

Committee Meeting

November 18, 2025 Derek Sellers, Deputy Director





Agenda

- I. Welcome/Introductions
- II. Compliance & Grant Administration
- III. Public Services
- IV. Multifamily
- V. Public Facilities
- VI. Finance
- VII. Director's Comments
- VIII. Public Comments





II. COMPLIANCE & GRANT ADMINISTRATION

II.a. Substantial Amendments to the 2020-2024 AAP (All Districts)

An Ordinance authorizing Substantial Amendments to the Community Development Block Grant (CDBG) budget in the 2024 Annual Action Plan and the HOME Investment Partnership (HOME) budgets in the 2020, 2021, 2022, and 2023 Annual Action Plans.





II.a. Substantial Amendments to the 2020-2024 AAP (All Districts)

Transfer \$645,759.52 of CDBG funding from Code Enforcement and Dangerous Buildings to the Homebuyer Assistance activity within the 2024 Annual Action Plan.

Transfer \$3,318,979.20 of HOME funding from Tenant Based Rental Assistance to the Multifamily Development activity within the 2020 and 2021 Annual Action Plans.

Transfer \$2,487,227.84 of HOME funding from CHDO Set-Aside Single Family Housing Development to the Multifamily Development activity within the 2022 and 2023 Annual Action Plans.





II.a. Substantial Amendments to the 2020-2024 AAP (All Districts) CDBG

HUD Year	Increase/ Decrease	Action Plan Activity	Amount	Amount
2024	Decrease	Code Enforcement and Dangerous Buildings	(\$645,759.52)	
2024	Increase	Homebuyer Assistance		\$645,759.52
Total Budget changes		(\$645,759.52)	\$645,759.52	

HOME Investment Partnership Program

HUD	Increase/				
Year	Decrease	Action Plan Activity	Amount	Amount	
2020	Decrease	Tenant Based Rental Assistance	(\$818,979.20)		
2020	Increase	Multifamily Development		\$818,979.20	
Total B	Total Budget changes (\$818,979.20) \$818,979.				











II.a. Substantial Amendments to the 2020-2024 AAP (All Districts)

	Increase/			
HUD Year	Decrease	Action Plan Activity	Amount	Amount
2021	Decrease	Tenant Based Rental Assistance	(\$2,500,000.00)	
2021	Increase	Multifamily Development		\$2,500,000.00
Total Budget changes (\$2,50				\$2,500,000.00

HUD Year	Increase/ Decrease	Action Plan Activity	Amount	Amount
2022	Decrease	CHDO Set-Aside Single Family Housing Development	(\$1,707,636.84)	
2022	Increase	Multifamily Development		\$1,707,636.84
Total Budget changes (\$1,707,636.84)				\$1,707,636.84













II.a. Substantial Amendments to the 2020-2024 AAP (All Districts)

HUD Year	Increase/ Decrease	Action Plan Activity	Amount	Amount
2023	Decrease	CHDO Set-Aside Single Family Housing Development	(\$779,591.00)	
2023	Increase	Multifamily Development		\$779,591.00
Total Budget changes			(\$779,591.00)	\$779,591.00













II.b. Fifth Amendment to DR17 Agreement w/GLO (All Districts)

An Ordinance authorizing a Fifth Amendment to the Community Development Block Grant Disaster Recovery Harvey (CDBG-DR17) Subrecipient Agreement (21-134-000-C788) between the City of Houston (City) and the Texas General Land Office (GLO).

This Amendment will not result in changes to the funding. The proposed extensions provide the programs with the necessary time to complete ongoing projects and/or closeout activities.





II.b. Fifth Amendment to DR17 Agreement w/GLO (All Districts)

The GLO proposes to revise the following Performance Statements and contractual language to reflect updated program completion dates and benchmarks:

- Multifamily Rental Program is extended through February 28, 2026.
- Small Rental Program is extended through October 31, 2025.
- Buyout Program is extended through February 28, 2026.
- Economic Revitalization Program is extended through October 31, 2025.





