



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/12/2025
 District B
 Item Creation Date: 8/7/2025

HCD25-101 Retreat at Esther

Agenda Item#: 45.

Background:

The Housing and Community Development Department (HCD) recommends Council approval of an Ordinance authorizing a Loan Agreement between the City of Houston (City) and Ike Communities Foundation, Inc. (Borrower), joined by Houston RE, LP as Owner, to provide \$4,000,000.00 in HOME Investment Partnerships Program (HOME) funds for the new construction of Retreat at Esther, an affordable multifamily apartment complex for seniors to be located on the Southwest corner of Wheatley Street and Esther Drive, Houston, TX 77088.

Retreat at Esther will be a newly constructed, 103-unit mixed-income community designed specifically for seniors, with units reserved for households earning at or below 30%, 50%, and 60% of the Area Median Income (AMI). The development is located near neighborhood parks, grocery stores, healthcare providers, and other essential amenities. The site also offers convenient access to major transportation corridors, including State Highway 290 and Interstate 45, ensuring mobility for residents and visitors alike.

The development of Retreat at Esther will contribute meaningfully to the ongoing revitalization efforts in Acres Homes—a neighborhood targeted by the City of Houston for strategic investment. This project will not only bring critically needed affordable senior housing, it will also stimulate the local economy and support broader community development goals.

The loan and affordability period will be 20 years and will commence when the construction period is completed. The loan will be non-amortizing throughout both the construction and affordability periods. Following project completion, the outstanding principal balance of the note shall accrue at 1% interest. The borrower will pay an annual installment of interest from the available cash flow.

Sources	Amount	Uses	Amount
City of Houston Request (HCD Source)	\$4,000,000.00	Hard Cost	\$17,506,720.00
Conventional Loan	\$6,310,000.00	Soft Cost	\$3,556,744.00
LIHTC Syndication Proceeds	\$15,998,400.00	Acquisition Cost	\$2,664,974.00
In-Kind Equity / Deferred Developer Fee	\$1,150,150.00	Developer Fee	\$3,059,812.00
		Reserves	\$670,300.00
Total Source of Funds:	\$27,458,550.00	Total Project Cost:	\$27,458,550.00

Fiscal Note:

No fiscal note is required on grant items.

This item was reviewed by the Housing and Affordability Committee on September 16, 2025.

Michael Nichols
 Michael Nichols, Director

Amount and Source of Funding:

\$4,000,000.00 Federal Government - Grant Funded (5000)

Contact Information:

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