



Episode 31: “The Name’s Bond... San Antonio Housing Bond

GG ([00:00](#)):

Let's be honest REALTORS® face an ever-changing industry with emerging tech growing trends and a booming market. It's vital to keep up. Join me, Gilbert Gonzalez CEO for the San Antonio Board of REALTORS®, as I get real with experts on what REALTORS® need to know in this industry, it's time to get real.

Hi there everyone, and welcome to episode 31 of our Get Real podcast. My co-host for today is Brett Finley, our Director of Government Affairs. Welcome Brett.

BF ([00:28](#)):

Hey, thanks, Gilbert,

GG ([00:29](#)):

Brett. Thanks for joining us on this experiment of having a co-host we're looking forward to your contributions.

BF ([00:35](#)):

<Laugh> thanks.

GG ([00:37](#)):

Yeah, we really are. Before we welcome our main guest. There's a lot going on here at SABOR, and I wanted to give you the opportunity to tell our members about it. First things, first is a homestead exemption study that you and the team have been working hard on. Tell us really quickly about that.

BF ([00:51](#)):

Yeah, thanks Gilbert. So this has been a little over a year and a half in the making. There's been a series of steps along the way, but we are grateful and excited about the results of the conclusion of the study that is looking at increasing not only the city of San Antonio's homestead tax exemption, but also Bexar County's homestead tax exemption did a comparative analysis utilizing real estate market values over the period of the last several years to say, Hey, if we did this you know, if we were able to increase the current homestead tax exemption in the city and at the county level which is currently 0.01% at the city, and we increased that to 20% or perhaps even a little lower at 10%, what those average and

accumulation and savings for property owners would be over a period of, let's say one to five to even 10 years.

BF (01:42):

And so we're really, you know, grateful for the, the support that we utilized at consulting group out of California to develop this and now we are utilizing the results of those studies to impact a lot of the advocacy needs and concerns and priorities of not only our organization, but then I think most importantly of property owners and consumers out there in San Antonio and Bexar County specifically who are undergoing I think a tremendous amount of pressure as property values property appraisals, and ultimately property taxes are continuing to increase year over year.

GG (02:17):

So you mentioned it briefly and I wanna highlight it. And that is the idea that we used a consulting firm to help us with this. And the way we were able to get that done is through our advocacy efforts and using TREPAC. So I wanna say thank you to all of our members who contribute to the PAC and help to make this study possible. So speaking of TREPAC and committees, we also have committee applications open right now you manage some of our committees. Can you tell us a little bit about what, how someone can go about applying?

BF (02:48):

Yeah, so everything is accessible through our SABOR website. It is that time of year again committee application the portal is open now through July 31st. So make sure and get in there. And you got, I think a little bit of everything for your expertise. If, if you are a member that is just starting out in the business you've got maybe six months to two years of real under your belt come out and sign up for the Young Professionals Network, our YPN committee. We do a lot of fun interactive things throughout the year, host a variety of happy hours. But we've also got, you know, relatively new committee that's I think it's, it'll be its third year and existence our Commercial Committee that focuses on all the issues and provides education and relevance to our commercial practitioners in the business.

BF (03:37):

We also have our, our highly competitive, I would say, sought after MLS Committee that looks at everything in, in and about our MLS system looks at operating rules and guidelines and makes recommendations to the board of directors ultimately for approval. We've also got a REALTOR® Development Committee that does and focuses a lot on professionalism education, making sure that all of our members are up to date on their code of ethics requirements. And that's just a preview of, of what's in store also have the Government Affairs Committee and the TREPAC Committee, which I'm a little bit more fond of because of my work with that group and have to make sure and help and make you know, that we are doing things in the right capacity in those efforts.

