance and repairs, and property insurance.

Category	Amount	Percent
Operating Costs	\$103,228.00	74.09%
Supportive Services	\$26,343.00	18.91%
Administrative	\$9,756.00	7.00%
Total	\$139,327.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for HOPWA services in September 2022 with the option to renew in up to one-year increments at the City's discretion. Houston SRO was one of the selected agencies. The initial term began April 1, 2023 and was extended through extensions and an amendment to June 30, 2025. This Second Amendment will extend the term and provide funding through September 30, 2025.

As of March 2025, Houston SRO has expended approximately 83% of their allocated funding and served approximately 170% of their client goal. Houston SRO has received funding from the City since 1999 and had one finding on the last compliance monitoring due to improper case management delivery documentation and record retention, which is in active resolution.

Fiscal Note:

No Fiscal Note is required on grant items.

This item will be reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

Amount of Funding:

\$139,327.00 Federal Government – Grant Fund (5000)

Prior Council Action:

3/29/2023 (O) 2023-201; 05/22/2024 (O) 2024-345

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/4/2025 District D Item Creation Date: 1/30/2025

HCD25-18 Houston HELP, Inc. Housing Opportunities for Persons with AIDS (HOPWA) Agenda Item: III.f.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the Subrecipient Agreement between the City of Houston (City) and Houston HELP, Inc. (Houston HELP), to extend the term of the Agreement and provide up to \$200,000.00 in additional Housing Opportunities for Persons with AIDS (HOPWA) funds for the continued operation of a permanent housing community residence with supportive services to a minimum of 50 very-low income households living with HIV/AIDS.

Supportive services include comprehensive case management, housing counseling, job training, afterschool activities, and other supportive services that reinforce opportunities towards independent living for all household members. Operating costs include, but are not limited to, property management, utilities, and maintenance and repairs.

Category	Amount	Percent
Operating Costs	\$141,705.00	70.85%
Supportive Services	\$47,021.00	23.51%
Administrative	\$11,274.00	5.64%
Total	\$200,000.00	100.00%

HCD conducted a Notice of Funding Availability (NOFA) for HOPWA services in September 2022 with the option to renew in up to a one-year increment at the City's discretion. Houston HELP was one of the selected agencies. The initial term began April 1, 2023 and was extended through extensions and an Amendment to June 30, 2025. This Second Amendment will extend the term and provide funding through September 30, 2025.

As of March 2025, Houston HELP has expended approximately 80% of their allocated funding and served approximately 134% of their client goal. No findings were reported by Compliance and Monitoring during the 2024 monitoring period. Houston HELP has received funding from the City since 1999.

Fiscal Note:

No Fiscal Note is required on grant items.

This item will be reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

Amount of Funding:

\$200,000.00 Federal Government – Grant Fund (5000)

Prior Council Action:

3/22/2023 (O) 2023-183; 05/22/2024 (O) 2024-344

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/11/2025 District: ALL Item Creation Date: 3/25/2025

HCD25-48 Legal Documents for the Harvey Homebuyer Assistance Program 2.0 Agenda Item: IV.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing the use of the Legal Documents for the Harvey Homebuyer Assistance Program 2.0 (HbAP 2.0). The Legal Documents include the Deferred Payment Loan Note, Second Lien Deed of Trust, Terms and Conditions, and Forgivable Loan Agreement.

The HbAP 2.0 will provide Houston residents with funds for down-payment assistance, closing costs, subsidized interest rates and principal buydown to eligible Low-to Moderate-Income (LMI) and Urgent Need (UN) homebuyers meeting the definition of a First-Time Homebuyer. Applicants who resided in the City of Houston jurisdiction on August 25, 2017, at the time of Hurricane Harvey, and are interested in purchasing a home may be eligible for assistance.

The program will meet two of the three National Objectives defined in the Housing and Community Development Act:

- Benefiting Low-to Moderate-Income Persons (LMI) by providing assistance to households (earning 80% or less of the Area Median Income (AMI)
- Meeting an Urgent Need (UN) by providing housing assistance to applicants making over 80% and up to 120% of the AMI.

