

BUILDING A MORE EQUITABLE CITY



2019 ANNUAL REPORT

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Message from HCDD Director and Chief Financial Officer



2018 was a year of unprecedented growth and transition for the Housing and Community Development Department, both figuratively and literally.”

After a year-long “all hands-on deck” response to address the immediate impact of Hurricane Harvey, HCDD set out to develop a strategy for long-term recovery.

A well-designed recovery effort comes from the community. In 2018, we completed our biggest community engagement effort to date, connecting with over 4500 Houstonians. This year, that feedback is being turned into action. HCDD made reforms to our existing programs, streamlining processes and expanding program reach to even more Houstonians. With the help of Civis Analytics, HCDD launched the Harvey Data Project, a new way of measuring the impact of storms and helping us fairly locate the people in most need.

While disaster recovery represents a new and urgent focus for our department, we cannot undervalue the strides our entitlement program teams are making. Our Homebuyer Assistance Program provided down payment assistance to 162 first-time homeowners this year, nearly double last year’s number. Our New Home Development Program piloted its program with 15 new affordable homes in the Mayor’s Complete Communities, and another 29 are under construction. Our Multifamily team implemented a new Equitable Distribution Policy to decide what developments to support; this policy will help low- and moderate-income residents access neighborhoods with A- or B-ranked schools, healthy food options, and quick access to workplaces. The team also stewarded an unprecedented collaboration with union leaders, advocates, and legislators to establish workforce protection. In April, the City signed the Build It Better Houston agreement, new labor standards that will ensure everyone working on our multifamily sites will be given fair wages, robust healthcare, and additional safety and skill training. These accomplishments and the steady work of our teams has been captured in this report, which covers activities between July 1, 2018 to June 30, 2019.

While much has been accomplished in the past year, much remains to be done. Regardless of the challenges that lay ahead, HCDD will continue to develop communities where our residents can work, play, learn and prosper.

Tom McCasland
HCDD Director

Ellen Eudy
HCDD Chief Financial Officer

What we do

HCDD's mission is to make investments that serve Houstonians' housing needs and to build a more equitable city by creating safe, resilient homes and vibrant, healthy communities.



From breaking ground on innovative multifamily developments to handing homeowners the keys to their repaired homes, HCDD is working to improve the lives of our residents.



We envision a Houston where everyone has a safe home they can afford in a community where they can thrive”.

We do this by:

Investing to build new homes and fix existing homes for renters and homeowners.

Creating opportunities for Houstonians to realize the dream of homeownership.

Serving Houstonians who don't have stable housing or who are experiencing homelessness.

Building neighborhood amenities that support strong communities.

Leveraging recovery resources to transform the city and make our recovery last beyond the next storm.

Preserving affordability for homes and communities for the long term.

Leading in a national conversation about the affordable housing crisis.

Housing+

Recovering from a major natural disaster requires more than just building houses quickly.

Our programs consider the services offered by non-profits and help smaller developers and businesses build capacity to work towards the City's goals in the future.

Each of our supported initiatives focuses on how housing impacts residents in other areas of their lives. With this approach, we can create double or triple the impact on resident lives for the same financial investment.

Housing+ Health

Our department prioritizes bringing people choices, especially to communities that have historically had fewer opportunities. Houston's newest H-E-B at North MacGregor, opening in December, 2019, will bring healthy and robust grocery options to families in the Third Ward, whose options have historically been limited. And to make sure that housing-related projects remain safe in the long term, we are working closely with Houston Public Works on infrastructure projects and building in areas and creating projects that can withstand future disasters.

Housing+ Jobs

The way we build protects workers and families. The Build Houston Better worker's agreement, which went into effect in April, ensures that developers pay their workers at least \$15/hour, provide robust safety training, and participate in City healthcare or pay-or-play benefit options. Our Public Facilities team underwrites projects that create new jobs with a focus on hiring from the community. While the arrival of H-E-B MacGregor Market immediately provides health benefits, it also brings over 300 jobs to the community. The soon-to-come East End Maker Hub, approved in the current fiscal year, will create over 400 manufacturing jobs and provide skill training to small businesses and at least 75 individuals annually.

Housing+ Transportation

Where you live makes an immediate impact on how you spend your time: what jobs you can access, where your kids can go to school, what resources you can use to find opportunities. Our Multifamily and Single-Family teams support projects that are close to major transit systems or are within reach of resources and job hubs. Completed projects like Hardy Yards Apartments and announced projects like McKee City Living are bringing affordable homes to the downtown core, reducing the burden of lengthy travel between family and work.



Our new office at 2100 Travis, only two blocks from the Downtown Transit Center, brings our team closer to residents.

Building Capacity

As 2018 closed, HCDD faced a daunting new task: implementing one of the largest recovery efforts in Houston's history. With \$1.27 billion of federal funding set to help the city recover from Hurricane Harvey, the Department has a lot of work to do. We dedicated Fiscal Year 2019 to building capacity, so we can meet this challenge and work towards an ambitious and equitable future for Houston.

For our team, recovery is not just about making repairs or even preparing for the next storm. Our strategy will shift the

paradigm of how disaster recovery happens. Though it may present more challenges, our strategy prioritizes those who are often helped last, so that this time, they will be served first.

In late 2018, we set five goals for our recovery strategy and our Department's yearly entitlement programs. Our recovery approach is about **resiliency**, **equity**, and **transparency**. We are using **data** to view the situation fully, and creating a **housing+** model, which recognizes that home is more than just the roof over your head.

