

**To the Mayor and Members of the City Council****March 7, 2023**

Page 1 of 1

**SUBJECT: PROPOSED PERMANENT SUPPORTIVE HOUSING PROJECT, TO
BE KNOWN AS CASA DE SUENOS, IN LAS VEGAS TRAIL
NEIGHBORHOOD**

In 2022, Fort Worth Housing Solutions and Ojala Holdings jointly responded to Tarrant County's request for proposals (RFP) to develop affordable housing. The application included letters of support from community leaders and cooperating agencies, such as the Fort Worth Independent School District, JPS Health Network, Tarrant County MHMR, LVT Rise, Cook Children's Health Care System, and Moritz Kia. The proposed project, to be known as Casa de Suenos (House of Dreams), will convert the 83-room Express Inn at 8401 West Freeway into 55 units of permanent supportive housing, including 12 one-bedroom units, 23 two-bedroom units, and 20 three-bedroom units. Units will range in size from 416 to 818 square feet, and they will average 644 square feet per unit. The project will include a resident lounge and community space, business center, computer lab, and case management offices. Other amenities planned for the development include a dog park, playground, multi-function sport court, activated green courtyard, resident garden, and laundry center. Ojala will participate in the conversion as fee developer and asset manager.

FWHS and Ojala Holdings have completed the purchase, renovation, lease up, and successful operation of a similar development in Fort Worth since December 2020. That project, Casa de Esperanza, has become a national model of collaboration among municipal entities, non-profit organizations, and private businesses to address the growing homelessness population.

The Casa de Suenos project is a collaborative effort among the City of Fort Worth, Tarrant County, the Fort Worth Housing Finance Corporation, Fort Worth Housing Solutions, and Ojala Holdings. The estimated project cost is approximately \$11.9 million, including the following proposed funding from the City:

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

Tarrant County has committed to fund \$8 million. Housing Solutions and Ojala have agreed to reduce their fees by \$258,000 and have committed an additional \$500,000 to the project. Furthermore, Housing Solutions staff will recommend that their board guarantee the remaining gap of \$1.9 million at their next scheduled board meeting on March 30, 2023. Housing Solutions and Ojala intend to work with local foundations in securing charitable donations to fill the gap.

While the previous option contract on the property has lapsed, the applicants are working with the property owner to secure a revised sales agreement and do not anticipate any issues. Following a 30-day public comment period from March 6 through April 6, staff will place an M&C allocating pertinent CDBG funds 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