The Affordability Periods are determined by the amount of assistance provided to each homebuyer as follows:

- Up to \$50,000 5-years
- \$50,001 \$75,000.00 8-years
- Greater than \$75,001 10-years

The HbAP 2.0 will help improve homeownership affordability for residents affected by Hurricane Harvey. All households must meet income criteria and Disaster Recovery requirements, including but not limited to, residing within the City of Houston jurisdiction at the time of Hurricane Harvey to be eligible for assistance and funding must be available.

This item will be reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

Prior Council Action:

01/15/2025 (O) 2025-12

Contact Information: Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 6/11/2025 District: All Item Creation Date: 3/25/2025

HCD25-49 2021 Winter Storm Single Family Home Repair Program Guidelines Substantial Amendment Agenda Item: IV.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Substantial Amendment to the 2021 Winter Storm Single Family Home Repair Program Guidelines. The Substantial Amendment will (1) increase the maximum assistance award amount in the Home Repair Program's Reimbursement Pathway from \$6,000.00 to \$10,000.00,(2) streamline and clarify eligibility selection criteria for the 2021 Winter Storm Single Family Home Repair Program, (3) add Composite Pricing as a method of procurement, and (4) add the template homeowner closing documents as attachments to the Guidelines, including the Tri-Party Agreement, all Exhibits thereto and the Homeowners Certification.

The purpose of these changes is to meet homeowners' needs and align the Program Guidelines with the Substantial Amendment to the Action Plan for Disaster Recovery 2021 Winter Storm approved via Ordinance 2025-221 and to authorize the use of the template homeowner closing documents.

The Program will provide assistance through two pathways, the Reimbursement Pathway and through the Rehabilitation or Reconstruction Pathway. The Reimbursement Pathway will assist Low-to-Moderate-Income (LMI) households and Urgent Need (UN) households up to 120% Area Median Income (AMI). The Rehabilitation or Reconstruction Pathway will provide assistance to LMI households with annual income at or below 80% AMI, and whose primary residence was directly or indirectly impacted by the 2021 Winter Storm (The 2021 Winter Storm).

HCD proposes to reduce the priority phase by eliminating the Phase for Households at or below 50% AMI as shown in the chart below. The selection criteria will prioritize applicants in three assigned phases for each pathway based on the submission of applications, funding availability, AMI and other characteristics, described in the Program Guidelines.

Phase 1:	Elderly (62 years or older) or disabled household member in a household at or below 80 % AMI	No Change to Phase 1
Phase 2:	Households at or below 50% AMI	Propose to eliminate phase
Phase 3:	Households at or below 80% AMI	Will replace Phase 2
Phase 4:	Households at or below 120% AMI	Will replace Phase 3

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.

This item was reviewed by the Housing and Affordability Committee on May 27, 2025.

Michael Nichols, Director

Prior Council Action: 3/19/2025 (O) 2025-199; 3/26/2025 (O) 2025-221

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 6/3/2025 District: D Item Creation Date: 4/18/2025

HCD25-52 HEB MacGregor Loan Modification Agenda Item: V.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a modification to the Loan between the City of Houston (City) and MacGregor Grocery, LLC (MacGregor) in the original sum of \$6,888,000.00 in Economic Development Initiative (EDI) funds (Loan). The modification will amend the terms of the Loan such that all payments of principal will be deferred until the earliest of one of the following events: i) Maturity Date, ii) Upon the sale of the property, or iii) An assignment of the ground lease. No additional funds will be appropriated with this modification.

Since MacGregor is owned by Houston Housing Finance Corporation (HHFC), the original Loan documents anticipated that the property would be designated as exempt from property taxes and that savings coupled with retail profits would be in an amount sufficient to service the monthly loan payments. The Development Agreement stipulated that HHFC partnership proceeds would be pledged to pay the Loan. Ultimately, MacGregor was not able to obtain a tax-exempt status from the Harris County Appraisal District and could not make their monthly payment on the Loan.

