CITY OF SAN ANTONIO
CITY MANAGER'S OFFICE

TO: 2022 Housing Community Bond Committee

FROM: Lori Houston, Assistant City Manager

COPY: Erik Walsh, City Manager; Executive Leadership Team; Veronica R. Soto, Director of Neighborhood & Housing Services (NHSD); Melody Woosley, Director of Human Services; Razi Hosseini, Director of Public Works (PWD)

DATE: November 22, 2021

SUBJECT: **2022 Housing Community Bond Committee Meeting #2**

This memo addresses questions from Committee members from the Housing 2022 Community Bond Committee meeting held on November 17, 2021.

Committee Member Questions

- **D10:** What's in existence in terms of City funding – City/County/ARPA. Referenced that there is $35.8 million in the FY 2022 City Budget. What programs can be funded with bond funding?

  Staff Response:

Funding Amount	Program	AMI
$ 16,100,000	Owner-Occupied Rehab	80%
$ 4,100,000	Risk Mitigation Fund (Emergency Housing Assistance)	80%
$ 7,800,000	Neighborhood Improvements & Gap Funding (Rental)	80%
$ 5,250,000	Under 1 Roof (Owner Repair)	80%
$ 1,200,000	Down Payment Assistance Program (Ownership)	80%
$ 1,300,000	Online Dashboard, Housing Locator & SHIP	N/A
$ 35,750,000	**Total**	

  The bond funding may be used for a variety of housing programs to facilitate home ownership and rental opportunities. Bond funding may be used for the new construction, repair, rehabilitation or reconstruction of owner-occupied and rental occupied homes and permanent supportive housing. The use of bond funds for gap financing, down payment assistance, land banking, public infrastructure, and rehabilitation and repair activities are all eligible uses.

- **D9, D4 & D5**: Would like to hear from SAHA on how much they need for repairs for public housing, deferred maintenance and number of housing units legally allowable as public housing.

Staff Response: SAHA has been invited to present during Citizens to be Heard at the next meeting on November 30, 2021.

- **D8:** Of the 30% AMI units needed how many are homeless, SSI, public housing, etc. so that the committee prioritize the needs.

  Staff Response: An analysis conducted by the Corporation for Supportive Housing through LISC in 2019 determined San Antonio needed to add at least 900 units of PSH over 10 years. DHS does not have data on the number of units needed for people on SSI at or below 30%.

- **D3:** What happens if the bond dollars aren't used in the by 2027?

  Staff Response: If the 2022-2027 Housing Bond funding isn't encumbered or if funds are returned to the program due to a project not coming to fruition, the funding remains in the program to be continued to be used for the same original purpose.

- **D4:** Isn't the City funding 50% AMI and 80% AMI the budget? Is PSH a housing first model? Are we considering tiny home communities and other models?

  Staff Response:

  - The City currently funds rental programs from 30-80% AMI and homeownership programs from 30-120%. These programs include gap financing, Owner Occupied Rehabilitation, Minor Repair, First Time Homebuyer's Down Payment Assistance, Fee Waivers and Emergency Housing Assistance Programs. The needs identified in the SHIP show that additional funding will be needed for a variety of these and new programs to be funded through a variety of sources including the bond.

  - Permanent Supportive Housing is a type of housing that often follows the Housing First model. The Corporation for Supportive Housing (CSH) provides a good definition of the Housing First approach at: https://www.csh.org/toolkit/supportive-housing-quality-toolkit/housing-and-property-management/housing-first-model/

    Staff recommends that PSH funded in part through this Housing Bond be prioritized for unsheltered and chronically homeless individuals and adopt the Housing First approach. Clients would be prioritized and accepted through Homelink, the community's homeless coordinated entry and housing prioritization system. In line with the tenants of the Housing First approach, supportive services should be readily available and responsive to client needs but accessing supportive services would not be a prerequisite for tenancy in the unit. Staff also recommends that supportive housing funded in part through this Housing Bond accept clients who are prioritized through Homelink, the community's coordinated entry system which provides a single intake, assessment, prioritization, and placement system developed through collaborative community input.

    - Tiny homes and other innovative affordable housing ideas are all eligible to be submitted as part of the Request for Proposal (RFP) process by a builder or developer.

- **D2**: What are the requirements for low barrier PSH? Low barrier is different from no barrier. Would like to the definition of this.

