



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/27/2024

District D

Item Creation Date: 2/5/2024

HCD24-03 Bering Omega/HACS360

Agenda Item#: 18.

Summary:

ORDINANCE approving and authorizing second amendment to Loan Agreement between City of Houston, Texas, **BERING OMEGA COMMUNITY HEALTH SERVICES, INC.**, a Texas Non-Profit Corporation and **HOUSTON AREA COMMUNITY SERVICES, INC.**, a Texas Non-Profit Corporation to include Restrictive Covenants, Deed of Trust; and Updating the Scope of Services - **DISTRICT D - EVANS-SHABAZZ**

Background:

The Housing and Community Development Department (HCD) recommends Council approval of a Second Amendment to the Loan Agreement between the City of Houston (City), Bering Omega Community Health Services, Inc., a Texas non-profit corporation (Bering Omega) and Houston Area Community Services, Inc., a Texas non-profit corporation (HACS360) to include: (a.) Restrictive Covenants evidencing certain restrictions on the alienation, occupancy and use of the Property for the duration of the Restricted Use Period; (b.) A Deed of Trust that contains provisions referencing the Restrictive Covenants; and (c.) An updated Scope of Services. No additional funding is being requested with this Agreement.

The City and Bering Omega previously entered into an Agreement approved pursuant to Ordinance No. 2013-0317 and executed April 10, 2013, in which the City provided \$1,100,000.00 in Community Development Block Grant (CDBG) funds to pay for the acquisition of the property located at 2920 Fannin Street, Houston, Texas. In that Agreement, Bering Omega agreed to construct and operate a building to be used as a community clinic serving low-to moderate-income persons.

On March 28, 2017, pursuant to Ordinance No. 2017-198, City Council approved a First Amendment to the Agreement (a.) Extending the term of the Agreement, b.) Reducing the length of time the sale or transfer restrictions are in place from 50 years to 10 years; c.) Extending the Restricted Use Period from 5 years to 10 years; and d.) Adding HACS360 as a party to the Agreement.

Bering Omega and HACS360 have provided services for the HIV/AIDS community for the past 15 years. The Bering Omega Dental Clinic and Day Treatment Program serves approximately 3,545 individuals per year and their Housing Assistance Program serves 1,697 households annually. The facility located at 2920 Fannin Street will provide a dental program, housing assistance, medical primary care for acute and chronic conditions and HIV/AIDS, linkages to care and treatment services, as well as behavioral health to include both psychiatry and therapy. Social services including referrals to housing, food assistance, and end of life care are also provided.

DocuSigned by:

Michael Nichols

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Michael Nichols, Director

Prior Council Action:

4/10/2013 (O) 2013-0317

3/28/2017 (O) 2017-0198

Contact Information:

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ATTACHMENTS:

Description	Type
Cover Sheet	Signed Cover sheet
Ordinance 2017-198	Backup Material
Ordinance 2013-0317	Backup Material
Fact Sheet	Backup Material
Ownership Form	Backup Material
Board List	Backup Material

Cleared Tax Report
Public Notice
PNFDF
HUD Waiver
Caption
Ordinance

Financial Information
Public Notice
Backup Material
Backup Material
Other
Ordinance/Resolution/Motion