

STATE OF TEXAS § INTERLOCAL GRANT AGREEMENT FOR THE
§ DISTRIBUTION OF GENERAL FUNDS FOR
COUNTY OF BEXAR § RENTAL ASSISTANCE

THIS INTERLOCAL GRANT AGREEMENT FOR THE DISTRIBUTION OF GENERAL FUNDS FOR RENTAL ASSISTANCE (hereinafter referred to as the “Agreement”) is made and entered by and between the **COUNTY OF BEXAR**, a political subdivision of the State of Texas (“County”), and the **CITY OF SAN ANTONIO, TEXAS**, a Texas Home Rule Municipality (“City”) (also, individually, a “Party” or, collectively, the “Parties), pursuant to the authority granted by the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

INTRODUCTION

WHEREAS, the COVID-19 public health emergency has continued well past what local leaders anticipated and County residents continue to face the threat of losing their residences and being left homeless which would result in additional strain on these families and impact the local economy and potentially displace a significant portion of the local workforce;

WHEREAS, COUNTY residents have continued to suffer financial losses as a result of COVID-19 and a significant step towards easing the immediate pressure on these residents would be providing rental assistance for those that qualify as a result of the continuation of the public health crisis and the significant and on-going financial hardships faced by these residents as a result;

WHEREAS, to address financial losses as a result of COVID-19, CITY operates an Emergency Housing Assistance Program that provides rent and mortgage assistance to City of San Antonio residents based on the residents’ income levels;

WHEREAS, in a separate agreement, COUNTY is partnering with CITY to distribute \$717,196.47 in CDBG-CV Cares Act funding provided by the Texas Department of Housing and Community Affairs (“TDHCA”) for and through the Texas Emergency Rental Assistance Program (“TERAP”). In addition to this amount, COUNTY would like CITY to distribute to eligible County residents an amount not to exceed \$1,500,000 of COUNTY general funding in accordance with this Agreement. 10% of the COUNTY general funds are reserved for Texas Eviction Diversion Program (“TEDP”), which allows Texans who have fallen behind on their rent because of the impact of COVID-19 and whose landlords have initiated eviction proceedings, to stay in their homes;

WHEREAS, pursuant to Section 381.004(c)(1) of the Texas Local Government Code, the COUNTY may contract with another entity, including a municipality, non-profit organization, or any other person, to administer a program for local economic development;

WHEREAS, this Agreement will further the objectives of the COUNTY and benefit the COUNTY and its residents and serve the broader purpose of stimulating and encouraging business and commercial activity in the COUNTY caused by the COVID-19 pandemic, retaining and expanding job opportunities and building the property tax base; and

NOW THEREFORE, for and in consideration of the mutual promises contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
PURPOSE

- 1.01 The purpose of this Agreement is to set out the terms and conditions under which CITY will distribute funds to eligible County residents (“Rental Assistance”), as more specifically detailed in **Exhibit “A”**; and reimbursement of administrative costs for Services.

ARTICLE 2
TERM

- 2.01 This Agreement is effective on January 15, 2021, and shall expire on May 14, 2022 (the “Term”). Each Party reserves the right to terminate this Agreement with or without cause with thirty (30) days written notice to the other Party. The notice of termination will be in writing and will state the termination date. CITY will be paid for any work performed prior to the termination date.

ARTICLE 3
REIMBURSEMENT OF EXPENSES

- 3.01 For actual and eligible Rental Assistance and Administrative Costs (as defined below), COUNTY will reimburse CITY an amount not to exceed **ONE MILLION, FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00)**.
- 3.02 COUNTY will reimburse administrative costs allowed under TERAP guidelines (“Administrative Costs”). Pursuant to TERAP guidelines, Administrative Costs can include salaries and related costs, supplies, overhead (utilities, maintenance, etc.), transportation, and mileage. Funds provided by the COUNTY shall reimburse CITY only for those costs and expenses directly related to the CITY’s provision of the services described in **Exhibit “A”**. Funds may not be used by the CITY for the payment of staff bonuses or performance payments, entertainment, gifts, or legal expenses. Administrative Costs may not exceed ten percent of the amount of Rental Assistance distributed, and may not to exceed **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00)**.