Building a Team

To best meet the needs of Houstonians, we needed more hands. HCDD has expanded our staff 23% in the past year and will have doubled our 2018 staff by early 2020. This hiring process brought in new specialists and allows us to give more attention to areas that needed it. In addition, we contracted with private sector specialists in data collection, intake, and customer service to add expertise.

With so many new employees, we quickly outgrew our space. In January 2019, HCDD moved from our long-time home at 601 Sawyer to 2100 Travis Street, a new building at the edge of downtown. Only a block from the Downtown Transit Center, the new location is easier to access and closer to the people we serve.

FIND US!
2100 Travis St., 9th Floor
Houston, TX, 77002

Move in-date: January 7, 2019



Resiliency

Hurricane Harvey reshaped expectations about flooding in Houston. Though our recovery efforts are clearly created to reduce the risk of flooding, HCDD also rewrote guidelines for long-standing entitlement grants and programs to address our changing understanding of the city's needs. As the City of Houston creates comprehensive plans to build resiliency, HCDD has aligned our priorities with the City's larger strategy, making sure that we are building forward together.



HCDD's initiatives are informed by community input and the City's bigger goals of revitalizing our communities.



Equity

Hurricane Harvey did not impact all neighborhoods equally, and merely looking at property lost in dollar-amounts does not give us a full picture. Neighborhoods that are already socially vulnerable, with less wealth and security, face a greater challenge in terms of recovery. Methods of measuring this disparity are outdated, as they often focus on monetary value and thus overlook household with less-valuable properties. Low-income households then have more difficulty qualifying for reimbursements or receiving enough to make their homes livable. Our programs prioritize reaching these residents and helping them into homes that are safe and secure.

Many times, the people that need the most help are also the most difficult to serve. They may face challenges of mobility or health, may not have access to required documents, or lack the connections and resources to get help from our program. Programs focused on rapid results and production numbers may avoid these sorts of applicants. Our programs have an ambitious priority schedule, personalized case managers, and on-the-ground outreach teams who have knocked on doors and follow up to make sure that those usually served last, are served first.

Sasha Marshall teaches young community members the importance of fair housing.



Our team knocked over 180,000 doors across 50 zip codes to spread the word about Hurricane Harvey recovery.

Key Facts

Who has taken the Harvey Recovery Survey?



73%
of respondents are low-income



47%
of respondents have a senior (age 65+) in their household



33%
of respondents have a member with a disability in their household



HCDD's Outreach team brings the latest news and resources to civic centers and libraries across Houston.

Data

In March 2019, HCDD worked with CivisAnalytics to produce the Harvey Data Project, which documents the numerical and dollar-value amounts of unmet need in the city. The project revealed that Hurricane Harvey was even more devastating than traditional disaster recovery metrics had captured. More than 25% of all Houston households were impacted by the storm, over half of them outside the floodplain and thus likely to be uninsured. The Harvey Data Project showed that \$3.1 billion of “unmet housing need” remained in the city, more than double FEMA’s estimate.

It also demonstrated which neighborhoods are likely to be the hardest hit, based on socio-economic and environmental factors.

The Harvey Data Project was recognized by Fast Company’s 2019 World-Changing Ideas in two categories: as an Honorable Mention for the AI and Data Category, and as a Finalist for the Spaces, Places, & Cities category. By partnering with specialists who can give us a complete, data-driven view of Houston, we can work towards achieving our goal of equity.

Transparency

HCDD received approval to start our recovery programs in January of 2019. Our starting point was the community. Our Department opened four Housing Resource Centers across the city and held over 150 events in the community. In addition, our teams knocked on doors in almost 50 zip codes, targeting low- and moderate-income neighborhoods that may not have heard about our programs.

Making first contact is only step one. HCDD takes seriously our responsibility to update stakeholders and the public on our progress. Monthly reports are released onto our website, recovery.houstontx.gov/transparency, told through easy-to-read charts and infographics. We have placed over 9,000 outbound calls reaching out to applicants who are missing documents. In response to requests from community leaders, HCDD began holding weekly walk-in office hours at our 2100 Travis location, where residents can get face-to-face help on applications. As of the start of Fiscal Year 2020, we also offer a monthly digital and quarterly print newsletter, and all our print communications circulate to nearly 100 locations.

Key Facts

166,497

Doors knocked

31,203

Calls completed by the call center

138

Outreach events held

14,298

Surveys completed

Activities completed between July 1, 2018 to June 30, 2019



Mayor Sylvester Turner joins our team to award the first reimbursements from the Harvey Homeowner Assistance Program, on April 26, 2019

New Home Development Program

2018 saw the formation of the Houston Community Land Trust, an organization that promotes homeownership, affordability, and community land stewardship. Our partnership with the Houston Community Land Trust allows low- and moderate-income residents to purchase 2- and 3-bedroom homes developed through our New Home Development Program for as low as \$65,000. Homeowners then agree to resell their homes at affordable prices, which ensures these homes stay affordable to communities over generations. A similar partnership with the Houston Land Bank allows HCDD to find land on which we can finance the construction of new homes. These houses are sold at prices between \$150,000 and \$200,000. Homes built under the New Home Development Program are all flood-resilient and are focused within the Mayor's Complete Communities. The pilot rounds of the New Home Development Program built 15 homes in 2018 and is expanding to new neighborhoods and models over the next two years.