III. PUBLIC SERVICES

III. Allies in Hope - Subrecipient Agreement (Districts C, H and I)

An Ordinance authorizing a Subrecipient Agreement between the City of Houston (City) and Allies in Hope (Allies), to provide up to \$2,367,910.31 in Housing Opportunities for Persons with AIDS (HOPWA) funds,

to operate and maintain three separate multi-unit permanent residential facilities with supportive services and, provide tenant-based rental assistance benefiting a minimum of 112 low-income households affected or living with HIV/AIDS.





III. Allies in Hope - Subrecipient Agreement (Districts C, H and I)

Supportive services include case management, life skills training, nutritional services, substance abuse and mental health counseling.

Operating costs include, but are not limited to, property management, utilities, and property insurance.

HCD conducted a Notice of Funding Availability (NOFA) for HOPWA services in March 2025. Allies was one of the agencies selected.





III. Allies in Hope - Subrecipient Agreement (Districts C, H and I)

Category	Amount	Percent
Operations: Community Residence	\$1,022,638.36	43.19%
Housing Subsidies: Tenant-Based Rental Assistance Program (TBRA)	\$697,201.77	29.44%
Support Services	\$485,950.18	20.52%
Administrative	\$162,120.00	6.85%
Total	\$2,367,910.31	100.00%

This Agreement provides funding from January 1, 2026, through June 30, 2027 with no option to renew. Allies has had agreements with the City since 1994 and had no findings on their last compliance monitoring review.





IV. MULTIFAMILY

IV.a. Resolution on HHFC Mortgage Revenue Bonds (All Districts)

- As the State's main housing agency, the Texas Department of Housing and Community Affairs (TDHCA) issues Single-Family Mortgage Bonds (SFMRBs) throughout the State, and uses the proceeds of such bonds to make low-interest rate mortgage loans.
- TDHCA developed this partnership program with local Housing Finance Corporations (HFC's) to ensure volume cap (a necessary component to issue taxexempt mortgage bonds) that is legislatively programmed to provide affordable single-family homeownership in local jurisdictions for that purpose within those areas.





IV.a. Resolution on HHFC Mortgage Revenue Bonds (All Districts)

- Using volume cap assigned to TDHCA by the Houston Housing Finance Corporation (HHFC), TDHCA will issue bonds and ensure that single family mortgage loans are made within the boundaries of the City.
- State statute reserves a certain amount of volume cap for SFMRB's for Housing Finance Corporations

 if HFC's do not utilize this resource by a certain date, it becomes available for all users and may result in funding other (non-housing) purposes.





IV.a. Resolution on HHFC Mortgage Revenue Bonds (All Districts)

- TDHCA bond loans are made to first-time homebuyers (those who have not owned a home in the past three years), generally earning incomes at or below 100% AMI for individuals and 115% AMI for families.
- There is no cost to the State, the City or HHFC from the issuance of TDHCA's bonds – costs relating to TDHCA's bonds are paid from available moneys under TDHCA's bond indentures.





IV.b. 4% HTC Resolution of No Objection (ETJ)

HCD recommends Council approve a Resolution of No Objection for one applicant seeking 4% Housing Tax Credits (HTCs) for the multifamily development listed below:

TDHCA APP#	Development Name	Development Address	Construction Type	Target Population
25608	The Preserve at	13100 Kuykendahl	New	Seniors
	Dominion Park		Construction	





IV.b. 4% HTC Resolution of No Objection (ETJ)

The TDHCA administers the State's Housing Tax Credit program, which provides federal tax credits to spur the development of quality, affordable housing.

In order to apply for the 4% tax credits, the developer must present a Resolution of No Objection from the governing body of the jurisdiction in which the development is located (including the City's extraterritorial jurisdiction).