  Staff Response: Staff recommends adopting a Housing First approach as discussed above; however, requirements for entry have not been defined for PSH funded through this Housing Bond. In line with the Housing First approach, staff recommends few programmatic prerequisites to permanent housing entry and low-barrier admission policies. PSH admissions policies would be designed in collaboration with the homeless response system and community to accept applicants with the greatest barriers to housing, such as no or very low income, mental or physical disabilities, poor rental history and past evictions, or criminal histories.

- **Co-Chair:** How can the bond dollars be used with SAHA?

  Staff Response: SAHA primarily serves individuals and families making up to 30% of the AMI. If the Bond Committee prioritizes rental units for this population, then staff would seek projects from our affordable housing partners through a solicitation and SAHA should apply. Funding could be used for gap financing or infrastructure.

- **D2:** Who will get the bond dollars? SAHA, SARAH?

  Staff Response: The City will issue competitive Request for Proposal (RFP) solicitations for projects to be submitted. Projects will be screened against established criteria published and financially vetted before awarding any projects.

- **Co-Chair:** Can we look at adding a SAHA property to the tour?

  Staff Response: Staff will work with SAHA to explore adding a stop at a SAHA property.

- **D2:** A list of developers who do 30% AMI and how many units total is within the developments. Recommends that the City be specific about wanting 30% AMI units because if you say up to 50% AMI then the developers will opt not to do 30% AMI units.

  Staff Response: Please see ***Attachment A***.

- **D9:** When we talk about prioritizing 30% AMI, is the development all 30% units or a mix income development?

  Staff Response: Typically, affordable housing developments are mixed-income and have different income levels that they serve, which include 30% AMI units as part of that mix.

- **D5**: Request that Bexar County Public Housing and SAHA to come present.

Staff Response: Staff will invite SAHA and Bexar County Housing Authority to speak at Citizens to be Heard at the next meeting on November 30, 2021.

- **D4:** For information edification, since some Housing Committee members and citizens to be heard, discussed the issue of the $100 million reduction of the original Housing Bond amount ($250 m), could staff make response as to why and how this was decided. Is this still negotiable?

  Staff Response: The housing bond proposition is set by Council at $150 million. The Housing Bond Committee is charged with identifying the priority populations and strategies that should receive bond funding. The recommendations for all propositions will be taken to council who will approve the proposition categories, funding amounts per proposition, and proposition language.

- **D4:** Are there any funds that can be allocated to teen homelessness. As a retired City of SA employee, one of my positions was the administrator of the Youth Service Program within the Dept. of Social Service (Community Initiatives) for many years, this has been a recurring problem in the past. Today, with the very serious problem of human trafficking that many instances, has many teens as victims, this is important.

  Staff Response: The committee can recommend funds for PSH and affordable housing be directed to specific subpopulations such as teens/young adults, older adults, veterans etc. Through the SARAH's (homeless Continuum of Care) leadership, San Antonio received a Youth Homeless Demonstration Project grant in 2019 that expanded the community's capacity to serve youth and young adults experiencing homelessness.

- **D4:** Given that, since some Housing Committee members are calling for more funding to SAHA, is there room in the bond to provide some funding to long term and emergency shelters for homeless and/or runaway teens?

  Staff Response: Yes, this is a population that could be identified as a priority and would benefit from the development of Permanent Supportive Housing.

- **D4:** In line with that, in the all current funding streams that the City of SA has, are any funds that the City is providing to SAHA currently?

