



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/1/2024

District D

Item Creation Date: 8/18/2024

HCD24-86 Heart of Houston CDC Amendment (CHDO Program)

Agenda Item#: 3.

Summary:

NOT A REAL CAPTION

ORDINANCE authorizing an Intercreditor Agreement and Subordination Agreement between the City of Houston and **HEART OF HOUSTON COMMUNITY DEVELOPMENT CORPORATION - DISTRICT D - EVANS-SHABAZZ**

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing an Intercreditor Agreement and Subordination Agreement between the City of Houston (City) and Heart of Houston Community Development Corporation in which the parties will agree that: (1) the City will subordinate its liens to the senior lender, Amegy Bank for bridge loan financing, (2) Amegy Bank will acknowledge that its lien is subordinate to the City's existing restrictions, and (3) establish other standard and miscellaneous terms between the parties. No funding is attached to this item.

The initial Developer Agreement (pursuant to Ord. No. 2023-689) provided up to \$3,100,000.00 in Home Investment Partnerships Program (HOME) set-aside funds towards the design and construction of approximately 11 energy-efficient, affordable, single-family homes on scattered sites in the Third Ward and South Union Communities.

The home designs are three-bedroom, two-bath with a front load garage. Each home will be between 1,400 to 1,800 sq ft. The designs of each home will encompass: Energy STAR certification and FORTIFIED HOME Hurricane Standards, and some homes will have resilient components, including but not limited to, generators, impact windows, and/or higher R-value insulation, based on the availability of funding from Wells Fargo's grant.

The Community Housing Development Organization (CHDO) Single-Family Home Development Program administers newly constructed affordable-family homes for sale to eligible low- and moderate-income homebuyers and expands nonprofit housing providers' capacity.

Fiscal Note:

No Fiscal Note is required on grant items.

The Housing and Affordability Committee Chair was briefed on this item on August 14, 2024 and to the Housing and Affordability Committee on August 26, 2024.

DocuSigned by:

Michael Nichols

Michael Nichols, Director

Prior Council Action:

08/30/2023 (O) 2023-0689

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Contact Information:

Roxanne Lawson
(832) 394-6307

ATTACHMENTS:

Description

Cover Sheet
1 of 5 Ordinance 2023-0689
2 of 5 Ordinance 2023-0689
3 of 5 Ordinance 2023-0689
4a of 5 Ordinance 2023-0689
4b of 5 Ordinance 2023-0689
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Public Notice English

Type

Signed Cover sheet
Backup Material
Backup Material
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