



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 7/12/2022

District D

Item Creation Date: 6/14/2022

HCD22-47 Agape Homes CDC Agreement

Agenda Item#: 12.

Background:

The Housing and Community Development Department (HCDD) recommends Council approval of an Ordinance authorizing an Agreement between the City of Houston (City) and Agape Homes CDC providing a Loan of \$2,190,000.00 in Uptown TIRZ Series 2021 Affordable Homes Funds, to finance the infrastructure for a single-family development to be located at 6412 Calhoun Road in the OST - South Union neighborhood. This project will be administered by HCDD's Large Tract Division's Affordable Home Development Program (AHDP) with the aim of increasing affordable single-family homeownership opportunities for households earning between 60% and 120% of the Area Median Income (AMI).

Agape Homes CDC will oversee the horizontal and vertical construction necessary to prepare the lots for the new construction of 80 single-family homes, including 57 affordable homes and 23 market-rate homes. The development's home designs have a mix of two-, three- and four-bedroom single-family detached homes restricted to homeowners at 70% to 100% AMI.

The loan term is to be a maximum of two years, beginning from the date of project initiation to the completed construction of the last affordable home. The construction loan is non-amortizing and the term is limited to 24 months. The affordability period per affordable home will be five years, commencing when the sale and City loan to the homebuyer has closed. The City's Deed of Trust is to be fully released upon closing the sales of 57 affordable homes and closing the respective City loans to homebuyers. Partial releases of the City's Deed of Trust securing the construction loan will be given for lots as the lots are sold.

This project is aligned with the City's efforts to invest in creating affordable housing opportunities for homebuyers in desirable neighborhoods throughout the city.

Sources	Amount	Uses	Amount
TIRZ – Bond (COH HCD)	\$2,190,000.00	Land Acquisition	\$7,361,700.00
Home Sales	\$18,399,930.80	Site Work	\$1,420,000.00
Land Subsidy	\$3,212,019.60	Hard Construction Costs	\$13,290,000.00
		Soft Cost	\$1,730,250.40
Total	\$23,801,950.40	Estimated Total	\$23,801,950.40

No fiscal note is required on grant items. This item was reviewed by the Housing and Community Affairs Committee on June 21, 2022.

DocuSigned by:


 Keith W. Bynam, Director

Prior Council Action:

05/05/2021 (O) 2021-354; 09/01/2021 (O) 2021-756; 11/10/2021 (O) 2021-973

Amount and Source of Funding:

\$2,190,000.00 - Uptown TIRZ Series 2021 Affordable Homes Fund (2430)

Contact Information:

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ATTACHMENTS:

Description

2021-354 Ordinance
 2021-973 Ordinance
 2021-756 Ordinance
 Fact Sheet

Type

Backup Material
 Backup Material
 Backup Material
 Backup Material