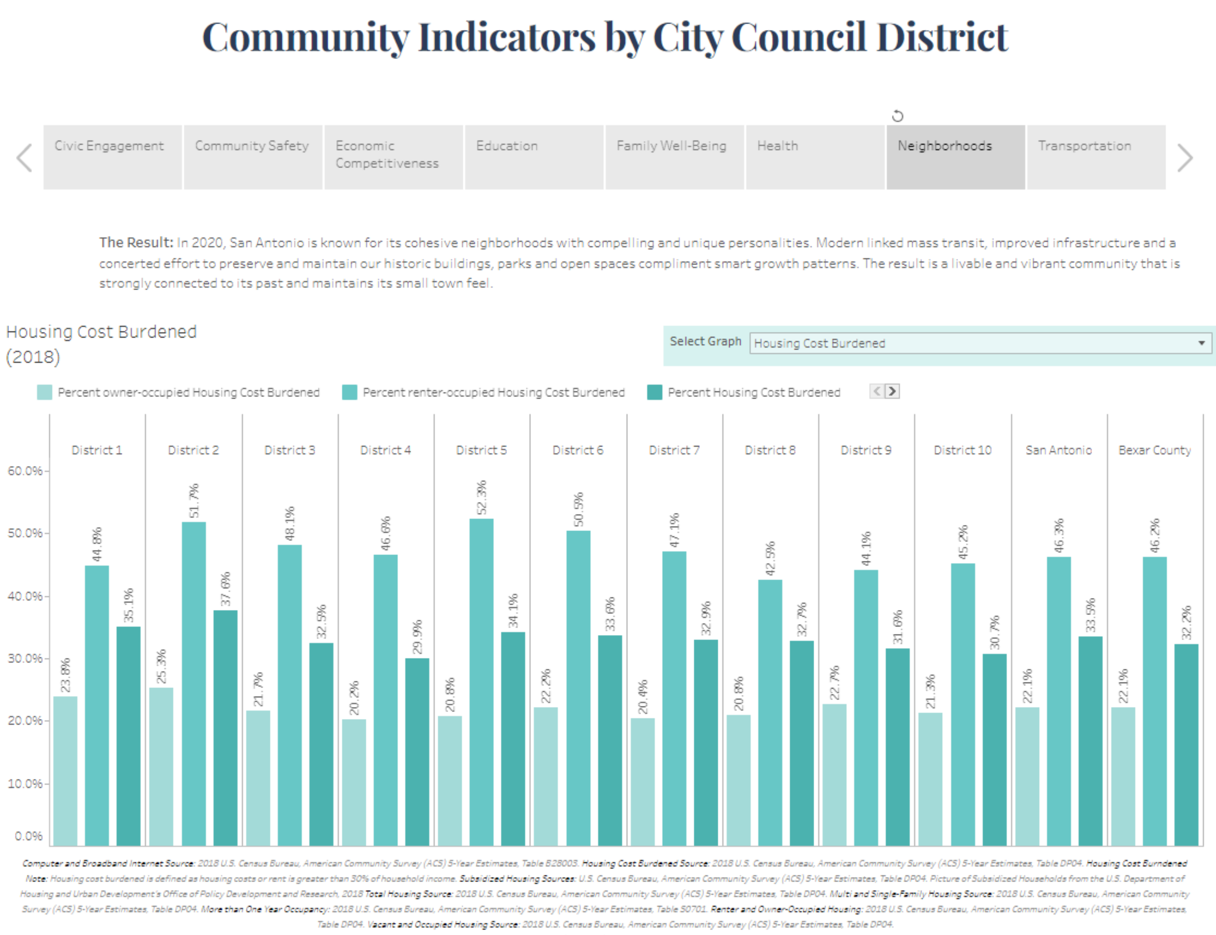
  Staff Response: The City does not fund or provide SAHA funding on an annual or reoccurring basis, however we have partnered with them on their projects and have facilitated the use of Tax Increment Financing and fee waivers and will continue to partner on projects.

  D4: In the current monies in General Fund, grants, CDBG, other grants in aid, etc., could staff identify any funding gaps, any area where the need in the various categories/strategies/priorities, e.g. funding limits or liabilities could use more funding that the Housing Bond might fund?

Staff Response: The City currently funds rental programs from 30-80% AMI and homeownership programs from 30-120%. These programs include gap financing, Owner Occupied Rehabilitation, Minor Repair, First Time Homebuyer's Down Payment Assistance, Fee Waivers and Emergency Housing Assistance Programs. The needs identified in the SHIP show that additional funding will be needed for a variety of these and new programs to be funded through a variety of sources including the bond. However, per the SHIP, the greatest need is for the production of rental units at 30% AMI or below and preservation of single-family housing for families making less than 50% of the AMI.

D8: What are the current demographics available as to the percentage of families within each AMI by district?

Staff Response: SA2020 has a housing cost burden breakdown by Council District on their website https://sa2020.org/city-council-profiles.



Other: There were several questions asked at the meeting or submitted via email regarding SAHA's capital needs and their waitlist. Please see ***Attachment B*** for SAHA's response to these questions.

Public Comment

Attachment C is the Housing Bond public comments submitted through the SA Speak Up Portal from Monday, November 8 to noon Friday, November 19.

Attachment A

FY 2017- FY 2021 30% AMI Unit Pipeline

Below are the projects in the pipeline that have 30% units, their developers, and current affordability mix. There are 1,864 units at 30% and below.

