



## AGENDA MEMORANDUM

Future Item for the City Council Meeting of January 13, 2015  
Action Item for City Council Meeting January 20, 2015

**DATE:** 12/30/2014

**TO:** Ronald L. Olson, City Manager

**THRU:** Susan Thorpe, Assistant City Manager  
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**FROM:** Eddie Ortega, Director of Housing and Community Development  
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Motion to approve Type A Board Affordable Housing Goals and Strategies

### **CAPTION:**

Motion to approve Type A Affordable Goals and Strategies.

### **PURPOSE:**

The amendment to the 2006 Type A Affordable Housing Goals and Strategies will acknowledge and allow for the support of rental housing projects as an Affordable Housing strategy for the citizens of the City of Corpus Christi. The proposed 2014 revisions are consistent with the U.S. Department of Housing and Urban Development (HUD) regulations and reflect current economic conditions.

### **BACKGROUND AND FINDINGS:**

In 2006, the then Director of the Neighborhood Services Department (now called the Housing and Community Development Department) proposed and obtained approval of the 2006 Type A Affordable Housing Goals and Strategies. Although these Goals and Strategies were approved by the 2006 Type A Board, the Goals and Strategies have not been actively pursued since at least FY 2009.

Eight years have passed since the document was adopted, and many changes have occurred in the national, state and local housing environment since that time. One major change was the housing bubble and subsequent burst, which created a crisis nationwide. This crisis was due to several factors, but the end result was that foreclosures of homes became rampant, mortgages were more difficult to obtain and qualifying credit scores became more and more difficult to obtain. This in turn made homeownership more difficult for low income citizens. The need for affordable housing took on a new meaning, to include affordable rental properties.

The current upturn in the local housing industry has increased the price of new and existing homes. At the same time, the U.S. Department of Housing and Urban Development has reduced the qualifying income level

for services. These two factors have made homeownership harder to obtain for low income residents, making it imperative for low income residents to look toward rental property to meet their needs for an affordable home.

For these reasons, the Housing and Community Development Department recommends the approval of the 2014 revisions to the Affordable Housing Strategies and Goals.

**ALTERNATIVES:**

N/A

**OTHER CONSIDERATIONS:**

N/A

**CONFORMITY TO CITY POLICY:**

The funding of affordable housing rental projects is an allowable expenditure in accordance with the definition of affordable housing, a modification of the 2006 Type A Affordable Housing Goals and Strategies to include the funding of rental projects was approved at the December 15, 2014 Type A Board meeting; the approval of the proposed modification will bring this request into conformation with the Type A Board policies and procedures.

**EMERGENCY / NON-EMERGENCY:**

Immediate action is necessary for the efficient and effective administration of the City's affairs. This is a routine, non-controversial item.

**DEPARTMENTAL CLEARANCES:**

Housing and Community Development staff, along with the Legal Department staff have reviewed and cleared the proposed amendment.

**FINANCIAL IMPACT:** Not applicable

<b>Fiscal Year: 2014-2015</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

**Comments:** N/A

**RECOMMENDATION:**

Housing and Community Development staff recommend the proposed amendment to the Type A Affordable Housing Goals and Strategies.

**LIST OF SUPPORTING DOCUMENTS:**

Proposed Affordable Housing Goals and Strategies (approved December 15, 2014)