



Legislation Text

File #: 24-2227, **Version:** 1

Department: Housing and Community Development

Department Head/Elected Official: Thao Costis, Executive Director

Regular or Supplemental RCA: Regular RCA

Type of Request: Contract - Amendment

Project ID (if applicable): D2017-013/C2018-040

Vendor/Entity Legal Name (if applicable): Sunrise Lofts LLC

MWDBE Contracted Goal (if applicable): N/A

MWDBE Current Participation (if applicable): N/A

Justification for 0% MWDBE Participation Goal: N/A - Goal not applicable to request

Request Summary (Agenda Caption):

Request for approval of a third amendment to an agreement with Sunrise Lofts LLC to revise HOME funding years 2017, 2018, and 2019 for the Sunrise Lofts Apartments project in Precinct 1 located at 3103 McKinney Street, Houston, Texas 77003.

Background and Discussion:

On June 8, 2021, an Agreement with Sunrise Lofts LLC was approved utilizing a total of \$19,812,215.00 in CDBG-DR (15,384,738) and HOME (\$4,427,477) funds for the construction of a new 89-unit permanent supportive housing project prioritizing homeless youth ages 18-24 of Harris County.

On, July 20, 2021, Commissioners Court approved a First Amendment that amended the Agreement as follows: 1) amend the Project Budget and CDBG-DR funding sources by decreasing the Acquisition line item by \$349,405, Site Work line item by \$2,112,000, and Other Construction line item by \$33,988 and reallocating to budget line-item Direct Construction increasing by \$2,477,392 with the total amount of CDBG-DR funds remaining at \$15,384,738. 2) amend the Project Budget and HOME funding sources by decreasing Direct Construction budget line item by \$2,669,130 and reallocating the following budget line items to increase Site Work line item by \$1,398,000, Other Construction line item by \$378,175, General Soft Costs line item by \$790,099, Construction Financing line item by \$65,000, and Permanent Loan Financing line item by \$37,856, with the total amount of HOME funds remaining at \$4,427,477. The total amount of all funding for this project is now \$26,176,787 due to increases in Leveraging budget line items.

On November 9, 2021, Commissioners Court approved a Second Amendment that amended the agreement as follows: amendment with Sunrise Lofts LLC for the Sunrise Lofts Apartments to revise the HOME funding years to the following: HOME 2017 CHDO (\$442,952.90), HOME 2018 CHDO (\$640,685.85), HOME 2018 EN (\$1,505,660.97), and HOME 2019 EN (\$1,838,178.00). The total amount of HOME funding for this project will be \$4,427,477.72 due to increases in the leveraging budget line items. The total amount of CDBG-DR funds

will remain \$15,384,738. The total amount of all funding for this project will be \$26,176,787.72.

Attached for Commissioner's Court review and approval is the 3rd contract amendment with Sunrise Lofts LLC for the Sunrise Lofts Apartments to revise the HOME funding years to the following: HOME 2018 (\$525,897.54), HOME 2019 (523,799.94), 2021 CHDO (\$578,469.04), 2021 CHDO (578,469.04), 2022 CHDO (\$788,148.30), and 2023 CHDO (\$823,848.00). The total amount of HOME funding for this project will remain unchanged at \$4,427,477.72. The total amount of CDBG-DR funds will remain \$15,384,738. The total amount of all funding for this project will be \$26,176,787.72. In addition, parties now desire to revise the unit description in the agreement, moving the six one-bedroom 50%-80% AMI units to studio units, to bring it into conformance with the approved Harris County Construction drawings.

Expected Impact:

No additional fiscal impact. The Sunrise Lofts project's impact is to combat youth homelessness by providing permanent supportive housing for young adults, who are vulnerable, high-risk, and homeless, including youths aging out of foster care. The development will consist of 89 efficiency apartment units for young adults with proximity to employment and training opportunities, and public transportation.

Alternative Options:

Alternative options include not amending funding years which would result in not meeting the requirements of HOME funding for the project.

Alignment with Goal(s):

- ☐ Justice and Safety
- ☐ Economic Opportunity
- ☒ Housing
- ☐ Public Health
- ☐ Transportation
- ☐ Flooding
- ☐ Environment
- ☐ Governance and Customer Service

Prior Court Action (if any):

Date	Agenda Item #	Action Taken
03-26-2019	8. a	Project Award
06-08-2021	135	Loan Agreement
07-20-2021	205	First Contract Amendment
11-09-2021	250	Second Contract Amendment

Location:

Address (if applicable): 3113 McKinney Street Houston, TX 77003

Precinct(s): Precinct 1

Fiscal and Personnel Summary				
Service Name				
	Current Fiscal Year Cost			Annual Fiscal Cost
	Labor	Non-Labor	Total	Recurring Expenses
Funding Sources				
Existing Budget				
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Total Current Budget	\$	\$	\$	\$
Additional Budget Request (<i>Requires Fiscal Review Request Form</i>)				
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Choose an item.	\$	\$	\$	\$
Total Additional Budget Request	\$	\$	\$	\$
Total Funding Request	\$	\$	\$	\$
Personnel (Fill out section only if requesting new PCNs)				
Current Position Count for Service	-	-	-	-
Additional Positions Request	-	-	-	-
Total Personnel	-	-	-	-

Anticipated Court Date: 04/23/2024

Anticipated Implementation Date (if different from Court date): N/A

Emergency/Disaster Recovery Note: Disaster Recovery related item

Contact(s) name, title, department: Sam Borders, Director, Multi-Family Housing Development, Harris County Housing and Community Development

Attachments (if applicable): Amendment#3