Development Name	Developer	Total Project Units	Total Affordable Units (HPF)	30% AMI units	40% AMI units	50% AMI units	60% AMI units	70% AMI units	80% AMI units	100% AMI units	120% AMI units	No AMI / MR	PSH Site
100 Labor aka Victoria Commons	Franklin Development & SAHA	213	44	27		17						169	No
1604 Lofts aka The Arcadian	NRP &SAHA	324	324	33			224		67				No
Arbors at West Avenue	Prospera HCS	234	234	17		24	124		69				No
Artisan at Ruiz	Franklin & SAHA	102	102	11		41	50						No
Aspire at Tampico aka Tampico Apartments	SAHA	200	136	9		28	68		31			64	No
Aspire at Vida	Mission DG	288	288	30	18	18	192		30				No
Brookwood Senior Apartments aka LIV at Westover Hills	Mission DG	197	158	9			149					39	No
Cassiano Homes	SAHA	499	499	429		4			66				No
Castle Point Apartments	SAHA	220	202	40		47	44		71		12	6	No
Cattleman Square Lofts	Alamo Community Group	140	138	14			89		35			2	No
College Park	SAHA	78	78	67		1			10				No

East Meadows Family, Phase II	SAHA & McCormack Baron Salazar	119	95	24		24	47					24	No
Fair Avenue Apartments	SAHA	212	211	185		2	18		6			1	No
Fiesta Trails	NRP	74	74	8		30	36						No
Granada Homes	Mission DG	265	265	84			99		82				No
Greenline North	Franklin Development	292	292	34		18	141		99				No
Hamilton Wolfe Lofts	NRP	74	74	8		30	36						No
Highview	SAHA	65	64	63					1			1	No
Horizon Point Apartments	Integrated Realty/SAHA	312	312	20	35	106		151					No
Kitty Hawk Flats	NRP	212	212	22			135	55					No
Legacy at Piedmont	Madhouse & Atlantic Pacific Communities	49	49	10		39							No
Madonna	SAHA	59	59	47			1		11				No
Museum Reach Lofts	Alamo Community Group	95	86	9		35	42					9	No
Preserve at Park aka Preserve at Billy Mitchell Apartments	Integrated Realty Group	368	368	19		58	79		212				No
Rio Lofts	NRP	78	67	7		27	33					11	No
San Juan Mission Villas	Brownstone Group	102	83	9		34	40					19	No
San Pedro Arms	SAHA	16	16	16									No
Snowden	SAHA	135	135	14		54	67						No

SoSA at Palo Alto	Mission DG & Streamline	336	336	16	16	32	244	28					No
South Flores Lofts Apartments	Athena Domain	292	147	30					117			145	No
St. Johns aka St. John's Seminary	210 Development Group	228	176	9			167					52	No
The Bristol	Atlantic Pacific Companies	96	87	9		35	43					9	No
The Crosswinds	Pedcor	312	312	23		9	203	77					No
The Legacy at Alazan fka Alazan Lofts	NRP Group/SAHA	88	80	8		32	40					8	No
The Markson aka Luna Flats	NRP	69	69	11		32	26						No
The Scott aka Traders Flats	NRP & SAHA	324	324	33			224		67				No
The Starling Apartments	NRP	90	82	9			73					8	No
Towne Twin North Phase 1 aka Twin Village	HFCC	67	67	67									Yes
Victoria Plaza	SAHA	215	82	28			54					133	No
Villa Tranchese Apts	SAHA	198	198	177		6			15				No
Villa Veramendi	SAHA	166	166	143			8		15				No
Village at Nogalitos	Prospera	78	78	9			69						No
Village at Perrin Beitel	Prospera	92	80	8		32	40					12	No
Village at Roosevelt	Prospera HCS	57	49	5		20	24					8	No
Vista at Everest	Atlantic Pacific Companies	64	64	7		18	39						No
Vista at Interpark	Atlantic Pacific Companies	64	64	7		16	41						No

Prepared by SAHA in response to November 17, 2021, Housing Bond Committee. November 22, 2021

What is SAHA's capital infrastructure need?

- The Current Capital Needs are $205 million
- Additional Major Systems that are beyond useful life $136 million
- Total Current Capital Needs plus Major System replacement is $341 million. This amount does not include needs which will arise in the next 5 to 10 years, such as additional systems and interior finishes reaching the end of useful life.
- HUD provides SAHA with $12 million per year in Capital Funding to address this need.