IV.b. 4% HTC Resolution of No Objection (ETJ)

HCD has performed a threshold review and recommends a Resolution of No Objection for the following reason(s):

 The Preserve at Dominion Park is located outside the 100-year flood zone.

A public hearing on this Resolution will be held on December 10, 2025.





Applications for both 9% and 4% Resolutions of No Objection must meet the Minimum Standards to qualify:

- Not located within floodway or floodplain
- Not located in areas with greater than 25% poverty, unless located in a Complete Community or TIRZ
- Not debarred by the City of Houston





Date	Deadline	
Dec 5	HCD releases applications for resolutions	
Jan 9	Pre-applications due to TDHCA	
Jan 12	Applications for resolutions due to HCD	
Feb 3	HCD presentation to Housing Committee	
Feb 11	Resolutions presented to City Council	
Feb 27	Applications due to TDHCA	
Jul 23	TDHCA award of 9% tax credits	





Review for Requests for Resolutions of No Objection:

Due to the high demand for tax-exempt bonds, HCD will NOT review a request for a Resolution of No Objection required for 4% HTC applications - UNLESS the applicant has secured a reservation of tax-exempt bonds.





HCD supports tax credit developments that meet Minimum Standards and HCD Priorities to include:

- Rehabilitation and reconstruction
- Complete Communities and TIRZ
- Areas of low poverty
- Areas experiencing high rental costs
- Transit Oriented Developments
- Areas underserved with affordable housing
- Preserving existing affordable housing stock
- Permanent supportive housing and/or housing serving special needs populations
- Quality onsite educational programming





Applications Must Meet a Minimum of Ten (10) Points to Qualify for a Resolution of Support (22 max points)	Points
Located in a Complete Community or TIRZ	2
Availability of affordable housing in the area	1 - 2
Proximity to mass transportation	1 – 2
Low poverty concentration	1
Mixed income composition	2
On-site quality educational programming	1 - 2
Documentation of community support	1
Building resiliency and sustainability features	1 - 6
Offsite neighborhood improvements	1
Onsite material recycling	1
Renovation or reconstruction of existing housing	2





HCD aims to reflect a policy to equitably disperse assisted multifamily developments throughout Houston as it aims to create greater housing choice.

- Council Districts A, B, D, H, I, J, and K will be eligible for a maximum of three endorsements by resolution.
- Council Districts C, E, F, and G will be eligible for a maximum of four endorsements by resolution.





When HCD receives a total number of applications in a Council District that exceed the designated maximum per district, the following factors will determine its final recommendations.

- The highest scoring application located in greater Third Ward that will receive an award from the Houston Housing Authority for the HUD Choice Neighborhood Implementation grant will be prioritized.
- Applications with higher HCD scores will be prioritized.
- Developments that include resilient design components including generators for critical functions will be prioritized
- Poverty index Lower poverty rate for an application's site within each council district will be prioritized
- Quality onsite educational programming will be prioritized.





Exclusion of Specialized Housing

Consideration will be given to proposed rental projects that target a specific population.

These types of housing projects serve a special client base and are not geographically oriented as are the general multifamily housing stock and should not be placed in the same category as all other subsidized multifamily housing.





Examples of housing for specialized populations include disabled, homeless, transitional housing and permanent supportive housing.

The limitation will not apply to the repair or rehabilitation of existing affordable units. However, rehabilitations converting market rate units to affordable housing will be covered by this limitation.





V. PUBLIC FACILITIES

An Ordinance authorizing a Fourth Amendment to the Renovation, Operations and Management (ROMA) between the City of Houston (City) and Houston Business Development, Inc. (HBDi),

To extend the Phase II Renovation Period for the Bethune Empowerment Center from December 31, 2025 to March 31, 2026.

No additional funds will be provided to the project as a part of this proposed Fourth Amendment.





City Council recently approved a Third Amendment on June 9, 2025, to extend the Phase II Renovation performance period and construction schedule from June 30, 2025 to October 2025.