ARTICLE 4
INVOICING

- 4.01 CITY shall submit to the COUNTY’s Economic and Community Development Department (“Department”) a monthly invoice package of incurred costs. For purposes of this Agreement, a cost is “incurred” when CITY has expended funds to cover the cost. The invoice package must be submitted, month after month, until funding has been exhausted. The invoice package should include:
- in the form incorporated into this Agreement as **Exhibit “B”**: (1) an expenditure report itemizing Rental Assistance and Administrative Costs; (2) performance report; and (3) a client data report;
 - the report referenced in Section 5.07 below.

The invoice package should be submitted to:

By mail: Bexar County Economic and Community Development
ATTN: Robert H. Reyna
233 N. Pecos St., Suite 320
San Antonio, Texas 78207

Upon reasonable notice, CITY shall make the documentation supporting its invoices available to COUNTY for inspection or audit.

- 4.02 All Rental Assistance costs and Administrative Costs must be incurred by January 14, 2022. All invoice packages must be received by COUNTY no later than the close of business on January 31, 2022. COUNTY will not be obligated to consider any invoice packages received after the close of business on January 31, 2022.
- 4.03 Delinquent or unacceptable invoice packages and/or performance reports shall excuse delay of reimbursement by COUNTY. CITY will receive written Notice of delinquent or unacceptable invoicing/performance reporting within seven (7) business days of receipt of the invoice package. CITY will have five (5) business days to resubmit corrected invoices/reporting. Invoice packages that are not re-submitted within five (5) business days will not be considered for reimbursement.
- 4.04 After receipt of and approval by COUNTY of the SERVICE PROVIDER's billing package, COUNTY will reimburse CITY an amount equal to the total amount of the billing package, subject to deduction for any costs questioned or not allowable, pursuant to the Texas Prompt Payment Act. COUNTY may withhold all or part of any payments to CITY to offset reimbursement for any ineligible expenditures, disallowed costs, or overpayments that CITY has not refunded to COUNTY. COUNTY may take repayment from funds available under this Agreement in amounts necessary to fulfill CITY's repayment obligations.
- 4.05 Within ten (10) business days of COUNTY's written request, CITY shall refund to COUNTY any sum of money paid by COUNTY to CITY that COUNTY has determined:
- a) Resulted in overpayment to CITY;
 - b) Has not been spent by CITY strictly in accordance with the terms of this Agreement; or
 - c) Is not supported by adequate documentation to fully justify the expenditure.
- 4.06 Funds provided to the CITY pursuant to this Agreement will be paid solely from lawfully available funds that have been duly appropriated by the COUNTY. Under no circumstances will the COUNTY's obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, none of the COUNTY's obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution. Further, the COUNTY shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by the CITY.

ARTICLE 5

COOPERATION WITH MONITORING, AUDITS, AND RECORDS REQUIREMENTS

- 5.01 CITY shall comply with all federal, state, and local laws and ordinances applicable to COUNTY for the work or Services provided pursuant to this Agreement.
- 5.02 CITY shall maintain all financial records in accordance with Cost Principles for Non-Profit Organizations, OMB Circular A-122; Audits of States, Local governments, and Non-Profit

Organizations, OMB Circular A-133; and Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations, OMB Circular A-110. These circulars shall be made part of all agreements pertaining to the Project.