How many residents are on SAHA waitlists?

- SAHA's waitlists have grown rapidly in the last two months. Across the board, waitlists are much higher than a year ago.
- The Public Housing Waitlist has 52,000 families, this waitlist was at 37,000 one year ago and has grown very rapidly during September and October, perhaps as a result of the ending of the eviction moratorium.
- The Section 8 Waitlist is closed and not taking new applicants. SAHA has 5,000 families on this waitlist and in September an additional 7,000 families applied but were not able to get on the waitlist. Total Section 8 waitlist plus unsuccessful applicants is 12,000.
- SAHA is checking the various property based waitlists consisting of Section 8, Project based vouchers and other types of subsidized rent programs and will be able to provide the property based waitlist count in a few days.
- Some families are on multiple waitlists however SAHA can confirm they currently have about 80,000 unique applicants on all our waitlists (including the last category of property based waitlists).

How many residents does SAHA serve and what is the makeup of the residents you serve? For example by AMI and how many live in public housing and receive housing choice vouchers.

The breakdown is in the chart below.

Households served as of 6/30/2021						
AMI Category	PH #	PH %	HCV #	HCV %	total #	total %
<30% AMI	5,019	89.70%	10,857	84.80%	15,876	86.30%
30-50% AMI	481	8.60%	1,582	12.40%	2,063	11.20%
50-80%A MI	87	1.60%	343	2.70%	430	2.30%
>80% AMI	9	0.20%	15	0.10%	24	0.10%

HOUSING			
Date/Time Submitted	**Name**	**Council District**	**Comments**
11/10/2021 03:06	Diane Duesterhoeft	District 7	At least 50% of the Housing Bond allocation should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 01:57		District 1	Many regular citizens do not understand how the bond process works, the voices of our communities are very important we know where the dangerous areas are within our neighborhoods, we know our areas better than anyone, and it is troubling that the process and how to navigate this process are a mystery to the citizens we need their input well before a bond process and how the money is allotted and where the needs are most important. The process for public input needs to be improved
11/11/2021 17:46	Mark Skrabacz	District 1	$75 million of the $150 million bond funding, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 17:49	Terri S Chadwick	District 10	At least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 17:55	Carol Bertsch	District 1	At least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 19:16	Joan Craig	District 10	At least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 20:21	Patricia Stout	I'm unsure	Re housing: Thank you for your public service. As a social worker who was homeless as a youth, and as the wife of a veteran who was homeless for a year before receiving assistance, I submit the following request: At least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/11/2021 23:29	John Howard Faultersack	District 1	If we can provide improvements to existing (and occupied) housing, we can simplify the logistics and probably get more benefit for our dollars. Please consider making owner occupied rehab projects part of the mix when funding the housing topic.
11/12/2021 00:45	Nancy Howard	District 8	There are few low-cost housing options in San Antonio. New building techniques like Icon that utilizes 3-D printing for large scale development projects should be utilized in all sectors of the city. Building codes should allow tiny houses for immediate unhoused populations.

			Stable smaller tiny house communities are also a major component for stabilizing working families who cannot afford the $200,000+ price tag currently attached to the medium housing price in the San Antonio region. Housing First programs should be analyzed for portable “best practices.”
11/12/2021 02:40	Terry Palin	District 7	I would like to see at least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures. If you want it, owning a home is a big part If the American dream and this $75 million would help immensely. Thank you.
11/12/2021 12:30	Virginia Mata	District 6	At least 50% of the Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/12/2021 14:54		District 4	At least 50% of the $150 million Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/12/2021 19:40	Pamela Kirk	I'm unsure	Revitalizing owner occupied housing makes sense rather than to move owners to another property which would require new construction. Let's help low income homeowners to maximize value of their investments and to live "in place" where they can contribute to the local schools and to the community at large.
11/15/2021 15:12	Dorothy Cary		Mental illness for senior citizens who live alone in senior citizens housing communities. Our facilities are still isolating us from one another. No activities or support systems or even encouragement after family deaths, sickness , loneliness after the Covid and so many deaths. Our economic situations are terrible. We fell hopeless. This office doesn’t understand how important our mental state is. Please contact doctors, counselors, activities for a better atmosphere. Depression is CS on the rampage here. We are old, not dead yet. We’ve paid our dues for many years for our little monthly check. Please help us. Thank you and God Bless.
11/15/2021 18:31	Elida Perez		I would like the city to help single parents obtain a safe home. The options available today make it impossible for me to move forward and out of public housing. I’ve been at Alazan for almost 10 years. I believe the city’s partnership with SAHA should create a program for residents to work for SAHA like on the job training. I personally don’t get a lot of help because I have a college education so I don’t qualify for programs such as tuition assistance, job assistance, child care and transportation. I also would like to address that the financial literacy classes are not necessarily helpful. I’m an independent insurance agent and we help families understand their financial needs go beyond bank savings and credit card debt. People need to be aware of life insurance benefits can help with retirement, long term care, college savings, income replacement due to illness. Go fund me isn’t insurance.