Key Facts

1
Homes sold with the Houston Land Bank or Houston Community Land Trust

15
Homes built

100
Homes planned by 2020

Single-Family Programs

Homebuyer Assistance

The Homebuyer Assistance Program is one of HCDD's most popular programs, assisting 162 people this fiscal year. Homebuyer Assistance Program provides \$30,000 in down-payment assistance to first-time homebuyers below a certain income level. The program was recently expanded to enable Hurricane Harvey victims to replace destroyed homes and serve slightly higher-income residents.

Key Facts

29
People served in 2017

59
People served in 2018

162
People served in 2019

CDBG, TIRZ
Source of funds

Home Repair

Our Single-Family Home Repair Program continues to repair the homes of Houstonians living in homes damaged by weather and wear. Funding from this program comes through a variety of different sources and has given new hope to homeowners throughout the city.

60
Homes repaired

6
Homes under construction*

CDBG, CDBG-DR15
Source of funds

*Statistics are drawn as of June 30, 2019. Homes take between 30-90 days to be completed, depending on the repairs required.

Multifamily Development



Pointe at Crestmont offers 192 affordable and replaces an abandoned and blighted apartment complex with a new, flood-resilient community.

Affordability has become a crisis across the country, and Houston is not exempt. There was an existing shortage of multifamily homes before Harvey, and the need has become more urgent since. Following the storm, nearly 46% of renters are burdened by the cost of housing, and more than half of Houston households rent their homes.

Building more affordable apartments allows Houstonians to choose where they live – and where their children go to school, and what clinics and grocery stores they can access. Within the past fiscal year, our department has taken on more of the costs of developing projects, and

we are incorporating options like state-distributed tax credits to help our partners do more with their resources. In 2019, all the tax credits awarded in Texas's Gulf Coast region were located in Houston, meaning we could take on more projects and boost the quality of our planned projects. The developments begun and completed this year are in flood-safe, high-resource areas, close to highly ranked schools and public transportation. Forecasts of the 2020 applications show our strongest pool to date and possibilities to bring affordable options to communities that historically have been closed to low- and moderate-income residents.

Workforce Protections



Mayor Turner with graduates of the Home Builders Institute (HBI)'s first graduating class in Acres Homes. HBI prepares students with the skills and experience they need for successful careers in the building industry.

In April, Mayor Turner enacted a new Workforce Protections Program in collaboration with Gulf Coast AFL-CIO, Workers' Defense Project, Texas Organizing Project, and HOME Coalition. The new program will make sure that all workers helping us to build multifamily homes receive proper training, compensation, and protection. These standards provide new guarantees of healthcare and fair wages to all workers, making sure that we're creating opportunity for residents beyond just new homes.

Key Protections

Safety Training

every worker will be guaranteed at least 10 hours of OSHA safety training, with worksite managers required to have 30 hours of OSHA safety training

Wages

every worker will receive wages of at least \$15/hour or at the requirements provided by the Davis-Bacon & Related Act

Training Opportunities

low- and very low-income contractors and apprentices will be prioritized for training opportunities and work positions

Key Facts

1,712

Total affordable units funded with HCDD financing

\$22,885,908

Total dollar amount spent on HCDD projects

\$300,206,768

Total cost of projects leveraged by HCDD's investment

CDBG, HOME, DR2, TIRZ
Source of funds

*Units are considered complete when they are fully constructed and all expenses are paid.

Public Facilities

Key Facts



H-E-B MacGregor Market opens in December 2019.

Home is not just about the roof over your head. HCDD supports strong communities by financing public amenities in low- and moderate-income communities. These projects include libraries, community centers, parks, and health clinics.

The department is also working closely with Houston Public Works in our Harvey Buyout Program to buy residential buildings located in dangerous flood-prone areas. Properties bought will become wetlands, detention ponds, and other infrastructure projects to help mitigate the risk of flooding in vulnerable communities.

3

Projects completed

10

Projects under construction

\$6,081,259

Dollar amount spent on public facilities

CDBG, CDBG-DR15, CDBG-DR2, TIRZ/Local Bonds

Source of funds

See page 28 for information on funding sources



The H-E-B in Third Ward will provide healthy food options for residents who historically have had limited access.



Deputy Assistant Director Ana Patino-Martinez joins community leaders at the groundbreaking of the new H-E-B MacGregor Market in February, 2019.

Economic Development

In our community meetings, residents repeatedly stated that they wanted not just new homes, but jobs, vocational training and aid to small, community-based businesses. For example, HCDD provides 33% of the funding for Capital IDEA, an organization that helps low-income participants pursue associate degrees in professional fields that will lead to strong careers and financial independence.

Our Contract Compliance team oversees the Section 3 and Minority- and Women-Owned Business Enterprise (MWSBE) programs, which ensure that employment and job training chances are offered to low-income residents and disadvantaged businesses. HCDD also funds projects that directly provide economic opportunities, such as the Third Ward's new H-E-B grocery store, which will provide over 400 jobs, and the East End Maker Hub, an innovation space and residential community proposed for the east side of Houston. When we bring housing projects to communities, are working to provide opportunities during every stage of the process.

3

Projects ongoing or completed

59

Total residents and business concerns Section 3 certified

\$3,400,000

Total investment

CDBG, Economic Development

Source of funds

Key Facts



Ribbon-cuttings offer an opportunity for elected officials such as Mayor Sylvester Turner and Congressman Al Green to interact with constituents and see first-hand the impact of their support.



Public Services

HCDD values the important work being done by non-profit service providers. To support their mission, our Public Services division oversees grants to non-profits working in vital areas, such as job training, childcare, legal aid, transportation, emergency housing support, and mental health services. Our department works closely with the Houston Coalition for the Homelessness to make progress towards Houston's "Way Home," the city's comprehensive plan to end homelessness. The division supports specialized services for people living with HIV/AIDS and those experiencing and transitioning out of homelessness.

Key Facts

48,112

Houstonians served through Public Services programs

\$19,234,130

Total dollar amount invested in public services

CDBG, HOPWA, ESG, TIRZ, HHSP

Source of funds

Number of persons served includes only those who were served by programs that completed during the period and do not include long-term effects of previous programs or future years of programs.

DR-15 Update

PROGRAM AREA	DOLLARS SPENT	PERSONS SERVED/PROJECTS ENACTED/PROPERTIES
Housing Buyout	\$857,088	21 Properties
Single Family Home Repair	\$101,944.80	2 Persons
Infrastructure	-	3 Projects in design

DR-16 Update

PROGRAM AREA	DOLLARS SPENT	PEOPLE SERVED/PROJECTS ENACTED
Multifamily Buyout	-	1 New project

DR 17 Budget

HUD ACTIVITY TYPE	OTHER FUNDS	TOTAL
Homeowner Assistance Program		\$392,729,436
Single-Family Development Program		\$204,000,000
Harvey Multifamily Program		\$321,278,580
Public Services		\$60,000,000
Homebuyer Assistance Program		\$21,741,300
Harvey Recovery Small Rental Program		\$61,205,100
Economic Revitalization Program		\$30,264,834
Buyout Program		\$40,800,000
Houston Planning		\$23,100,000
Houston Administration		\$20,835,088
Total		\$1,175,954,338

DR-17: Overview of Programs

Our Disaster Recovery programs for Hurricane Harvey were approved in early 2019 and gained momentum towards the end of the fiscal year. Programs for Hurricane Harvey recovery mirror working programs and enhance our overall ability to help homeowners.

Homeowner Assistance Program

repairs for damaged homes and reimbursements for homeowner-led repairs.

Single-Family Development Program

builds new, flood-resilient homes to create more options for affordable priced homes across Houston

Harvey Multifamily Program

creates new, resilient multifamily complexes in transit-oriented, oriented, well-resourced areas

Public Services

supports non-profits that are serving the community and offering essential services to residents

Homebuyer Assistance Program

offers up to \$30,000 in down payment assistance for new homebuyers or those who were displaced during Harvey

Harvey Recovery Small Rental Program*

creates and refurbished small (1-7 unit) multifamily projects, usually to build capacity for smaller developers

Economic Revitalization Program*

supports small businesses that still need to repair or rebuild their businesses

Buyout Program*

purchases properties in flood-prone areas and converts them into mitigation projects

*Program under development

Program Development, Outreach, & Monitoring

HCDD stands at an important intersection between residents' daily needs and big-picture goals of the federal and state governments. We prioritize making sure that our programs comply with guidelines set at the local, state, and federal levels, but our first priority is making sure that we are reaching Houstonians where they are.

The Compliance and Operations Divisions make sure our department runs each day and that our programs are being executed correctly. HCDD must monitor developers working with our programs to make sure they continue to offer units to renters at affordable rates during compliance periods. Teams also oversee our Section 3 recruitment and monitors worksites to make sure that workers on our projects are given fair chances to succeed.

The Planning and Grants Management Division oversees long-term strategy for our department and makes sure that HCDD programs stay on track. They are responsible for gathering public input through our annual public hearings and online surveys.

The Financial Services Division is responsible for the management of our use of public funds. Their work also coordinates with contractors and developers and makes sure to comply with City of Houston, HUD, and GLO financial reporting standards.

The Policy and Communications Division presents HCDD's work to the public. With an integrated call center, expanded outreach team, and specialists in communication methods, the division spreads the word about our programs, organize events connecting with residents, and answer questions in-person, online, and on the phone.

Key Facts

299

Contracts reviewed

93

Multifamily developments reviewed for compliance

Who We Are



Tom McCasland
DIRECTOR

Executive Leadership as of June 30, 2019



Keith Bynam
Deputy Director
Compliance & Operations



Ellen Eudy
Chief Financial Officer



Derek Sellers
Assistant Director
for Planning &
Grants Management



Ray Miller
Assistant Director
for Multifamily &
Public Facilities



Brittany Hyman
Public Information
Officer



Melody Barr
Deputy Assistant
Director
Public Services



Ana Martinez
Deputy Assistant
Director Public
Facilities



Anderson Stoute
Deputy Assistant
Director
Single Family

List of Employees as of June 30, 2019

Habeeb Adekoya
Jacqueline Adj-Omania
Shea Adolphin
Luther Alaniz
Eva Alcala
Derrico Alexander
David Alfaro
Suzette Arbuckle
Eliezer Arce
Bunny Arita
Ekundayò Àzúbùiké
Frankie Bannister
Melody Barr
Juan Barrera
Becky Benitez
Sharon Benson
Ron Bhattacharjee
Ryan Bibbs
Chrystal Boyce
Tiffany Boyce
Carlos Freitez
Nicole Brooks
Linsi Broom
Beverly Brown
Monica Burnom
Erica Bush
Josh Bustillos
Whitney Buyckes
Keith Bynam
Yvonne Cantu
Darlene Castille
Jim Castillo
Ruperto Castillo
Yang Chen
Taylisha Clark
Stephanie Clement
Michelli Cockburn
Daniel Coleman
Tishia Coleman
Margaret Colligan
Kathryn Cooper
Johnny Cratic
David Crowl
Arva Dearborne
Krupa Desai
Cathi Dixon
Charone Dixon
Shirema Dumas
Valeri Dunn
Tamika Earls
Marc Eichenbaum
Ellen Eudy
Pirooz Farhoomand
Michael Firenza
Ingrid Flornoy
Aldwin Foster-Rettig
Karen Frankin
Caroline Gamble

Alton Garcia
Cefeny Garcia
Humberto Garcia
Maria Garcia
Norma Garcia
Rebecca Garcia
Sandra Garza
Elizabeth Gaytan
Sean George
Coryie Gilmore
Brandi Gipson
Sherrie Glover
Ebony Goard
Cesar Gonzalez
Yolanda Guess-Jeffries
Beverly Guillory
Latisha Guillory
Kent Hadnot
Gayle Hall
Kenneth Harris
Larry Harris
Whitney Harris
Barbara Hayes
Carey Hayes
Alfred Henson
Frederick Hoisington
Patricia Holcombe
Keysha Holmes
Kimberly Hunt
Holly Hutcheson
Brittany Hyman
Oribe Ibe
Mary Itz
Paula Jackson
Veronda Jackson
Robin James
Matthew Jenkins
Tony Jin
Kionnedra Johnson
Matthew Johnson
Monica Johnson
Omotola Johnson
Patrick Johnson
Tandra Johnson
Timothy Johnson
David Jones
Déjanã Jones
Ronald Jones
Nichole Joseph
Averil Julius
Dare Kadiri
Aman Khan
Dominique King
Sarah Labowitz
Sheronda Ladell
Yen Lam
Clairisa Landry
Cedrick LaSane

Jessica Lavergne
Ashley Lawson
Roxanne Lawson
Dawn Lee
Tracy Lee
Anne Jesus Lohoues-Washington
Kennisha London
Ellary Makuch
John Marks
Francesca Marshall
Sasha Marshall
Kelli Matherne
Abraham Mathew
Tom McCasland
Rashida McCloud
Juan Mendez
Gerard Miles
Ray Miller III
Romeka Mimms
Jayna Mistry
Wilson Mok
Greta Molo
Eduardo Monsivais
Joethelia Mooney
Jorge Moor
Juanita Moore
Benito Morales
Niquita Moret
Clarence Moton
Steven Mullings
Kimberly Muse
Erica Newman
Ha Nguyen
Mary Owens
Ardrella Owusu
Sonya Parker
Victor Partman
Ana Martinez
Alan Perusquia
Chau Pham
Daniel Pinto
Onecca Porter
Douglas Prater
Jessica Preheim
Ledon Pritchett
Sean Quitzau
Nancy Ramos
Jose Reynaga
Tywana Rhone
Latoya Ricketts
Mary Robinson
Gerardo Rodriguez
Maribel Rodriguez
Martha Rodriguez
Maria Rodriguez-Martinez
Vanessa Rosales
Carmen Rosaya

Ana Salazar
Elizabeth Young Sanford
Gracie Santos
Candace Sartin
Marion Scott
Kadina Seals
Senait Seghid
Megan Sellas
Derek Sellers
Rupa Sen
Laura Serrano
Terumi Shorter
Angela Simon
Greg Simon
Stephen Skeete
James Skipper
Chrystal Slaughter
Katrina Sloan-Bosie
Andrea Smith
Clay Smith
LaTasha Smith
Michael Smith
Kimesha Sonnier
Pedro Sosa
Brandon Speed
Asia Speights
Shaunell Stills
Anderson Stoute
Madhuram Subramaniam
Brenda Takahashi
Lakesha Tates
Apinan Thamrongratanasilp
Pauline Thomas
Julia Thorp
Dean Toreros
Arturo Tovar
Stephen Urteaga
Emilio Useche
Esdras Velasquez
Elizema Valezquez
Cesar Verde
Fatima Wajahhat
Nathan Washington
Tasha Wells
Dalia White
Lester Whiteing Jr.
Debra Wiggins
Kristina Williams
Dwain Woodfork
Stephanie Wrights
Tiffany Wyatt
Yan Xu
Ben Zimmermann

Financials

Houston is a large city and growing still. Creating and revitalizing affordable homes and secure, thriving communities takes collaboration and innovation. HCDD's work combines resources from state and local sources across the public and private sectors with our largest source of funding, federal grants.

Housing and economic activity in Houston is supported through yearly entitlement grants from the federal government. In FY19, Houston received \$23.9 million in Community Development Block Grant funding, our largest grant, and \$21.5 million from other sources, which are explained in full on page 28.

The scale of recent disasters has given Houston additional resources to meet the needs of more people. In January 2019, Congress made available a total of \$1.1 billion in Community Development Block Grant – Disaster Recovery funding for Hurricane Harvey. Combined with \$39.1 million from other recent disasters, Houston has received a large increase in capability, as well as responsibility.

Many of these funding sources are not easy to access quickly. To enable our program to move through projects more efficiently, HCDD leverages local sources such as Tax Increment Reinvestment Zones and a small allocation from the City's budget. These sources help provide flexibility to our programming and allow us to extend beyond what the state or federal governments will reimburse.



Director Tom McCasland signs off on a large round of projects and services provided to our residents.

Funding

Bonds: Voters have passed ballot measures allowing the City of Houston to borrow to finance affordable housing.

CDBG: The Community Development Block Grant (CDBG) Entitlement Program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974.

<https://www.hudexchange.info/programs/cdbg-entitlement/>

CDBG-Disaster Recovery: Funds necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from federally declared disasters.

<https://www.gpo.gov/fdsys/pkg/FR-2016-06-17/pdf/2016-14110.pdf>

ESG: The Emergency Solutions Grant (ESG) program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents; (5) rapidly rehouse homeless individuals and families; and (6) prevent families/individuals from becoming homeless.

<https://www.hudexchangeinforesources/documents/EmergencySolutionsGrantsProgramFactSheet.pdf>

General Fund: The City of Houston's general operating budget.

HHSP: Texas' Homeless Housing and Services Program provides funding to the state's eight largest cities in support of services to homeless individuals and families. Allowable activities include construction, development, or procurement of housing for homeless persons; rehabilitation of structures targeted to serving homeless persons or persons at-risk of homelessness; provision of direct services and case management to homeless persons

or persons at-risk of homelessness; or other homelessness-related activity.

<https://www.tdhca.state.tx.us/home-division/hhsp/index.htm>

HOME: The HOME Investment Partnerships Program (HOME) provides grants to states and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

https://www.hud.gov/program_offices/comm_planning/affordablehousing/programs/home

HOPWA: Under the Housing Opportunities for Persons With AIDS (HOPWA) Program, HUD makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS, as well as their families.

<https://www.hudexchange.info/programs/hopwa/>

NSP: The Neighborhood Stabilization Program (NSP) provides grants to every state, certain local communities, and other organizations to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

<https://www.hudexchange.info/programs/nsp/>

TIRZ: Tax Increment Reinvestment Zones (TIRZs) are special zones created by Houston City Council under state law to attract new investment in an area. TIRZs are intended to help finance costs of redevelopment and encourage development in areas that would otherwise not attract sufficient market development in a timely manner. Taxes attributable to new improvements (tax increments) are set aside in a fund to finance public improvements within the boundaries of the zone.

<http://www.houstontx.gov/ecodev/tirz.html>

Resources

Available resources 2019								
GRANT / FUND	FUND	SOURCE	BEGINNING BALANCE FY 2019	AWARDED	TOTAL AVAILABLE	SPENT FY 2019	ALLOCATED FY 2019	ENDING BALANCE FY 2019
CDBG	5000	Federal	\$25,825,562	\$23,946,316	\$49,771,878	\$25,247,359	\$11,936,097	\$12,588,423
CDBG-DR15	5000	Federal	\$84,127,639	-	\$84,127,639	\$1,759,647	\$5,104,607	\$77,263,385
CDBG-DR16 FLOOD	5030	Federal Pass Through	-	\$23,486,698	\$23,486,698	\$3,862	\$1,510,000	\$21,972,836
CDBG-DR17	5030	Federal Pass Through	-	\$1,175,954,338	\$1,175,954,338	\$7,646,952	\$77,462,925	\$1,090,844,461
DR ROUND 2 (DR2)	5030	Federal Pass Through	\$65,292,177	-	\$65,292,177	\$17,711,653	\$39,009,266	\$8,571,258
ECONOMIC DEVELOPMENT	5000, 5001	Federal	-	\$606,767	\$606,767	\$606,767	-	-
ESG	5000	Federal	\$3,320,492	\$1,968,996	\$5,289,488	\$2,011,165	\$1,222,408	\$2,055,915
GENERAL FUND	1000	Local	\$74,991	\$537,424	\$612,415	\$612,415	-	-
HARVEY - FEMA	5030	Federal Pass Through	-	\$13,686,080	\$13,686,080	\$13,686,080	-	-
HHSP	5010	State	\$849,542	\$1,320,816	\$2,170,358	\$1,081,484	-	\$1,088,874
HOME	5000	Federal	\$13,785,831	\$9,810,603	\$23,596,434	\$11,984,228	\$4,535,547	\$7,076,660
HOPWA	5000	Federal	\$15,170,653	\$9,738,444	\$24,909,097	\$11,032,271	\$4,390,660	\$9,486,166
HOUSING FOR HARVEY	5303	Federal Pass Through	-	\$1,935,080	\$1,935,080	\$1,935,080	-	-
LOCAL BONDS	4501	Local	\$6,738,974	\$1,100,000	\$7,838,974	-	\$4,667,241	\$3,171,733
LOCAL TIRZ BONDS	Various	Local	\$1,547,382	-	\$1,547,382	-	\$107,184	\$1,440,198
NSP	5000	Federal	\$582,361	-	\$582,361	\$15,237	-	\$567,124
SPECIAL REVENUE FUND	2000	Local	\$684,315	-	\$684,315	\$48,968	\$236,325	\$399,022
TIRZ Affordable Housing	2409	Local	\$81,328,590	\$18,189,840	\$99,518,430	\$22,132,557	\$25,623,257	\$51,762,616
Grand Total			\$299,328,509	\$1,282,281,402	\$1,581,609,911	\$117,515,724	\$175,805,516	\$1,288,288,672

Note on Methodology

HCDD reports annually to the City of Houston Controller as part of the City's annual budget process, which is approved by City Council. The Department also reports financial data to HUD in an annual Consolidated Annual Performance and Evaluation Report (CAPER). The City budgeting process uses accrual basis accounting, while HUD reporting uses cash based accounting. The financial reporting here is based on HCDD's audited report to the City Controller. The reporting period is July 1, 2018 to June 30, 2019.

Sources of funding 2019 (July 1, 2018 - June 30, 2019)				
GRANT / FUND	FEDERAL	STATE	LOCAL	TOTAL
CDBG	\$23,946,316	-	-	\$23,946,316
CDBG-DR16 FLOOD (Federal Pass Through)	\$23,486,698	-	-	\$23,486,698
CDBG-DR17 (Federal Pass Through)	\$1,175,954,338	-	-	\$1,175,954,338
ECONOMIC DEVELOPMENT	\$606,767	-	-	\$606,767
ESG	\$1,968,996	-	-	\$1,968,996
General Fund	-	-	\$537,424	\$537,424
Harvey - FEMA (Federal Pass Through)	\$13,686,080	-	-	\$13,686,080
HHSP	-	\$1,320,816	-	\$1,320,816
HOME	\$9,810,603	-	-	\$9,810,603
HOPWA	\$9,738,444	-	-	\$9,738,444
Housing for Harvey (Federal Pass Through)	\$1,935,080	-	-	\$1,935,080
LOCAL BONDS	-	-	\$1,100,000	\$1,100,000
TIRZ Affordable Housing	-	-	\$18,189,840	\$18,189,840
Grand Total	\$1,261,133,322	\$1,320,816	\$19,827,264	\$1,282,281,402

FY19 Projects

(July 1, 2018 - June 30, 2019)

MULTIFAMILY PROGRAM

Ongoing Projects that were under construction during the reporting period, between groundbreaking and receiving a certificate of occupancy

PROJECT	AFFORDABLE UNITS	TOTAL UNITS	HCDD FY19 SPEND	FUNDING SOURCE	TOTAL HCDD FUNDING	TOTAL PROJECT COST
Cleburne Senior Living Center (Law Harrington Senior Living) 2222 Cleburne, 77004	112	112	-	TIRZ	\$2,500,000	\$27,790,053
Light Rail Lofts 4600 Main Street	56	56	-	CDBG	\$3,453,329	\$11,259,187
The Pointe at Crestmont 5602 Selinsky, 77048	192	192	-	CDBG, TIRZ	\$5,000,000	\$33,438,931
Fenix/ Estates 1933 Hussion, 77003	180	200	\$2,483,333	HOME, TIRZ	\$5,950,000	\$38,643,231
Residences at Hardy Yards (RHY) 1550 Leona, 77098	350	350	-	CDBG-DR2	\$19,200,000	\$64,314,868
Sunrise Orchard 5300 Sunrise Rd, 77021	52	52	-	HOME	\$3,500,000	\$9,533,703
Total	942	962	\$2,483,333		\$39,603,329	\$184,979,973

New Projects that HCDD agreed to finance and were approved by City Council during the reporting period

PROJECT	AFFORDABLE UNITS	TOTAL UNITS	HCDD FY19 SPEND	FUNDING SOURCE	TOTAL HCDD FUNDING	TOTAL PROJECT COST
Somerset Lofts 8506 Hempstead	120	120	\$5,561,288	CDBG-DR2	\$6,000,000	\$27,914,458
Pleasant Hill Village 3814 Lyons, 77020	165	165	\$611,073	TIRZ	\$3,017,201	\$3,017,201
NHH Dale Carnegie 7025 Regency Square Blvd, 77036	170	170	\$6,130,214	HOME, LOCAL BONDS	\$8,500,000	\$30,356,044
Park Yellowstone 3322 Yellowstone Blvd.	210	210	\$4,600,000	CDBG-DR2	\$4,600,000	\$30,138,130
Campanile on Commerce 2800 Commerce St.	105	120	\$3,500,000	HOME, TIRZ	\$3,500,000	\$23,800,962
Total	770	785	\$20,402,575		\$25,617,201	\$115,226,795

FY19 Total 1,712 1,747 \$22,885,908 \$65,220,530 \$300,206,768

FY19 Projects Cont.

(July 1, 2018 - June 30, 2019)

PUBLIC FACILITIES

Completed Projects that are noted as "construction completed" in the PY18 CAPER

PROJECT	PROGRESS	HCDD FY19 SPEND	FUNDING SOURCE	TOTAL HCDD FUNDING	TOTAL PROJECT COST
Chinese Community Center 9800 Town Park Dr.	Construction Complete	\$107,076	CDBG	\$1,500,000	\$7,678,906
Lockhart Elementary SPARK 3200 Rosedale St. 77004	Construction Complete	\$79,075	CDBG	\$90,000	\$105,000
Pro-Vision 4590 Wilmington Street	Construction Complete	-	CDBG	\$2,800,000	\$7,127,786
Total		\$186,151		\$4,390,000	\$14,911,692

New Projects that HCDD agreed to finance and were approved by City Council during the reporting period

PROJECT	PROGRESS	HCDD FY19 SPEND	FUNDING SOURCE	TOTAL HCDD FUNDING	TOTAL PROJECT COST
Recenter 3809 Main St.	Under Construction	-	TIRZ/ LOCAL BONDS	\$4,000,000	\$19,622,365
Teloloapan 5602 Lyons Ave.	Bidding Phase	-	CDBG	\$835,000	\$835,000
Winzer Park 7300 Carver Rd.	Underwriting	-	CDBG	TBD	\$1,612,200
UPCDC - East End Innovation Maker Hub 6501 Navigation Blvd.	Approved by Council	-	CDBG/ ECONOMIC DEVELOPMENT	\$24,090,000	\$32,691,862
DR2015 - 4A & 12A SWAT Projects Northline/Northside and Bonita Garden	Design Phase	-	CDBG-DR15	\$29,207,210	\$29,207,210
Avenue Center - Community Hub 3517 Irvington Blvd.	Under Construction	\$575,669	CDBG/ ECONOMIC DEVELOPMENT	\$3,400,000	\$7,630,519
Total		\$575,669		\$61,532,210	\$91,599,156

FY19 Projects Cont.

(July 1, 2018 - June 30, 2019)

PUBLIC FACILITIES

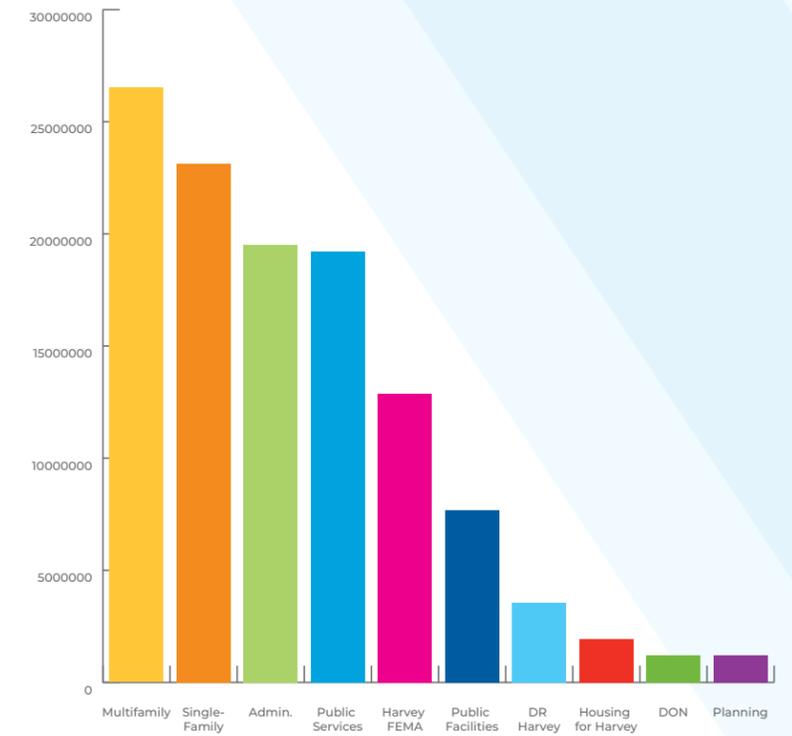
Ongoing Projects that were under construction during the reporting period

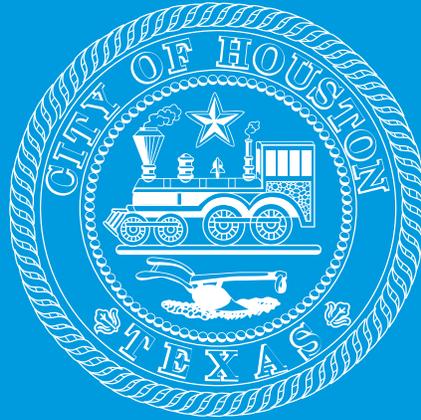
PROJECT	PROGRESS	HCDD FY19 SPEND	FUNDING SOURCE	TOTAL HCDD FUNDING	TOTAL PROJECT COST
Bering Omega 2920 Fannin St.	Under Construction	-	CDBG	\$1,100,000	\$6,540,000
Swiney Community Center 2812 Cline St.	Design Phase	\$27,144	CDBG	\$150,000	\$150,000
HEB 288/ N MacGregor	Under Construction	-	ECONOMIC DEVELOPMENT	\$13,862,000	\$33,862,000
Independence Heights Community Center 603 E. 35th St.	Design Phase	\$31,098	CDBG/LOCAL BONDS	\$169,000	\$169,000
Buyout Program Braeburn Glen, Glenburnie & Cashiola, and Langwood	Under Construction	\$857,088	CDBG-DR15	\$10,660,000	\$10,660,000
Open Ditch - Nichols, West Coke, Gano, (DR2.2) Nichols, West Coke & Gano	Under Construction	\$2,110,717	CDBG-DR2	\$3,842,889	\$4,040,000
Hernandez Tunnel Phase II (DR2.2) North Main Street from Brooks Street to 245 feet south of the Hernandez Tunnel	Under Construction	\$404,371	CDBG-DR2	\$639,577	\$699,610
Open Ditch - Calhoun (DR2.2) Calhoun/OST	Under Construction	\$1,692,969	CDBG-DR2	\$4,540,000	\$4,540,000
SPARK Park Milne Elementary HISD 7800 Portal	Under Construction	\$97,500	CDBG	\$150,000	\$270,000
SPARK Park Whidby Elementary HISD 7625 Springhill	Under Construction	\$98,552	CDBG	\$150,000	\$170,000
Total		\$5,319,439		\$35,263,466	\$61,100,610
FY19 Total		\$6,081,258		\$101,185,676	\$167,611,458

Program Budgets

FY19 Spending at a Glance:

CATEGORY	BUDGET
Multifamily	\$26,513,261
Single-Family	\$23,146,895
Administration	\$19,516,955
Public Services	\$19,234,130
Harvey-FEMA	\$12,888,980
Public Facilities	\$7,686,715
DR-Harvey	\$3,544,889
Housing for Harvey	\$1,935,080
Department of Neighborhoods	\$1,823,992
Planning	\$1,224,828
Total	\$117,515,724





CITY OF HOUSTON
HOUSING AND
COMMUNITY
DEVELOPMENT

City of Houston

Housing and Community Development Department

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www.houstontx.gov/housing