- 5.03 COUNTY may conduct, at a minimum, two (2) monitoring visits to CITY's Project site to determine performance and compliance with the terms of this Agreement.
- 5.04 CITY shall maintain books, records and other documents relating directly to the receipt and disbursement of funds under this Agreement. CITY must maintain a receipts-and-disbursements ledger and a general ledger with an income-and-expense account for each line item. Paid invoices revealing check number, date paid and evidence of goods or services received must be filed according to the vendor paid.
- 5.05 CITY shall allow any duly-authorized representative of COUNTY, upon reasonable notice, to have access to and the right to inspect, copy, audit, and examine all books, records and other documents of closeout procedures concerning this Agreement, until final settlement and conclusion of all issues arising out of this activity are completed.
- 5.06 SERVICE PROVIDER will furnish to COUNTY information deemed by COUNTY to be pertinent to matters covered by this Agreement. Additionally, CITY will submit monthly reports outlining households assisted, funds expended, client demographic data and verification of grant-funded program expenses. CITY will provide data supporting client eligibility for the services provided. Data shall include, but not be limited to: how the person/household was directly impacted by coronavirus, number of persons/households served, family size, race/ethnicity, and income documentation. CITY will also provide data relating to the TEDP, including, but not limited to: number of persons whose evictions were diverted, client eligibility and demographic information.

ARTICLE 6
REPRESENTATIONS, WARRANTIES AND COVENANTS

- 6.01 CITY represents and warrants that:
 - a) All information ever provided or to be provided to COUNTY is complete and accurate as of the date shown on the document, and that since that date, CITY has not undergone any significant change without written Notice to COUNTY.
 - b) Any supporting financial statements ever provided or to be provided to COUNTY are complete, accurate and fairly reflect the financial condition of CITY on the date shown on those statements and during the period covered, and that since that date, except as provided by written Notice to COUNTY, there has been no material change, adverse or otherwise, in the financial condition of CITY.
 - c) No litigation or proceedings are presently pending or threatened against CITY relating to the Agreement or Project.
 - d) None of the provisions in this Agreement contravene or in any way conflict with the authority under which CITY is doing business or with the provisions of any existing obligation or agreement of CITY.

- e) CITY has the legal authority to enter into this Agreement and accept payments, and has taken all necessary measures to authorize the execution of and the acceptance of payments under this Agreement.

ARTICLE 7
INSURANCE

- 7.01 Both COUNTY and CITY are subject to and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001, *et. seq.*, and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury or death. Both Parties maintain adequate insurance to respond to any claims by third-parties or by their respective employees for personal injuries or property damage. Both Parties hereby waive pursuant to this agreement any subrogation rights it may have or acquire as against each other arising in the course of or during the term of this agreement.

ARTICLE 8
INDEMNIFICATION

- 8.01 COUNTY and CITY acknowledge they are subject to and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001, *et. seq.*, and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury or death. Neither Party assumes any indemnification obligation under this agreement.

ARTICLE 9
POLITICAL ACTIVITY

- 9.01 None of the performance under this Agreement may involve, and no portion of the funds received may be used, either directly or indirectly, for any political activity including, but not limited to, an activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation.

ARTICLE 10
AMENDMENTS AND CHANGES IN THE LAW

- 10.01 Any alterations, additions, or deletions to the terms of this Agreement must be documented in writing and signed by both Parties to be binding. Notwithstanding this requirement, it is understood and agreed by Parties hereto, that changes in local, state and federal rules, regulations or laws applicable hereto, may occur during the term of this Agreement and that any such changes shall be automatically incorporated into this Agreement without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law.

ARTICLE 11
DELEGATION AND ASSIGNMENT

- 11.01 Neither Party may delegate the performance of any contractual obligation to a third party, unless mutually agreed in writing. A Party to this Grant Agreement may not assign its rights, privileges

and obligations under this Grant Agreement in whole, or in part, without the prior written consent of the other Party. Any attempt to assign without such approval shall be void.

ARTICLE 12
SURVIVABILITY

- 12.01 Notwithstanding any expiration or termination of this Grant Agreement, the rights and obligations pertaining to the close-out, cooperation and provision of additional information, return of grant funds, audit rights, records retention, and any other provision implying survivability shall remain in effect after the expiration or termination of this Grant Agreement.

