

To the Mayor and Members of the City Council

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**SUBJECT: PERMANENT SUPPORTIVE HOUSING PROJECT KNOWN AS CASA DE SUENOS**

In 2022, Fort Worth Housing Solutions (FWHS) and Ojala Holdings (Ojala) jointly applied to Tarrant County's Request for Proposals (RFP) solicitation for funding to support affordable housing. The application included numerous letters of support from the community and partners who will have an active role in stabilizing families. Those partners include FWISD, JPS, MHMR, LVT Rise, Cook Children's, and Moritz Kia. The proposed project will convert the Express Inn at 8401 West Freeway to 55 units of permanent supportive housing – Casa de Suenos. Ojala will assist with the conversion as fee developer and asset manager. The property currently has 83 units, which will be converted into 55 units to accommodate families. This configuration would include 12 1-bedroom units, 23 2-bedroom units, and 20 3-bedroom units, ranging from 416 square feet to 818 square feet, an average of 644 square feet per unit. The project will also include a resident lounge, community space, business center, computer lab, and case management offices. Other planned amenities include a dog park, playground, multi-function sport court, activated green courtyard, resident garden, and laundry center.

FWHS and Ojala completed the purchase, renovation, lease up and has successfully operated a similar development in Fort Worth since December 2020. That project, Casa de Esperanza, has become a national model of collaboration between municipal entities, non-profits and private businesses to address the growing number of persons experiencing homelessness.

This particular project is a collaborative effort between the City of Fort Worth, Tarrant County, Fort Worth Housing Finance Corporation, Fort Worth Housing Solutions, and Ojala Holdings. The anticipated project cost is approximately \$11.9 million, including the following proposed funding from the City:

- Community Development Block Grant \$1,500,000.00
- Fort Worth Housing Finance Corporation \$ 500,000.00

Tarrant County has committed to fund \$8 million. FWHS and Ojala have reduced fees by \$258,000 as well as made a commitment of an additional \$500,000 by Ojala to the project. FWHS staff will recommend that their board approve a guarantee of the remaining gap of \$1.9 million at their next scheduled board meeting on March 30, 2023. FWHS and Ojala intend to work with local foundations to obtain charitable donations to fill the gap.

While the previous option contract on the property has lapsed, applicants are working with the seller to secure a revised agreement and do not anticipate any issues. Following a 30-day Public Comment period from March 6 – April 6, staff will submit an M&C for Council consideration on the April 25 City Council agenda.

For additional information about this topic, please contact Victor Turner, Director of the Neighborhood Services Department at 817-392-8187.

David Cooke
City Manager