



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 7/5/2017

District I

Item Creation Date: 3/20/2017

HCD17-37a SER-Jobs for Progress of the Texas Gulf Coast Inc.

Agenda Item#:

Background:

The Housing and Community Development Department requests that Council amend the contract between the City and SER-Jobs for Progress of the Texas Gulf Coast Inc. to allow the use of New Market Tax Credits (NMTC) in financing the renovation of a 22,000-square-foot building. In April 2016, Council allocated \$5,300,000 in federal Community Development Block Grant (CDBG) funds for the acquisition and renovation of the SER-Jobs building. The proceeds from the NMTC will supplement the funds needed by the developer to complete the project.

The renovated building at 1710 Telephone Road will be SER-Jobs' future site of a new Workforce Opportunity Center, which will serve up to 4,000 low-income individuals annually. The facility will feature a Career Café, educational workshops, occupational training and youth services. The center will enable SER-Jobs to increase its capacity by 9% annually to serve Houston residents, expand its classroom and service delivery space, and create a hub for the community to access services and resources to achieve career goals. By 2020, SER-Jobs anticipates doubling its capacity by serving 8,000 persons annually.

| Sources | Amount | Uses | Amount |
|--------------------|-------------------|--------------------|-------------------|
| COH HCDD | 5,300,000 | Acquisition | 1,786,860 |
| Harris County CDBG | 2,000,000 | A&E | 798,783 |
| NMTC | 3,119,157 | FF&E/Capital Costs | 840,166 |
| Bank Loan | 13,343 | Renovations | 6,195,401 |
| | | NMTC Costs | 811,290 |
| Total | 10,432,500 | Total | 10,432,500 |

SER-Jobs is a 50-year-old non-profit organization serving as a leader in non-traditional vocational education. It is an equal partner with high school districts and community colleges, establishing a solid reputation for service to high-risk, hard-to-serve populations. No new funds are being requested for this project.

This item was reviewed by the Housing and Community Affairs Committee on April 18, 2017.

Keith W. Bynum for Tom McCasland
Tom McCasland, Director

Prior Council Action:

04/15/2017 (O) 2016-0255

Contact Information:

Roxanne Lawson

832.394.6307