



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/15/2024

District A, District B

Item Creation Date:

HCD24-64 Change Happens CDC Second Amendment to the Developer Agreement

Agenda Item#: 55.

Summary:

NOT A REAL CAPTION

ORDINANCE authorizing a Second Amendment to Developer Agreement between the City of Houston and **CHANGE HAPPENS COMMUNITY DEVELOPMENT CORPORATION - DISTRICT A - PECK** and **DISTRICT B - JACKSON**

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Second Amendment to the "Developer Agreement (CHDO Single-Family Home Community Housing Development Program)" between the City of Houston and Change Happens Community Development Corporation (CDC) to: (1) increase the maximum amount of the Agreement from \$2,100,000.00 to \$3,096,726.00; (2) provide up to \$996,726.00 in additional Home Investment Partnerships Program (HOME) funds, consisting of (a) \$946,726.00 in HOME set-aside funds to cover (i) construction cost increases and (ii) costs to construct, market, and sell two additional affordable single-family homes, and (b) an increase to the developer fee by up to \$50,000.00 per fiscal year in HOME funds for operating expenses; (3) amend cost projections; (4) increase the maximum number of affordable single-family homes that Developer may build pursuant to the Agreement from nine (9) to ten (10); (5) extend the amount of time the Director may extend the time of performance; (6) change provisions regarding definitions, CHDO Proceeds, Developer Fee, Recapture Requirements, the affordability period, and sales contracts; and (7) replace the forms of the Homebuyer HOME Statement, Homebuyer Note, and Homebuyer Deed of Trust.

On January 18, 2023, by Ordinance 2023-0044, City Council approved an Ordinance authorizing a First Amendment to the Developer Agreement to add state law compliance provisions and extend the time of performance thereunder for the CHDO Single-Family Home Development Program to be executed by the City of Houston and Change Happens CDC.

The 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.

This item was presented to the Housing and Affordability Committee on August 26, 2024.

DocuSigned by:

Michael Nichols

Michael Nichols, Director

Prior Council Action:

02/12/2019 (O) 2019-0082; 12/09/2020 (O) 2020-1075; 01/18/2023 (O) 2023-0044

Amount and Source of Funding:

\$996,726.00 – Federal Government - Fund 5000

Contact Information:

Roxanne Lawson
(832) 394-6307

ATTACHMENTS:

Description

Public Notice Spanish
Public Notice English
Conflict of Interest Disclosure
Tax report
Ordinance 2020-1075
Ordinance 2023-0044
Ordinance 2019-0082
SAP Docs

Type

Public Notice
Public Notice
Backup Material
Backup Material
Backup Material
Backup Material
Backup Material
Financial Information

UNITED STATES
PNFDF

FINANCIAL INFORMATION
Financial Information