



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/18/2018

ALL

Item Creation Date: 11/1/2018

HCD18-109 Multifamily Rental Program Guidelines

Agenda Item#:

Background:

The Housing and Community Development Department (HCDD) requests that City Council approve an ordinance adopting the attached guidelines for the Disaster Recovery (DR-17) Multifamily Rental Program (Multifamily Program) using Community Development Block Grant - Disaster Recovery (CDBG-DR) funds from the Texas General Land Office (GLO). The Multifamily Program will address both direct and indirect impacts of Hurricane Harvey on Houston's affordable rental housing stock. The shortage of affordable rental housing units available to meet the needs of renters in Houston was exacerbated by Hurricane Harvey.

The program aims to facilitate development of new multifamily rental housing, the acquisition and/or rehabilitation of flood-damaged multifamily rental housing, and strategic land acquisition for multifamily development to address this shortage and meet the needs of disaster impacted rental households, including those in public housing. These guidelines will provide the broad outline of what these programs cover.

The focus of the program is to provide affordable housing to extremely low-, very low-, low- and moderate-income renters. The goals and objectives of the Multifamily Program is to meet the unmet needs for affordable rental households and residents of public housing outlined in the action plan. The Multifamily Program will aim to rehabilitate or reconstruct damaged affordable multifamily properties resulting from the storm's impact, but also to finance new construction in areas that promote higher standards of environmental and economic resiliency. Finally, the Multifamily Program will make special emphasis to serve the homeless population and create permanent supportive housing and housing serving special needs populations.

The CDBG-DR proceeds from the Multifamily Program may be leveraged with multiple financing sources dedicated to promoting affordable housing initiatives including Housing Tax Credit equity, conventional equity and agency debt products. By leveraging CDBG-DR proceeds with other programs, HCDD anticipates financing approximately 1,500 - 3,000 units of affordable rental units for Low-to-Moderate Income households throughout the city. All work must be completed six years from the award of the contract to the City of Houston from the GLO, HUD's direct recipient of Hurricane Harvey CDBG-DR funds.

This item was reviewed by the Housing Committee on November 7, 2018.

A handwritten signature in blue ink, appearing to read "Tom McCasland", is written over a horizontal line.

Tom McCasland, Director

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