

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

[ORDINANCE IS SUBJECT TO FISCAL REVIEW]

ORDINANCE

APPROVING SUBSTANTIAL AMENDMENT #2 TO THE FY 2021 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ACTION PLAN AND BUDGET TO PROGRAM THE SECOND ROUND OF FUNDING RECEIVED FROM THE CARES ACT FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG-CV) AND REPROGRAM FY 2021 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS; AUTHORIZING THE APPLICATION AND UPON AWARD, ACCEPTANCE OF GRANT FUNDS FROM THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE TEXAS EMERGENCY RENTAL ASSISTANCE PROGRAM (TERAP); AND AUTHORIZING SUBAWARD AGREEMENTS WITH BEXAR COUNTY TO ADMINISTER A RENTAL ASSISTANCE PROGRAM.

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WHEREAS, on August 13, 2020, pursuant to Ordinance No. 2020-08-13-0531, City Council approved and adopted the FY2021 United States Department of Housing and Urban Development (HUD) Action Plan and Budget (FY2021 HUD Action Plan); and

WHEREAS, on October 29, 2020, pursuant to Ordinance No. 2020-10-29-0775, City Council approved and authorized Substantial Amendment #1 to the FY2021 HUD Action Plan wherein the City reprogrammed FY 2021 Community Development Block Grant (CDBG) funds; and

WHEREAS, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted and, among other funding, allocated Community Development Block Grant (CDBG-CV) funds for award to entitlement grantees including the City of San Antonio (City); and

WHEREAS, the City has been awarded a second round of CDBG-CV funding in the amount of \$10,249,127.00 under the CARES Act and City staff has recommended programming the full amount of CDBG-CV funding; and

WHEREAS, City staff has also recommended reprogramming up to \$1,325,000.00 of FY 2021 CDBG entitlement funding; and

WHEREAS, in order to program said CARES Act funding and to reprogram said FY 2021 CDBG entitlement funds, it is necessary to authorize a substantial amendment to the City's FY 2021 HUD Action Plan and Budget; and

WHEREAS, as authorized by the CARES Act and applicable HUD waivers and guidance, the City modified the Citizen Participation Plan set forth in the City’s FY2016-2020 Consolidated Plan in a manner consistent with the declarations and executive orders issued by the Governor of the State of Texas, the County Judge of Bexar County, and the Mayor and City Council concerning the COVID-19 pandemic to prevent the spread of COVID-19 and to facilitate assistance to eligible communities and households economically impacted by COVID-19; and

WHEREAS, after notice having been duly published and posted, a virtual public hearing was held on January 13, 2021 and timely responses from local officials to all citizen questions and issues, and public access to all questions and responses, has occurred; and

WHEREAS, on November 23, 2020 the Texas Department of Housing and Community Affairs (TDHCA) announced the availability of Community Development Block Grant CARES Act (CDBG-CV) funds to entitlement communities in the State of Texas who have existing COVID-19 rental assistance programs and have indicated an interest to participate in the Texas Emergency Rental Assistance Program (TERAP), which provides rental assistance to income-eligible households impacted by COVID-19 to help them stay housed during the pandemic; and

WHEREAS, as a set-aside within the TERAP program, 10% of funds are specifically earmarked to provide the Texas Eviction Diversion Program (TEDP) which provides rental assistance to tenants who have been sued for eviction, providing the landlord and tenant an alternative to eviction; and

WHEREAS, the City of San Antonio (“City”) has been notified by TDHCA that it will receive an allocation of \$3,603,100.02 in TERAP funds through TDHCA upon application to the program; and

WHEREAS, the County of Bexar (“County”) has been notified by TDHCA that it will receive an allocation of \$717,196.47 in TERAP funds through TDHCA and will supplement its TDHCA TERAP funds with an additional \$1,500,000.00 of General Funds; and

WHEREAS, the County is sub-awarding its TDHCA TERAP Funds and General Funds to the City to administer a rental assistance program; and

WHEREAS, City Council approves Substantial Amendment #2 and approves staff’s actions to apply for TDHCA’s TERAP funding and the coordination of the City’s efforts with the County to participate in and administer a rental assistance program; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Revisions to the Community Development Block Grant (CDBG) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed \$10,249,127, available from the second round of CDBG funds in the CARES Act (CDBG-CV), are hereby authorized. Said funds are hereby authorized to be programmed and/or reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new CDBG projects, if

any, in accordance herewith and the allocation and appropriation of funds consistent with the following are hereby authorized, to wit: [TO BE PROVIDED BY FISCAL].

