

**To the Mayor and Members of the City Council****September 1, 2020**

Page 1 of 2

**SUBJECT: PROGRESS ON DEVELOPMENT OF COVID-VULNERABLE  
PERMANENT SUPPORTIVE HOUSING**

On June 23, 2020, staff issued Informal Report No. 20-10438, outlining a proposal to develop permanent supportive housing (PSH) for approximately 200 COVID-vulnerable individuals and couples. On July 1, the City issued Request for Proposals No. 20-0190 seeking proposers to: (1) quickly acquire and convert existing motels, hotels, extended stays, apartment complexes, or similar permanent structures to serve as approximately 200 units of PSH split across two or more locations; and (2) provide ongoing supportive services for such households for a period of at least twenty (20) years. On August 4, staff issued Informal Report No. 20-10446 stating the City received five proposals for the PSH project. After evaluating these proposals with respect to published criteria, staff recommended that Fort Worth Housing Solutions and the Presbyterian Night Shelter of Tarrant County, Inc. be awarded notices to proceed. On August 11, 2020, the City Council approved M&C 20-0518 as amended, authorizing agreements for up to \$9.3 million to develop approximately 100 units of COVID-vulnerable permanent supportive housing.

Fort Worth Housing Solutions is partnering with Ojala Holdings and the architect for the project is Bennett Benner Partners. On August 27, FWHS secured an option to purchase the HomeTown Studios property at 3804 Tanacross Drive in Council District 4 for \$6.8 million. A zoning change request from General Commercial to PD-D for Planned Development/ Multifamily Residential has been submitted.

PSH Project Team members representing Development Services, Neighborhood Services, Diversity and Inclusion and Directions Home toured the site on July 31. The property was built in 1998 and has 121 rooms, all with kitchenettes. The units all have exterior access and there is a laundry room. The team noted a few units would need to be converted in order to have adequate community and office space. Project Team members evaluated the property according to the following criteria:

1. ADA accessibility – 6 ADA units – meeting 5% requirement, has elevators to second and third floors
2. Size of the rooms – smaller units are 220 square feet, larger units are 292 square feet
3. Number of units - 121
4. Size of bathrooms in each unit - adequate
5. Condition of each unit – needs ADA and building code upgrades, update kitchenettes
6. Condition of the property – Need to replace HVAC, paint, carpentry, etc.
7. How much work will it take to bring up to code? Ojala has determined that they can do the necessary work within the prescribed time frame
8. Type/functional HVAC (individual window/room units or centralized HVAC). Window units
9. Parking - adequate
10. Trash arrangements (how will room trash be handled, disposed of) – will check more
11. Proximity to Single Family Homes – not near single family homes
12. Proximity to groceries - 1.5 miles to Kroger/Albertsons
13. Proximity to bus line/transit - close
14. Relocation/Uniform Relocation Act issues – FWHS obtained an occupancy report from the Seller showing there to be approximately 30 tenants occupying the property for over 90 days. This will trigger the URA requirements and FWHS will need to fully comply. FWHS is drafting a Relocation Assistance Plan and will issue the (i) General Information Notice to residents immediately and issue the (ii) Notice to Vacate the day of Closing. Tenants at the property less than 90 days will be offered up to \$400 in moving expenses and, the tenants at the property longer than 90 days will be offered up to \$7,400.



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Page 2 of 2

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Staff intends to grant a reasonable accommodation under the Americans with Disabilities Act (ADA) and the Fair Housing Act to modify the unit size requirement consistent with existing unit sizes so as to allow more COVID-vulnerable PSH clients to be served. The reasonable accommodation will only request waivers related to unit size, not to any zoning requirements. This would enable the project to serve 119 clients.

**Project Supportive Services:**

There will be a team approach to offering supportive services to COVID-vulnerable clients at the property. Onsite, there will be five staff: three general case managers from Presbyterian Night Shelter, one mental health case worker from My Health, My Resources (MHMR) and one JPS worker who connects people to health resources. These supportive services will be funded through Directions Home for a total cost of \$350,000 by re-allocating existing funds.

**Project Budget:**

Acquisition & Closing	\$7,090,400
Hard Costs, e.g. creation office/common space, paint, security, deferred maintenance	1,534,110
Soft Costs, e.g. architect, due diligence reports, legal costs	625,490
<b>Total Budget</b>	<b>\$9,250,000</b>

**Project Map:**



**Project Timeline:**

September 9	Zoning Commission Hearing
September 15	City Council Zoning Hearing and Resolution of Support
September 28	Estimated Closing Date
October	Renovation
November	Leasing
December 1	Deadline for expenditure of CARES Act funds

For more information, please contact Directions Home Manager Tara Perez at [Tara.Perez@fortworthtexas.gov](mailto:Tara.Perez@fortworthtexas.gov).

**David Cooke**  
**City Manager**