



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/29/2024

District D

Item Creation Date: 9/26/2024

HCD24-85 The Men's Center D/B/A Recenter

Agenda Item#: 12.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing Assignment by The Men's Center Incorporated, a Texas nonprofit corporation, now known as recenter ("recenter"), to and assumption by, The Harris Center for Mental Health and Intellectual and Developmental Disabilities, a Community Center and Agency of the State of Texas ("Harris Center"), of all of recenter's rights and obligations under an existing loan ("Loan") made by the City of Houston to recenter. No additional City funding will be required for this action.

Previously, pursuant to Ordinance No. 2018-443 executed on June 14, 2018, the City Council approved a Loan agreement between the City and recenter for the use of Homeless and Housing Consolidated Bond fund in the amount of \$3,394,207.00 and TIRZ Affordable Housing Funds in the amount of \$605,793.00 to fund construction of a 62-unit supportive housing facility located at 3809 Main St., Houston, Texas ("Property"). The Loan required certain restrictions to be placed on the Property regarding usage as affordable housing for a period of 10 years.

Upon completion of construction, recenter operated the Property as a homeless housing program. Then, on April 22, 2024, recenter elected to enter into a management agreement with Harris Center wherein Harris Center agreed to take over operations of the homeless program services at the Property.

Therefore, pursuant to Ordinance No. 2024-264, approved by City Council on April 24, 2024, City Council approved a funding agreement between the City and Harris Center in the amount of \$750,000.00 in order to fund Harris Center's services at the Property.

The recenter additionally agreed to sell the Property to Harris Center. In conjunction with this sale, Harris Center will assume recenter's obligations to the City pursuant to the Loan. Harris Center requested that the City consent to certain modifications to the existing usage restrictions originally imposed on the Property at the closing of the Loan.

The City and Harris Center agreed that the number of restricted units will be 13 units, of which 10 units will not exceed 30% of the adjusted income of a household whose income is less than 60% of the Area Median Income (AMI) and 3 units will not exceed 30% of the adjusted income of a household whose income is less than 50% of the AMI. In addition, the restricted units may be used by individuals and families suffering from both homelessness and behavioral health issues.

Established in 1965, The Harris Centers' mission is "to transform the lives of people with behavioral health and IDD needs." Amongst the supportive services provided, Harris Center provides a wide array of housing services including homeless outreach, rehabilitative support, placement assistance, permanent supportive housing and crisis support for adults who are behaviorally ill. The Harris Center also provides outreach services through their current Projects for Assistance in Transition from Homelessness program.

This item was reviewed by the Housing and Affordability Committee on October 15, 2024.

DocuSigned by:

Michael Nichols

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Michael Nichols, Director

Prior Council Action:

(O) 2018-443, (O) 2011-614

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ATTACHMENTS:

Description

2018-443 - Public Facilities

Project Fact Sheet

Ownership Form

Type

Ordinance/Resolution/Motion

Backup Material

Backup Material