As a result, HCD originally proposed a Loan modification that would allow full forgiveness of the outstanding balance of the Loan on the Maturity Date, but now proposes a deferred payment structure to ensure that the City will be repaid at a future date. The deferred payment will replenish the EDI revolving loan fund when it is repaid. The new proposed Loan modification will reduce HHFC's interest payment down to one percent per year, eliminate HHFC's monthly principal payments, and convert the principal payment obligation to a balloon payment to be paid upon the earliest of the following events: i) Maturity Date, ii) Upon the sale of the Property, or iii) If the ground lease is assigned to an entity other than the HHFC, so long as no default occurs that remains uncured.

This modification does not touch or modify the ground lease between HEB and MacGregor. The ground lease payments remain the same. This Loan modification only impacts the relationship between the City and MacGregor Grocery LLC, (a wholly owned single purpose entity of HHFC Management Corporation, which is a wholly owned entity of the HHFC).

MacGregor's monthly overhead will be reduced through this loan modification, since it was unable to obtain a property tax exemption. HEB will continue serving the surrounding low-to moderate-income neighborhood through the term of the Loan, which matures January 29, 2039. The City has confirmed that MacGregor will continue to pay full property taxes and management district fees.

History & Project Information

Pursuant to Ordinance 2017-168 executed on March 8, 2017, City Council authorized the submission of applications to HUD for the use of a Section 108 loan in the amount of \$5,062,000.00 and EDI funds in the amount of \$8,800,000.00 to purchase certain real property located at 6055 South Freeway, near the intersection of N. MacGregor Way and SH288 (Property, and approved a Purchase and Sale Agreement between the City and Houston Community College.

Pursuant to Ordinance 2017-809 executed on October 18, 2017, City Council approved a Lease and Development Agreement between the City and HHFC, which granted HHFC a leasehold interest in the Property and included a purchase option. HHFC assigned its purchase option to MacGregor, who then purchased the Property from the City and entered into a sub-lease with HEB.

The project consisted of making improvements to the Property by constructing a 90,000 sf HEB grocery store and associated parking in Council District D. The grocery store is located within the Enhanced Enterprise Community.

HEB is one of the largest independent food retailers in the nation. Their stores are designed with the community in mind, and they provide quality products, low prices, and exceptional customer service. The company entered the Houston region in 1988 and now has over 80 stores in the greater Houston area. The MacGregor HEB continues to provide over 250 jobs to the City of Houston.

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Affordability Committee Chair was briefed on this item on June 12, 2024, March 3, 2025, and April 21, 2025. This item will be reviewed by the Housing & Affordability Committee on May 27, 2025.

Michael Nichols, Director

Prior Council Action: 01/15/2025 (O) 2024-12

<u>Contact Information:</u> Roxanne Lawson (832) 394-6307



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 5/28/2025 District: I Item Creation Date: 01/28/2025

HCD24-121 Andover Village Apartments Agenda Item: VI.a.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a \$4,000,000.00 forgivable loan consisting of \$2,500,000.00 in HOME Investment Partnerships Program (HOME) funds and \$1,500,000.00 of Homeless Housing Bonds (HHB), for an Agreement between the City of Houston (City) and The Tejano Center for Community Concerns (borrower) towards the new construction and acquisition costs for the creation of a new affordable multifamily home community for families. This development will be known as Andover Village Apartments, located at 6901 Bellfort Avenue, Houston, Texas 77087.

Andover Village Apartments was awarded 2024 9% Housing Tax credits from the Texas Department of Housing and Community Affairs. This development will consist of 105-units situated on approximately 7.107 acres. This new development will provide a beneficial addition to the residents of Council District I, as it will include a stand-alone Pre-K facility. The Tejano Center for Community Concerns will be the operator of the Pre-K school component of this Development. The Pre-K facility is an amenity feature for the benefit of the residents at no charge, and if slots are available will be open to the public. This newly constructed development will have a community center that is rich in amenities as well as a generator that will power the community center and elevator in the event of a power outage.

This new development will consist of thirty-three one-bedroom, seventy-five two-bedroom, and twelve three-bedroom units. The developing team proposes to restrict approximately 80% of the total units in the development to qualifying residents earning at or below 60% Area Median Income (AMI). Additionally, twenty-two units to be reserved as market-rate units.