HBDi was granted an administrative extension by the Director of HCD on September 5, 2025, as allowed in the ROMA, that provides an extension to December 31, 2025.

HBDi and the City (HCD) have agreed that no further extensions to the Performance Period for construction will be granted without approval from the Houston City Council.





To date, HBDi has successfully completed Phase I construction. Phase II construction progress has been confirmed by HCD inspectors at 40% complete. The estimated completion date is March 31, 2026.

According to HBDi, construction delays were caused by permitting issues. Initial permit plans, which covered utilities, plumbing, electrical, HVAC, and structural aspects, were submitted to the City in September 2024.

After several resubmissions, HBDi received approved permits on May 6, 2025. Further, HBDi noted that they have faced delays in deliverable submissions due to the complexity of the project.





The updated project budget totals \$13,772,496.00, including \$5,500,000.00 in CDBG dollars and \$4,027,325.00 in General Fund dollars.

An additional \$1,780,000.00 came from the Economic Development Initiative – Community Project Funding. Finally, \$1,875,000.00 in Greater Houston Community Funds and \$590,171.00 have been provided by sponsor contributions.

Of the total construction budget of \$12,283,437.00 to date, a total of \$4,649,666.00 has been spent on construction leaving a remaining balance of \$7,633,771.00.





The tables below list this project's Council actions:

Council Action	Description	Funding
Ordinance 2025-535 6/9/25	3rd Amendment to the ROMA to extend the Phase II Renovation performance period to October 31, 2025, and to amend the construction schedule.	
Ordinance 2023-1152 12/20/23	Forgivable loan agreement with HBDI for CPF-EDI funds for Phase II of the Bethune Empowerment Center to renovate, operate, and manage three buildings on the property.	\$1,780,000.00 – CPF Grant
Ordinance 2023-877 10/18/23	2nd Amendment to the ROMA to provide funds for Phase II additional improvements on the property and operating funds for two years.	\$2,156,058.00 – General
Ordinance 2023-715 8/30/23	1st Amendment to the ROMA to add funds for construction of Phase II of the project to renovate, operate and manage five buildings on the property.	











V. Fourth Amendment, Bethune Empowerment Center (All Districts)

Council Action	Description	Funding				
Ordinance 2022-964 12/14/22	Submission to HUD of required materials including 3 applications and budgets for EDI grants for Community Project Funding (CPF) totaling \$5,621,000.00	N/A				
Ordinance 2022-226 3/30/22	1st Amendment to Assignment and Assumption of Lease Agreement between City and HBDi to accept extension of Lease to thirty (30) years.					
Ordinance 2022-225 3/30/22	1st Amendment to Lease Agreement between Aldine ISD and City to modify Initial Term of the Lease to expire thirty (30) years from the Commencement Date.	N/A				
Ordinance 2021-91 2/3/21	Renovation, Operations, and Management Agreement (ROMA) between City and HBDi to renovate approximately 29,200 sf of the facility.	\$4,000,000.00 - CDBG				











V. Fourth Amendment, Bethune Empowerment Center (All Districts)

Council Action	Description	Funding			
Ordinance 2021-90 2/3/21	Assignment and Assumption of Lease Agreement between City and Houston Business Development, Inc. (HBDi) pertaining to approximately 342,224 sf of land at 2500 South Victory Drive.	N/A			
Ordinance 2021-89 2/3/21	Lease Agreement between Aldine ISD (landlord) and City (tenant) for 342,224 sf of land at 2500 South Victory Drive to be used as community resource center and gathering point for workforce development and training, education, business development and cultural activities	\$1.00 – General			

Upon project completion, HBDi will operate and manage the BEC to effectuate the goal of the community resource center and provide economic opportunities to residents.