BF (04:18):

So again, a little bit for everybody for our SABOR committees July 31st is the deadline, make sure and sign up. We always talk about how important it's to stay active, stay involved in your business. But we also probably don't talk as enough about kind of the underrated component to networking with any of these committees, with the, the work that they do on a month in a month out basis, the events that they host it is a great way to get your name out there in the business, share business cards, network, grow your, your name, recognition, your value and provide information and information sharing in that

regard for all of those events, occasions, initiatives. So there's a little bit, I think, for everybody with SABOR's committees

GG ([04:59](#)):

And I will encourage anyone who's listening to this podcast, perhaps after the deadline that you don't have to necessarily be on the committee to go to the committee, please continue, consider just showing up and going to the website, figuring out when those committees are and feel free to hang out and see what they're working on and, and contribute just because you're not officially appointed to the committee does not mean you can't still come and help and support the effort.

Our guest today is Mark Carmona. Mark serves as San Antonio's first Chief Housing Officer. And here's to talk to us about the recently passed \$1.2 billion bond program here in San Antonio. Welcome Mark. Thank you for joining us.

MC ([05:43](#)):

Thank you. I'm happy to be here. Thanks for the invitation.

GG ([05:47](#)):

So being the first Chief Housing Officer, what does that mean? What have you taken on in this new role that was created?

MC ([05:55](#)):

So the role for the Chief Housing Officer really was first identified back in 2018 when the mayor's housing policy framework, when that task force did their work they felt it was necessary and essential for there to be an executive level position within the city manager's office that really worked to work at a systems level to identify opportunities of how systems within the city can cooperate and work towards achieving affordable housing. So how housing can work with the health department or development services, or even public works, you know, in a lot of effective and new ways, transportation, other areas. And so how can that person be in on those conversations at a strategic level and at the same time work with external partners, like SABOR, to identify opportunities for affordable housing. So, like our external partners have already given us a lot of great ideas about how we can achieve things we need to leverage you know, the housing bond and especially is historic for our community because it's the first time. But you know, our needs far outweigh that number. And so, our ability to leverage resources and opportunities to make this work is gonna be really important. So, the housing officer really, and at the end of the day, you know, the city manager said, Mark, your job is to oversee the successful implementation of the Strategic Housing Implementation Plan. And so that's what I work on. So, I work with a lot of city departments to make that happen. So, in grand stretch Gilbert, that's the job.

GG ([07:39](#)):

Yeah. That, that is a big job. That's a lot of job. It's exciting though, because I often think we, when we talk about housing, everyone assumes that's just the four walls and the roof, but it does much involve transportation getting to, and from the house, making sure that there's resources there for that property, all of those things go into it. But you mentioned the very historic bond. Can you talk to us a little bit about what went on to get this done?

MC ([08:07](#)):

I think, you know, it started with, you know, again, the housing framework, the mayor's task force, and I think it identified the need for resources. Obviously, that became a much more of an achievable goal when there was the charter amendment a couple of years ago that allowed bond funds to utilize for afford, be utilized for affordable housing. So that was a, that was a big step in the process the identification or the development of the Strategic Housing Implementation Plan that utilized or worked with 80 stakeholders in our community, you know, you all were involved, others were involved to really try to figure out how are we gonna impact what I'm calling housing affordability, you know, from the folks that have the deepest need all the way across the housing continuum to identify a plan for our community over the next 10 years.

MC ([09:04](#)):

And as we're seeing across the country go, there's a lot of communities that don't have a plan and there they're suffering right now in a lot of different ways. I think there was really kind of foresight on our community's part to do this. So, the charter amendment, the housing plan got adopted by city council December of last year that led to placing the proposition for our housing on the 1.2 billion bond vote. So, that those were the steps that kind of led it up to that. And then we were hopeful and were pleased that voters provided a majority vote to, to make sure that this happens,

BF ([09:46](#)):

Mark, let's talk a little bit about let's start peeling back the onion, so to speak and, you know, 150 million bond package, that's 130 million dollars more than the 2017 bond of 20 million that was sort of considered a neighborhood improvements act, so to speak. That was, you know, kind of the first of its kind, I think for the city, that to really focus in on affordable housing, but it obviously had some limitations. You alluded to the 2021 charter amendment change that allowed the city more flexibility to go in there to diversify and really spread out the, the available resources through a, a robust bond package specifically homeownership rehabilitation and preservation \$45 million, we understand is gonna be dedicated to helping repair existing single-family homes. Can you speak to, to who this target audience and target group is and what types of issues they are currently facing and what those dollars are really gonna make a difference in helping change?