ARTICLE 13
ENTIRE AGREEMENT

- 13.01 This Agreement constitutes the final and entire agreement between the Parties and contains all of the terms and conditions agreed upon. No other agreement, oral or otherwise, regarding the subject matter of this Agreement will be deemed to exist or to bind the Parties unless it is in writing, dated subsequent to the date of this Agreement, and is duly executed by the Parties.

ARTICLE 14
INTERPRETATION

- 14.01 To the extent the terms and conditions of this Agreement do not address a particular circumstance or are otherwise unclear or ambiguous, such terms and conditions are to be construed consistent with the general objectives, expectations and purposes of this Agreement and in all cases, according to its fair meaning. The parties acknowledge that each Party and its counsel have reviewed this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement. Any vague, ambiguous or conflicting terms shall be interpreted and construed in such a manner as to accomplish the purpose of the Agreement.

ARTICLE 15
LEGAL CONSTRUCTION

- 15.01 If any provision of this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, then that invalidity, illegality or unenforceability shall not affect any other provision and this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been a part of the Agreement.

ARTICLE 16
SOVEREIGN IMMUNITY

- 16.01 It is expressly understood and agreed that in the execution of this Grant Agreement, neither of the Parties waives or shall be deemed hereby to waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers or functions.

ARTICLE 17
TEXAS LAW TO APPLY

17.01 This Agreement shall be construed under and in accordance with the laws of the United States and the State of Texas, and all obligations of the Parties are performable in Bexar County, Texas. The Parties agree that venue for any litigation arising from this Agreement shall lie in Bexar County, Texas.

ARTICLE 18
NOTICE

18.01 For purposes of this Agreement, all official communications and notices (“Notice”) among the Parties will be sufficient if in writing and mailed, by registered or certified mail with postage prepaid, to the addresses set forth below:

If to COUNTY: Bexar County Judge
 Bexar County Commissioners Court
 101 W. Nueva, 10th Floor
 San Antonio, Texas 78205

With copy to: Bexar County Economic and Community Development Department
 C/O Deborah Carter
 233 N. Pecos St. Suite 320
 San Antonio, TX 78205

If to CITY: City of San Antonio
 Attn: City Clerk
 P.O. Box 839966
 San Antonio, Texas 78283-3966

With copy to: City of San Antonio
 Neighborhood and Housing Services Department
 Attn: Edward Gonzales
 1400 S. Flores
 San Antonio, Texas 78204

ARTICLE 19
MULTIPLE COUNTERPARTS

19.01 This Agreement may be executed in separate identical counterparts by the Parties hereto and each counterpart, when so executed and delivered, will constitute an original instrument, and all such separate identical counterparts will constitute but one and the same instrument.

IN WITNESS WHEREOF, this Agreement is executed in duplicate originals on this _____ day of _____, 2021.

COUNTY OF BEXAR:

CITY OF SAN ANTONIO:

By: _____
Nelson W. Wolff
County Judge

Department

By: _____
VERÓNICA R. SOTO, FAICP
Director,
Neighborhood and Housing Services

APPROVED AS TO LEGAL FORM:

APPROVED AS TO FORM:

By: _____
Sue Jana
Assistant Criminal District Attorney
Civil Division

By: _____
Scott Zimmerer
Assistant City Attorney

APPROVED AS TO FINANCIAL CONTENT:

By: _____
Leo S. Caldera, CIA, CGAP
County Auditor

By: _____
David Smith
County Manager

EXHIBIT “A”
WORK STATEMENT

- **AGENCY NAME:** City of San Antonio (COSA)
- **PROJECT NAME:** Texas Emergency Rental Assistance Program (“TERAP”)
- **PROJECT DESCRIPTION:**

CITY will provide a Rental Assistance Program designed to assist families in unincorporated Bexar County and suburban cities impacted by Coronavirus Disease 2019 (“COVID-19”). The program offers up to six (6) months of temporary rental assistance for County residents that experienced loss of income due to furlough, reduction in wages, or job loss attributable to COVID-19 (“Program Participant”).

The program involves the design, implementation, oversight, and reporting of a COSA-administered program designed to assist residents in unincorporated Bexar County and suburban cities outside of the City of San Antonio.

- 10% of the funding for this Agreement will be allocated for TEDP activity for a specified time.
- The program will be operated on a first-come, first-served basis.
- Payments will be made directly to the landlord.
- Landlords will be encouraged to offer rent concessions as a condition to receiving Bexar County funding.
- City will establish a written denial of service complaint procedure to address complaints meeting TERAP guidelines.
- CITY will affirmatively further fair housing, as required by TERAP guidelines, including, but not limited to, marketing the program to those least likely to apply.
- **FUNDING:** CITY will use reasonable efforts to utilize \$1 million of the funding provided under this Agreement prior to utilizing the CDBG-CV Cares Act/TDHCA funding provided in a separate agreement.
- **SERVICE AVAILABILITY:** January 1, 2021 – May 14, 2022 or until funds have been expended, whichever occurs first.
- **TARGET POPULATION:** COSA will prioritize provision of the COUNTY general funding referenced in this Agreement to Bexar County residents in participating Suburban Cities (as further described below) or unincorporated areas of the County. After this prioritization, the COUNTY general funding can also be provided to CITY residents based on demand.
- **BENCHMARKS:** CITY will achieve the following performance benchmarks:

- No later than the end of the fourth month of the contract, at least 20% of total contracted funds must be reported as expended.
 - No later than the end of the sixth month of the contract, at least 40% of total contracted funds must be reported as expended.
 - No later than the end of the ninth month of the contract, at least 70% of total contracted funds must be reported as expended.
 - No later than the end of the twelfth month of the contract, at least 100% of total contracted funds must be reported as expended.
- **ELIGIBILITY CRITERIA:**
 - Applicant(s) must be 18 years of age or older
 - The household must meet HUD established Income Guidelines for families earning eighty percent (80%) or below of the Area Median Income
 - The tenant must provide proof of unemployment or reduction of income
 - The tenant must provide a copy of Residential Lease Agreement
 - The tenant must have a Pay or Vacate Notice from the Landlord
 - The tenant must complete an Online or Written Application
 - TERAP Authorization
 - Priority to tenants residing in the unincorporated areas of Bexar County or one of the following Bexar County suburban cities (“Suburban Cities”):
 - City of Alamo Heights
 - City of Balcones Heights
 - City of Castle Hills
 - City of China Grove
 - City of Converse
 - City of Elmendorf
 - City of Fair Oaks Ranch
 - City of Grey Forest
 - City of Helotes
 - City of Hill Country Village
 - City of Hollywood Park
 - City of Kirby
 - City of Live Oak
 - City of Leon Valley
 - City of Lytle
 - City of Olmos Park
 - City of Sandy Oaks
 - City of Shavano Park
 - City of Schertz
 - City of Selma
 - City of Somerset
 - City of St. Hedwig
 - City of Terrell Hills
 - City of Universal City
 - City of Von Ormy

- City of Windcrest

EXHIBIT “B”
INVOICE PACKAGE

1. Monthly Expenditure Report
2. Monthly Performance Report
3. Monthly Client Data Report

EXPENDITURE REPORT

AGENCY NAME: City of San Antonio Invoice No: _____

PROJECT NAME: Texas Emergency Rental Assistance Program (TERAP) – County general fund

ADDRESS: 106 S. St. Mary's, 7th Floor, San Antonio, TX 78205

PERIOD COVERED: _____

Certified Correct: _____ County Approval: _____

Title: _____ Date: _____

**City of San Antonio
Cumulative Performance Report
County general fund**

Period Covered: _____

Project Activity Performance	GOAL	Total for period	TOTAL SERVED
Residents will be served with gap or full rental payments	225		
Amount expended for rental assistance	\$1,500,000		

Clients Served Per Precinct	
Precinct 1	
Precinct 2	
Precinct 3	
Precinct 4	