VI. FINANCE

VI.a. TIRZ Affordable Housing Appropriation (All Districts)

An Ordinance appropriating \$16,551,274.51 of TIRZ Affordable Housing Funds for multifamily, disaster recovery activities, homelessness, information technology 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 in the table on the next slide:





VI.a. TIRZ Affordable Housing Appropriation (All Districts)

Category	Total Amount	Description
		p
Affordable Housing	\$5,551,274.51	Administrative costs for administering
Administration & Federal		local, state, and federally funded
/ State Grant Leveraging		activities by HCD
Disaster Recovery	\$7,000,000.00	Funding for disaster recovery program
Program		costs deemed ineligible and/or
		disallowed
Homelessness	\$2,700,000.00	Efforts leading to permanent homes for
		homeless individuals and families
Information Technology	\$1,200,000.00	Expenditures related to information
(HCD-specific, not HITS		technology other than HITS
chargebacks)		Chargebacks
Multifamily Activities	\$100,000.00	Multifamily and public facility activities
		including, but not limited to
		rehabilitation, new construction,
		maintenance, utilities, and activity
		delivery costs
Total	\$16,551,274.51	











VII. DIRECTOR'S COMMENTS DR17 & Project Highlights

DR17 Contract Update

	Amendment 4 Contract End Date	Proposed Amendment 5 Contract End Date	Revised Budget							
Closeout Completed										
Public Services	Aug-24		\$	17,175,483						
Planning	Aug-24		\$	21,780,921						
Homebuyers	Aug-24		\$ 16,246,49							
	Closeout In Progress									
HoAP	Jan-25		68,060,675							
Small Rental	Aug-25		\$	11,355,269						
Economic Development	May-25	Oct-25	\$	20,509,343						
Single Family	-		\$ 3,589,43							
	Programs Operating									
Multifamily	Aug-25	Feb-26	\$	370,855,752						
Buyout	Dec-25	Jun-26	\$	48,732,898						
Admin	Feb-27		\$							
Homebuyers 2.0	Feb-27		\$	19,800,000						
	Grand Total		\$	613,106,279						







DR17 Reimbursements Update as of November 17, 2025

	Amendment 4 Contract End Date	Proposed Amendment 5 Contract End Date		Budget		Approved	U	Inder GLO Review		Submitted		Refunded*
Admin	Feb-27		\$	15,000,000	\$	7,335,915	\$	-	\$	7,335,915	\$	-
Buyout	Dec-25	Jun-26	\$	48,732,898	\$	38,648,893	\$	•	\$	38,648,893	\$	•
Economic Development	May-25	Oct-25	\$	20,509,343	\$	20,729,639	\$	•	\$	20,729,639	\$	(1,443,247)
HoAP	Aug-24		\$	68,060,675.08	\$	67,816,560.82	\$	•	\$	67,816,561	\$	
Homebuyers	Aug-24		\$	16,246,499	\$	16,294,499	\$	•	\$	16,294,499	\$	
Homebuyers 2.0	Feb-27		\$	19,800,000	\$	272,700	\$	361,735	\$	880,457	\$	
Multifamily	Aug-25	Feb-26	\$	370,855,752	\$	363,695,661	\$	1,151,903	\$	364,847,564	\$	
Planning	Aug-24		\$	21,780,921	\$	21,781,147	\$	•	\$	21,781,147	\$	
Public Services	Aug-24		\$	17,175,483	\$	17,188,677	\$	-	\$	17,188,677	\$	(12,742)
Single Family			\$	3,589,439	\$	44,061,164	\$	-	\$	44,080,908	\$	(41,896,713)
Small Rental	Aug-25		\$	11,355,269	\$	11,171,494	\$		\$	11,171,494	\$	
Grand Total			Ś	613,106,279	Ś	608,996,349	Ś	1,513,638	Ś	610.775.753	Ś	(43,352,702)

