MC ([10:43](#)):

Sure. Great question, Brett. So, I think, you know, clearly, there's a school of thought that I tend to agree with, which is the best type of affordable housing is keeping people in their homes. And so, there's a lot of existing housing stock in our community. That's older that has a lot of deferred maintenance. So, people that need a new roof or foundation work in some instances, you know, a lot more than that. And so, you know, that's targeting often times older adults that are on fixed incomes, you know, are retired and, and may even have other family members living with them. So, you know, to Gilbert's earlier point, I think it's trying to identify where those communities are that are close to transportation centers towards regional centers. That's part of our, the city's master planning process that, and it's also close to employment.

MC ([11:43](#)):

You know, we want to be able to have housing and as you think about it, housing ties to transportation, but it also ties to workforce development. So the ability for people to be able to train, cuz when you, when you think about that, the Strategic Housing Implementation Plan, there were really two elements that were identified for us to be able to really address this issue. One is creating more affordable housing, but the second pieces was increasing wages and income for people. So that that's a necessary

part, that workforce development. And if you think about the investment in SA ready to work \$177 million bond, I mean, initiative passed by voters. Those really are symbiotic types of programs that are gonna leverage each other, but also you provide the housing while people are going through job training that's affordable. And so that everybody can continue to build skills and build wages in the community.

GG ([12:41](#)):

So you mentioned that project that project takes on jobs. Does this bond have anything to do with workforce development or is that a completely separate?

MC ([12:52](#)):

That's completely separate. Yeah, the especially the housing bond and then there are other, other parts of the, this particular bond or are separate kind of initiatives.

GG ([13:02](#)):

Okay. So the, the next biggest category that it takes on at 40 million is rental housing, acquisition, rehabilitation, and preservation. I think we can know what that would look like, but I'm wondering who it would look like or who it would be for, I should say,

MC ([13:21](#)):

Well, you know, I mean there there's, you know, just like there is aging, single family stock housing stock in our community, there's aging rental stock in our community. And we need, and you know, and a lot of that rental stock already provides affordable housing spaces for people. So obviously we're interested in trying to identify where those are doing, you know, working with existing owners to ensure ongoing affordability in exchange for, you know, rehab work that's happening acquisition, you know, meaning potentially that could be land banking. That could be, and these are all strategies, Gilbert that, that were, that you all and others in the community identified in the Strategic Housing Implementation Plan. So really following that script as well as ideas that came out of the housing bond committee from the acquisition side, there, there may be things that just make sense that maybe not, might not be a today, but down the road being more strategic just thinking of land banking as a possibility in that regard. So I think that's how we're thinking about that. One of the things that we are gonna be doing as part of this process is going out into community, engaging key stakeholders, you all are on that list to get feedback and ideas on the best way to utilize these dollars, you know, to make sure that our feet is as comprehensive as possible. So we started that process and you'll be a group that we reach out to

BF ([14:59](#)):

Next on the list is permanent supportive housing, twenty-five million dollars. First, Mark for our listeners out there, what is permanent supportive housing? And then secondly, why is that gonna benefit a growing unfortunate homeless population here in San Antonio? Certainly, I think if we did nothing you know, and just kind of let things continue on, you really could see that trend, you know, that upward curve continue to get worse and worse. So why is permanent supportive housing? You know, why is it desperately needed in our community? Then also just first off what is it most importantly

MC ([15:31](#)):

So permanent supportive housing. First of all, it is permanent housing. It's not a shelter, so it's not a shelter that people will come in and out but say you're a chronically homeless person with severe mental illness and you've been on the streets for a while. Permanent support of housing provides a

location for you to have a home permanently. We will provide single site onsite supportive services. So psychiatric services, physical health services, counseling case management all the type different types of services that are gonna be important to working with somebody in permanent supportive housing. It's important when you think about the fact that San Antonio has been effective so far, because it has a homeless response system that's already in place. This is a partnership across multiple agencies in our community that work in a coordinated fashion to help people that are experiencing homelessness.