The loan and affordability period will be 20 years and will commence when the construction period is completed. The loan will be non-amortizing throughout both the construction and affordability period. Upon expiration of approved construction period, the borrower agrees to reimburse the City of Houston the lesser amount of either 1% of the remaining principal balance or an amount based on the annual available cashflow.

Sources	Amount	Uses	Amount
National Equity Fund - 9% Housing Tax Credits	\$ 17,398,260.00	Hard Cost	\$ 18,536,834.00
Conventional Loan (Amegy)	\$ 7,500,000.00	Soft Cost	\$ 3,970,964.00
City of Houston HOME loan (\$2.5M) City of Houston HHB loan (\$1.5M)	\$ 4,000,000.00	Developer Fee	\$ 3,286,992.00
Deferred Developer Fee	\$ 154,483.00	Acquisition Cost	\$ 3,041,000.00
Match / Cash Equity	\$ 500,100.00	Reserves	\$ 717,053.00
Total Source of Funds:	\$ 29,552,843.00	Total Project Cost:	\$ 29,552,843.00

Fiscal Note:

No Fiscal Note is required on grant items.

This item was reviewed by the Housing and Community Affairs Committee Chair on February 12, 2025. This item will be reviewed by the Housing and Community Affairs Committee on May 27, 2025.

<u>Amount of Funding</u> \$2,500,000.00 Federal Government – Grant Funded (5000) \$1,500,000.00 Homeless & Housing Consolidated Fund (4501)

Contact Information:



CITY OF HOUSTON – CITY COUNCIL Meeting Date: 5/28/2025 District: K Item Creation Date: 01/28/2024

> HCD24-122 New Faith Senior Village Agenda Item: VI.b.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing \$4,000,000.00 of HOME Investment Partnerships Program (HOME) funds, for an Agreement between the City of Houston (City) and New Faith Church of Houston, a Texas non-profit corporation (borrower) towards the new construction and acquisition costs for a senior apartment development. This development will be known as The New Faith Senior Village Apartments, located on the East Side of Monrad Dr. (S of the SE corner of W Fuqua St. & Monrad Dr.), Houston, Texas 77045.

New Faith Senior Village Apartments was awarded 2024 9% Housing Tax credits from the Texas Department of Housing and Community Affairs. This development will consist of 120-units serving Senior residents who are 55+. Situated on approximately 5.882 acres, this new home will provide a beneficial addition to the residents of Council District K.

This newly constructed development will have a community center that is rich in amenities as well as a generator that will power the community center and elevator during the occurrence of an energy failure event. Additionally, New Faith Senior Village Apartments will consist of 81 one-bedroom/one-bathroom units and 39 two-bedroom units. The development team proposes to restrict approximately 80% of the total development qualifying residents earning at or below 60% Area Median Income (AMI). Additionally, New Faith will allocate 22 units to be reserved as market-rate units.

The loan and affordability period will be 20 years and will commence when the construction period is completed. The loan will be non-amortizing throughout both the construction and affordability period. The loan will be interest-free and payment-free during construction. Upon expiration of approved construction period, the loan will accrue interest in the amount of 1% per year; however, the developer must pay this interest only if the annual available cashflow is sufficient to pay the interest amount.

Sources	Amount	Uses	Amount
National Equity Fund - 9% Housing			
Tax Credits	\$ 17,398,260.00	Hard Cost	\$ 17,291,756.00
Conventional Loan (Amegy)	\$ 4,300,000.00	Soft Cost	\$ 3,780,118.00
City of Houston HOME	\$ 4,000,000.00	Developer Fee	\$ 3,090,731.00
Deferred Developer Fee	\$ 75,503.00	Acquisition Cost	\$ 1,500,000.00
Match / Cash Equity	\$ 500,100.00	Reserves	\$ 611,258.00
Total Source of Funds:	\$ 26,273,863.00	Total Project Cost:	\$ 26,273,863.00

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Community Affairs Committee Chair was briefed on this item on February 12, 2025. This item will be reviewed by the Housing and Community Affairs Committee on May 27, 2025.

Michael Nichols, Director

<u>Amount of Funding</u> \$4,000,000.00 Federal Government – HOME Investment Partnerships Program (HOME)

Contact Information: