

PUBLIC HEARING
TIME CERTAIN
ITEM NO. 4
2:00PM

CITY OF SAN ANTONIO
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

INTERDEPARTMENTAL CORRESPONDENCE

TO: Mayor and City Council

FROM: Andrew W. Cameron, Director, Housing & Community Development

THROUGH: Terry M. Brechtel, City Manager

COPIES: Jelynn LeBlanc Burley; David D. Garza; Pete Alanis; Elisa Soto; File

SUBJECT: Reprogramming of the 2002 District 4 Affordable Parade of Homes CDBG Allocation

DATE: April 17, 2003

Summary and Recommendations

This ordinance authorizes the amendment of Ordinance No. 95810, passed and approved May 23, 2002, to change the project name from 2001 Affordable Parade of Homes to 2002 Affordable Parade of Homes; and authorizes the reprogramming of Community Development Block Grant (CDBG) funds in the amount of \$600,000 available from the 2002 Affordable Parade of Homes Project to fund the District 4 Big Town Plaza Project. This also authorizes reprogramming \$10,000 from the 2001 Affordable Parade of Homes Project to the Avance National Headquarters to assist with construction costs associated with their Downtown Day Care/Office Complex Project.

Staff Recommends Approval.

Background Information

The Neighborhood Action Department was allocated \$600,000 in CDBG funds through Ordinance No. 95810 on May 23, 2002 to fund an Affordable Showcase of Homes Project in District 4. Since the District 4 Project concept did not meet the criteria for a Showcase of Homes, the intended use of the funds was modified and a Request for Proposal was developed and issued through the Housing and Community Development Department. Although 14 people attended the pre-application conference in November 2002, only one responsive proposal was submitted. Staff reviewed and evaluated said proposal and recommends Robert Schultz Properties as the developer for the District 4 Neighborhood Development Project (known as Big Town Plaza Project).

The proposed Big Town Plaza Project is an affordable mixed-used project complex to be located at 1113 New Laredo Highway. The project will consist of the following:

- o Five (5) Senior Cottage-Housing Units;
- o 1500 Sq. Ft. Medical Office;
- o Light Commercial Retail Space with Second Floor Apartment Living;
- o Rehabilitation of homes purchased in the neighborhood

CDBG funding will be used for acquisition of the proposed site, removal of existing blighted buildings, infrastructure improvements including parking and site improvements, utilities, construction expenses associated with the medical clinic, and installation of a bus shelter at the northeast corner of the property. Private funding in the amount of \$758,000 will be used for the construction expenses associated with the five cottage units, the 6000 square foot commercial retail space with four upstairs rental units, and the rehabilitation of the existing housing stock. This results in one private dollar invested for every public dollar committed to this project.

If approved, this project will revitalize a blighted street corner along the New Laredo Hwy thoroughfare. District 4 will receive the first senior cottage-housing development of its kind, as well as needed medical office and light retail space. A majority of the \$16,500,000 in street and drainage infrastructure improvements to this area have already been completed. The Big Town Plaza Project supports the City's Consolidated Plan and Housing Master Plan.

This ordinance also authorizes reprogramming \$10,000 from the 2001 Affordable Parade of Homes to support development costs associated with Avance's Downtown Day Care/Office Complex Projects.

Policy Analysis

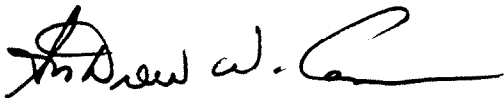
This request is consistent with City policy, which requires City Council authorization to reprogram any portion of the Community Development Block Grant.

Fiscal Impact

Funds are available in the 2001 and 2002 Affordable Parade of Homes Projects to support this recommendation.

Coordination

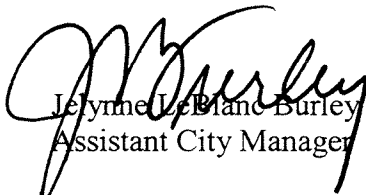
The Department of Housing and Community Development coordinated this effort with the Neighborhood Action, and Asset Management Departments.



Andrew W. Cameron

Director

Housing & Community Development Department



Jelynn LeBlanc Burley
Assistant City Manager

Approved:



Terry M. Brechtel

City Manager