MC ([16:30](#)):

In my opinion, it's the reason why we're not trending like San Francisco is right now with their homeless population, because everybody's on the same page. We're moving in the same direction. We're trying to engage people and we're trying to get them into care to transform their lives. You know, now in certain cases some people that's gonna be harder but it doesn't mean that they don't need housing and some level of support. So permanent support of housing will identify those people that are on the street today, you know, that are experiencing homelessness, but can have a location in a community where they can get the supportive services they need.

GG ([17:10](#)):

Mark, is this a unique program? Have you seen it implemented anywhere else?

MC ([17:15](#)):

It's not unique. It happens across the country. There's you know, we have in San Antonio, we have permanent supportive housing, but it's in a scattered site situation, Gilbert. So what that is really is we have people in permanent supportive housing, but in different apartments and locations around the city. So although that's a good thing, part of the challenge there is that you have to have staff that are going out to the person as opposed to having all the services on site, where they live. But there are other single site, permanent supportive housing locations. There are a couple in Austin that I, that I'm aware of. I think there's some in Houston and in Dallas. Matter of fact, there's a small group of us that are gonna go see a site in early July. We're constantly trying to learn more from other people, you know, how did you what was the capital stack to build it? What are operational costs? What are the services that you provide? How did you work with community in accepting that, you know, housing was gonna be in this area? You know, there's a lot of questions that we have that we're currently working on today.

GG ([18:21](#)):

So the fourth category of spending at thirty-five million is rental housing, production and acquisition. What does that look like?

MC ([18:31](#)):

So that's new development that will be new construction for multifamily units across the community. So again, I mean the, the bond committee put in the caveat of acquisition in case we run across a situation, that's a, that's a good acquisition, has good acquisition potential, but I think the majority of this is gonna be really developing new multi-family units across the city. Again, we're looking for those in regional centers, in transportation lines and employment locations, but that's the intent. Now, this is a great example of how we can leverage dollars. And so in a lot of different situations, you know, there's maybe developments that are on the way. So they're already bringing money to the table. They're already bringing resources to the table. Maybe it's a gap situation for them. Maybe it's, you know, there could be a lot of different scenarios that would come up, but this is a great way to us to be able to leverage

other resources to advance what we're trying to do, but that's what will happen creation of new multi-family units.

GG ([19:33](#)):

Does the city currently have this in place? Like, do we already have current multi-family units that the city is owning or is this also something new initiative that, that y'all are taking on?

MC ([19:45](#)):

Well, I mean, the city does participate and has participated in the past, you know, in different development deals that provide affordable housing. You know, there's some that have just opened recently you know, our partners are involved. So whether it be the San Antonio housing authority or the San Antonio housing trust through the uses of their public facilities, corporations, they, they, there are deals that are in place. So, you know, that's another example of how things are leveraged. So the development of this is not new for the community. The bond just represents a greater opportunity for us to extend it and leverage more because our community needs more.

GG ([20:25](#)):

Okay. And I think that's what I was trying to figure out. It's gonna look exactly how it is now. It's just, we're providing more resources so that we can use it with the housing trust or SAHA to, to create more opportunities. So, and

MC ([20:38](#)):

So wherever it makes sense.

GG ([20:40](#)):

And so like the housing trust it, they create multi-family living and, you know, a percentage of that has to be, you know, for certain incomes, but the rest of that is also available to, you know, the entire community at market rate. So this isn't just a very small income, I shouldn't say small, this isn't for a very limited income. It's gonna create housing for the entire community as well.

MC ([21:04](#)):

Right. Now, the housing bond was pretty clear that committee was clear that they were seeking the deepest levels of affordability because of the need that we have in our community, where people are, you know, are spending much more than, I think it's close 35 to 40% of their take home pay on their housing. So we're looking for deep affordability, but you are correct that, you know, these projects will have various levels, some at 30%, some at 50% 60% and then market rate. So you'll have a mix. And the reason I think you want that in our community is when you think about a housing continuum, you need a continuum in place because the goal is that people are continually progressing. And, and so somebody that was at 50 gets to 70, you know, and then they kind of continue to move. Somebody else comes in that slot. So we try to think of it from a housing continuum, but the bond committee was clear that the, our ability with bond funds to get the deepest affordability is what we're looking for.