11/17/2021 01:25	Katherine Velasquez	District 2	Housing assistance should address the ridiculous increase in cost of housing and inflated rise in property values by policies that favor investors and developers, especially of higher end homes. All of this widens the wealth gap and puts home ownership beyond the reach of our younger generation and lower and middle income families. We should quit incentivizing development that is not accessible to these families. Provide funding that allows families to improve their homes (instead of being forced to sell to "flippers" who make only cosmetic upgrades and inflate property values), then give these families a break on property values for an extended period.
11/17/2021 01:30	Elizabeth Neira	District 4	I have lived in District 4 for over 30 years. My mother who is an active senior center attends all the D4 and D3 events. She along with her other friends at St. Bonneventure have pleaded for a center that is a safe place for all people in D4 & D3. - Why was D4 Multigenerational Center at PAC only allocated $10M compared to District 1 who was allocated $14Million, $4 million dollars less than District 1. Now I believe both projects should be funded at equally $14 Million. My request is to have the Bond committee re-allocate dollars from projects that serve little to no residents of COSA such as UTSA who only serves its Athletes where more than 80% are not from San Antonio but from other cities and states! Please re-allocated the $10M from UTSA to PAC!!! Why is Palo Alto College categorized as a district project when they serve over 11,000 students all over the city of San Antonio. If UTSA is a regional project, than PAC should also be considered as a regional project. Also, UTSA would now be appropriated $20M (both 2017 & 2022 Bond) for projects that serve a small amount of students. These projects are no accessible to the general public. UTSA presented today and noted UTSA's facility "public access for organized & competitive events." Thus meaning, the facility is only accessible to agencies and competitive sports NOT the GENERAL PUBLIC. Please move the $10M allocated to UTSA to D4 Multigenerational Center at PAC which would serve over 18,000 people and has served over 100,000 students. The added funding would provide additional funds to ensure the services and needs we raised in the townhall meeting in April of 2019 are addressed! Their facility is open to all individuals and the general public. I do not want to support a project that does not allow access to the general public!
11/18/2021 01:14	charley	District 5	I am for affordable and public housing but I want to make sure that the city doesn't keep on repeating past mistakes by putting them all in 1 location and end up creating ghettoes
11/18/2021 18:28	Patricia Ramos	District 5	78207 residents need help. Our community needs to look nice like any other neighborhood in the North Side.
11/18/2021 18:55	DAVID CARDOZA TORRES	District 5	Housing Bond allocation; Owner-Occupied Housing Rehab.

11/18/2021 18:56	Jean Durel	District 5	Housing Bond Program: At least 50% of the Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures.
11/18/2021 18:59	Ana Maria De La Portilla, PhD	District 5	1) Why is the City recommending affordable housing in the historic districts? 2) Persons who have a long period of residency (20 plus years) in the neighborhood should be grandfathered and not have their taxes raised.
11/18/2021 19:47	Betty Rodriguez	District 3	I want At least 50% of the Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures. San Antonians deserve and need this desperately!
11/18/2021 20:50	Arnando Olguin	District 5	We need to continue and add to programs like fixing exsisting homes, painting, roofing, insulation, small repairs, plumbing, especially for the elderly. Lasks some of the qualifications if needed.
11/18/2021 21:00	Linda Davila	District 5	At least 50% of the Housing Bond allocation, or $75 million, should go toward Owner-Occupied Housing Rehab funding. Helping people stay in their homes strengthens community connections and is more environmentally sustainable than displacing residents and building new structures. The need for OOR has always been higher than the resources available. This bond money definitely ups the resources and it should be directed to Owner-Occupied Rehab.