Recent Project Milestones

Imperial Valley-Harvey Buyout Program















Recent Community Events

October 15
HbAP 2.0 Applicant
Workshop & Training



October 22 Realtor & Lenders Training Workshop



November 5 & 19 360 Road to Homeownership Workshop



November 6
HOPWA Providers Meeting





November 6
District A Town Hall

















HCD Community Meetings Join the Conversation



Virtual Community Meeting Thursday, December 4, 2025 3:00-5:00PM





English

Spanish

In Person Community Meeting Tuesday, December 9, 2025 6:00-8:00PM

Third Ward Multi Service Center 3611 Ennis St. Houston, TX













DR 21 Update











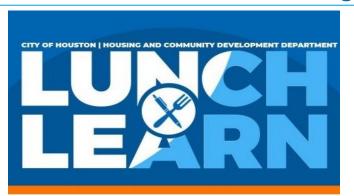






Upcoming Events (DR 21)

Non- Profit Organizations



These workshops are designed to educate community partners on how to connect homeowners impacted by Winter Storm Uri to the City's Single-Family Home Repair Program (DR-21).



Tuesday, December 2, 2025, 1:00-2:30 pm





Domestic Violence Awareness Month: Highlighting Houston Area Women's Center



















Project Progress: The Rushmore Apartments 800 Highway 6 South, 77079 (District G)

Completion Percentage: 43%

Total Number of Units: 101 Total

Restricted Units: 85 at 30% - 60% AMI

Total Project Cost: \$32,919,648.00

HCD Funding: \$3,000,000.00 (HOME)

Developer: Housing Trust Group (HTG)

Architect: HEDK Architects

Estimated Completion: November 2026

















Project Progress: Boulevard 61 6101 Richmond Ave., 77057 (District J)

Completion Percentage: 56%

Total Number of Units: 100

Restricted Units: 90 units

Total Project Cost: \$34,801,185.00

HCD Funding: \$4,000,000.00 (HOME)

Developer: DMA Development Co.

Architect: HEDK Architects

Estimated Completion: April 2027















Project Progress: New Hope Housing Avenue C 7520 Avenue C, 77012 (District I)

Completion Percentage: 74%

Total Number of Units: 120

Restricted Units: 120

Total Project Cost: \$41,025,424.00

HCD Funding: \$3,000,000.00 (HHB)

Developer: New Hope Housing

Architect: GSMA Architects

Estimated Completion: April 2026

















Project Progress: Summit at Renaissance Park 12121 Greenspoint, 77060 (District B)

Completion Percentage: 97%

Total Number of Units: 325

Restricted Units: 166

Total Project Cost: \$88,570,081.00

HCD Funding: \$14,900,000.00 (CDBG-

DR17)

Developer: TXZNH, LLC

Architect: Forge Craft Architecture &

Design

Ribbon Cutting: December 2, 2025















Completed: Richmond Senior Village 5615 Richmond Avenue, 77057 (District J)

Completion Percentage: 100%

Total Number of Units: 125

Restricted Units: 100 (30% - 80% AMI)

Total Project Cost: \$35,854,830.00

HCD Funding: \$15,500,000.00 (CDBG-

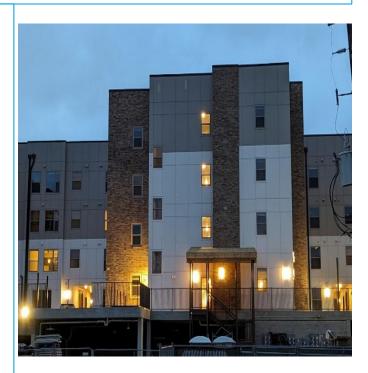
DR17)

Developer: Brownstone

Architect: Brownstone Architects

& Planners, Inc.

Anticipated Ribbon Cutting: December, 2025















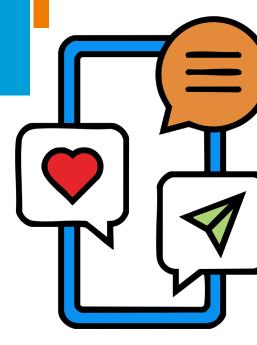
Virtual Community Office Hours



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VIII. PUBLIC COMMENTS