BF ([22:04](#)):

You referenced the 95,000 there's 95,000 households that are, are considered cost burden through y' all's analysis with the Strategic Housing Implementation Plan, the S.H.I.P. plan over this next decade, you're continuing, trying to chip away at those numbers. I wanna speak specifically to the home

ownership, production side of the housing bond itself. There's 5 million allotted to that. Can you talk a little bit about how that, that money is gonna be utilized to to produce new housing in and around San Antonio?

MC ([22:33](#)):

So, Brett, I think similar to what we're gonna do in rental production, you know, we're gonna look for people that are working in that space to see how we can support what they're doing to increase single family home ownership. You know, one of the things that, that, you know, I'm a little concerned about is there seems to be a growing number of people that, you know, are having to rent homes more and more, and we're trying to get home ownership as, as an important piece. I think home ownership is an American dream, you know, and I think people, we really should work towards that. And so although it's a small number, you know, we think that, you know, we can try to leverage, you know, whatever we can into you know, promoting organizations that are doing that, both nonprofit and for profit to, you know, because when you, again, when you think of the housing continuum, it's not just market rate on the rental side, it's also with home ownership as well. And so we want to support that in any way we can with the bond dollars that we have

BF ([23:38](#)):

And a follow up on that, Mark you, you reference the, the leveraging of dollars. It's not just an obviously 150 million is, it seems like a lot, but obviously when you talk about the full breadth of, of the issues that are ongoing in and around San Antonio, it's gonna take much more than that. Can you talk about the, the additional money and how you're gonna be able to leverage those over the next decade?

MC ([24:02](#)):

Sure. So what we identified is, you know, but when you think about the five years of the bond it, the 150 million makes up about 7% of what we're actually gonna need to your point. And so it looks like about 1.1 billion over the five years is what we're gonna be able to leverage. So it's, it's through partners like SAHA it's through partners like the housing trust it's through naturally occurring development. So, as I mentioned earlier, developers that are already producing both single family and multi-family development in our community. Those are gonna be some of the ways that, you know, we're gonna be able to, to leverage dollars. You know, we're already talking to organizations or groups that, that are thinking about aligning some of their dollars around what we're doing. I think what helps us is that we have a plan and it's an implementation plan. It's not a vision, it's not a, but it's, here's 36 strategies that we think are gonna work in our community. And you know, what, what I'm learning from other communities is they don't have that. And so people that are looking to try to support this, put dollars behind it are looking for a plan.

GG ([25:18](#)):

So you've been mentioned it a couple, the housing continuum and that 150 is, is only a 5% of the entire process. How many of people, or do you think we're gonna be able to positively affect through this bond proposal?

MC ([25:39](#)):

Well, when you look at when you look at the 95 household, a thousand households that Brett was talking about, and you go into the S.H.I.P. document I mean, we're not gonna be able to build or outfit 95,000 households with, with housing. So we anticipate anywhere between 27 to 28,000 households will be impacted through housing efforts. So whether that's rehabilitation preservation of single family,

rehabilitation of multifamily, new construction of multifamily new construction of single family, or an even permanent supportive housing, but we have a similar number, 28,000, 29,000 jobs that are created, cuz remember it's not just housing, but we have to increase income as well for, for individuals. I think that's another way to address the issue of the 95,000 households as well as benefits assistant. What we've learned is that there's a lot of benefits that people qualify for that will increase the resources into their homes that they're eligible for, but they're just not aware of, so there's different strategies. But from the housing side itself Gilbert, we're thinking, you know, of the, over the period of the 10 year plan, 27 to 28,000 households.

GG ([26:53](#)):

So the 95,000 households, those are what you consider the deepest level of the community, as far as the ones that the bond committee wanted to focus on?

