The City’s first-ever affordable housing bond is moving forward, but how exactly the bond funds will be implemented and monitored continues to cause confusion and concern among residents and, most recently, City Council.

On Wednesday, Council was briefed on the $20 million initiative, which mainly focuses on constructing new affordable housing in 13 geographic regions across the city chosen by the City’s Neighborhood Improvements Community Bond Committee. The funds also can go toward streets, sidewalks, and other infrastructure enhancements as well as mixed-income and mixed-use developments.

In order to be considered to receive a piece of the $20 million pie, the 13 locations must be included in the City-adopted Urban Renewal Plan, which will go in front of voters on May 6, 2017. Council will vote Thursday morning whether to include those 13 areas, which are located...
in each Council district except suburban districts 9 and 10, in the plan. This is the last time Council can add areas to the plan, though they can delete areas from it until Feb. 2.

List of areas selected by the Neighborhood Improvements bond committee for inclusion in the 2017 housing bond. Courtesy/City of San Antonio

The majority of City Council members Wednesday advocated for the creation of a citizens oversight committee to monitor the bond projects, which will be identified once voters approve the bond in May.

Councilwoman Shirley Gonzales (D5) and Councilman Ray Lopez (D6), on the other hand, said they fear that the bond won’t benefit some of the most blighted areas since the City or developers may not view them as optimal for development.

“I don’t know how we can make that effort to ensure those most blighted areas get more attention,” Gonzales said.

Members of COPS/Metro Alliance also believe a citizens oversight committee must be created to ensure accountability in the housing bond process. They held a small press conference before the Council discussion to voice their concerns about the bond structure, particularly that it doesn’t include possibilities for the rehabilitation of owner-occupied homes.

That’s because the City Charter doesn’t allow it, nor does it permit City bond dollars to be spent on housing. The City’s urban renewal agency, the Office of Urban Redevelopment San Antonio (OURSA), therefore, has to distribute the funds to the approved projects.
The City Charter cannot be amended to allow bond money to be spent on housing until November, at which point housing rehabilitation will be possible.

“COPS/Metro leaders will continue supporting investments (in) affordable housing and other neighborhood improvements,” said COPS/Metro Co-Chair Maria Tijerina. The group, she said, is not necessarily opposing the housing bond but wants its concerns to be heard and addressed.

“COPS/Metro Alliance Co-Chair Maria Tijerina shares the organization’s recommendations for the housing bond at a small press conference on the steps of City Hall.

Camille Garcia/Rivard Report

“If the current bond proposal is not the right one for San Antonio, then let’s make it better – table it for now, fix it, and bring the right solution to the community,” Tijerina said.

COPS/Metro organizers are asking the City to “craft a better and larger proposal” that includes more methods such as grants and repayable loans to repair homes, clear guidelines for developers, an explicit definition of affordable rental rates for each neighborhood, and more communication with neighborhood associations and community groups throughout the entire process. Ensuring that affordable housing will be priced in a way that citizens who truly need it can make ends meet is essential, they said.

COPS/Metro’s leadership met with Mayor Ivy Taylor last week to share its concerns.
“We want them to review the charter to do the right thing to help the people who need housing help in the city,” said Fr. Mike DeGerolami of St. Timothy Catholic Church, who spoke at the press conference.

The City will use the housing bond funds not to build housing, but instead to purchase parcels of land in each of the 13 identified areas and get it ready for development, which could mean improving infrastructure, demolishing dilapidated structures, or performing environmental clean ups. Then, the City will sell the land at a fair price to a for-profit or nonprofit developer, who would then be able to rent or sell the units to families or individuals at an affordable rate.

The City anticipates completing this round of projects in five years, said Deputy City Manager Peter Zanoni, and does not plan to use eminent domain in the process, a concern many residents shared.

Each of the 13 areas slated for inclusion in the Urban Renewal Plan are not necessarily guaranteed to receive a portion of the funds, but City staff suggested including a larger number of areas in the plan to broaden its options to purchase land and avoid rising prices in the targeted areas.

A number of Neighborhood Improvements bond committee members and others have acknowledged that $20 million is peanuts for such development projects, making it critical that it is spent wisely this bond cycle.

“I think it’s important for us to pass (the bond) knowing that it’s going to have some value to the members of our community,” said Councilman Rey Saldaña (D4).

The City will determine specifics on the type of housing or development it sees fit in each area on a case-by-case basis, Zanoni said. On the preliminary list of 13 locations, for example, staff has identified some areas as better suited for multi-family developments and others ideal for single-family residences.

The average family of three in San Antonio earns about $44,500 a year, Zanoni said, and can afford $1,112 per month in rent, which is much lower than the current average median rent prices.

Gonzales was worried that her constituents wouldn’t be likely to benefit from the bond. Some of her district’s residents make as little as $16,000 per year, she said. Zanoni said that the City will explore options to create housing affordable for that particular population.

Taylor said the City’s Housing Committee should narrow down more details about the housing bond criteria and work on creating an oversight committee before citizens vote on the Urban Renewal Plan in May.

“We can’t expect this one initiative to address all of our housing challenges for the community,” she said.
Councilman Mike Gallagher (D10) said it is imperative that the City conveys to voters that “this is something that’s important for the whole city, that we try to clean up these blighted areas … and that the City is making an investment for the future.”

Citizens can give feedback on the Urban Renewal Plan on Jan. 18, 2017, and Council will officially adopt the plan on Feb. 2.