MC ([27:04](#)):

Well, that, that's what we've identified in the S.H.I.P. as the most vulnerable in our community, the bond committee then identified and kind of aligned with and said, yeah, we wanna impact the deepest level of affordability that we can get to. And obviously that will help us, you know, meet that mark. But we identify that number in the planning, the development of the S.H.I.P.

GG ([27:29](#)):

And the, the long term goal of, or I should say the time span in which you're looking to execute these things, is that a five year plan, 10 years?

MC ([27:40](#)):

Well, the horizon for the, the S.H.I.P. document itself is a decade it's 10 years. Obviously we'll, we'll work to achieve the goals in the five years that we have this housing bond and, and we'll see, you know, the, the S.H.I.P. document too Gilbert, I didn't, I fail to share this it's a living document. And so just similar to what happened with the housing policy framework, you know, that group identified some numbers that, that we started to that the community and the city started to work on right away, actually, when it came time to adopt the S.H.I.P., we realized that we had actually already exceeded those targets. So we had to recalibrate, which is what we did. I suspect as we go through this process, we'll have to recalibrate at different times based on what we're seeing. I don't know that anybody would project, you know, COVID or would project, you know, the impact of a materials costs and, and supply chain impact and labor costs, you know, and what does that do? So we'll, we'll calibrate as we go through that and, and as we achieve our marks.

BF ([28:49](#)):

Mark, you know, many San Antonians and, and we hear this often, their incomes are, are too, maybe too high to qualify for affordable housing, but they're oftentimes too low specifically now to afford unfortunately market-rate rate housing. You know, how, how can maybe it's through this bond or, or perhaps the dollars that you're gonna be leveraging in the future, how can we sort of really target and focus perhaps that AMI level 80 to 100 %?

MC ([29:18](#)):

That's a good point. You know, I don't know that bond funds necessarily are gonna be able to impact that, but I do think, you know, we are looking at working with people right now, organizations right now

that can help us identify how we get to that population number. I think naturally affording occurring housing, especially on the, on the multi-family side, Brett may be a starting point. And then if we can work with them on increasing wages, either through city programs or on, you know, cuz remember they're ready to work program is employer driven. So our local employers have decided these are the jobs that are needed training for. So as they continue to do that, people participate in that program, their wages increase. Then they can begin to look at qualifying for single family homes down the road. So I think that's a way to start, but I suspect what we'll see from a data side is that we're gonna need to do we'll have to pay more attention to that as we go along. And I think the system and the work will adjust to it.

GG ([30:27](#)):

Mark, if you, we leave our listeners with one thing, what do you think is the most important thing you want them to know about this bond?

MC ([30:37](#)):

That really what we're, you know, what we're trying to achieve is really about housing affordability. I think in certain cases, you know, people were maybe viewing the bond as you know, they had maybe a thought in their head covered about what a affordable housing was. Maybe they thought it was a large tower, like a Detroit that, you know, had crime and those kinds of things. But when you think of it, in terms of housing affordability, it's really about us, the whole community as I talk to people in the community and we talk about this issue, what people often don't realize is that it's a, you know, affordable housing is already in your neighborhood. You know it may be your neighbor down the street that, you know, they take care of their yard well they're good neighbors, your kids play with their kids, but you really don't know what their background is.

MC ([31:24](#)):

They may have a housing voucher, that's helping them right now as they continue to wanna upgrade in their lives. So it's really an issue that impacts the whole community. And we need it as a community if we're gonna be competitive and if it's gonna be viable for us, you know because we need people to be able to access housing and not, and housing, that's affordable for them wherever they are in their life. So that we can continue to be competitive as a community and for people to be able to achieve the quality of life that they're looking for. So it's not a them proposition in my mind. It's an us proposition.

GG ([32:04](#)):

I think that's a fantastic way to look at it. Mark. I want to thank you for joining us in helping us disseminate some of the information about this bond to our members and our listeners. And we look forward to checking in down the road and seeing where things are.

MC ([32:18](#)):

Listen, thank you for the opportunity. I can't wait to continue working with SABOR.

GG ([32:23](#)):

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