SECTION 2. Revisions to the Community Development Block Grant (CDBG) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed \$1,325,000, available to be reprogrammed from the FY 2021 CDBG entitlement funds in the City's COVID-19 Emergency Housing Assistance Program, are hereby authorized. Said funds are hereby authorized to be programmed and/or reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new CDBG projects and the allocation and appropriation of funds consistent with the following are hereby authorized, to wit: [TO BE PROVIDED BY FISCAL].

SECTION 3. Substantial Amendment # 2 to the City's FY2021 HUD Action Plan and Budget to program the second round of CDBG-CV funds received under the CARES Act and to reprogram FY2021 CDBG entitlement funds and modify said budgets in accordance with this Ordinance is hereby authorized and approved. The City Manager or his designee, the Director of the Neighborhood and Housing Services Department or her designee, the Assistant Director of the Neighborhood and Housing Services Department or his designee the Director of the Human Services Department or her designee, or Grants Administrator of the Division of Grants Monitoring and Administration are each hereby authorized to execute any and all documents necessary to implement and carry out said Substantial Amendment #2.

SECTION 4. The City Manager or his designee, the Director of the Neighborhood and Housing Services Department or her designee, the Assistant Director of the Neighborhood and Housing Services Department or his designee the Director of the Human Services Department or her designee, or Grants Administrator of the Division of Grants Monitoring and Administration are each hereby authorized to negotiate and execute any and all contracts and other documents as necessary for: (a) implementation of the funding awards as set forth herein; and (b) compliance with the U.S. Department of Housing and Urban Development (HUD) rules, regulations, and procedures, and to submit all certifications and such other information to and as required by HUD.

SECTION 5. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to this Ordinance are hereby authorized for entry into the City's accounting system.

SECTION 6. The Director of the City's Finance Department is hereby authorized to effect on the books of the City the cancellations, revisions, and reprogramming in support thereof set forth herein. The City Manager or his designee, the Director of the Neighborhood and Housing Services Department or her designee, the Assistant Director of the Neighborhood and Housing Services Department or his designee the Director of the Human Services Department or her designee, or Grants Administrator of the Division of Grants Monitoring and Administration are each hereby authorized to (a) implement the reductions, revisions, and reprogramming set forth herein; (b) comply with HUD rules, regulations, and procedures, and submit all certifications and such other information to and as required by HUD; (c) approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are

anticipated; (d) close-out and cancel affected projects and create new projects and project budgets in accordance herewith; (e) execute any and all necessary contracts and other documents in connection with the projects set forth above; and (f) provide for payment.

SECTION 7. The City Manager or his designee and the Director of the Neighborhood and Housing Services Department or her designee are each individually hereby authorized to apply for and upon award, accept grant funds in an amount up to \$3,603,100.02 from the Texas Department of Housing and Community Affairs (TDHCA) - Texas Emergency Rental Assistance Program (TERAP) to provide rental assistance to eligible household impacted by COVID-19. A copy of said application is on file with the Neighborhood and Housing Services Department. All actions taken, if any, by the Neighborhood & Housing Services Department prior to the date hereof in support of said application are hereby ratified and approved.

SECTION 8. Upon acceptance of this award, a new fund and internal order number will be created, upon which the award amount up to \$3,603,100.02 will be appropriated from TDHCA. A formal final budget which will include Internal Order numbers and General Ledger numbers will be submitted by the department upon receipt.

SECTION 9. The City Manager or his designee and the Director of the Neighborhood and Housing Services Department (NHSD) or her designee are each individually authorized to negotiate and execute two contracts with Bexar County to administer the County's TDHCA TERAP funded with \$717,196.47 of TDHCA CDBG CARES Act Funds and \$1,500,000.00 of Bexar County General Funds.

SECTION 10. The City Manager or his designee and the Director of the Neighborhood and Housing Services Department or her designee are each hereby individually further authorized to negotiate and execute any and all necessary documents associated with the City's TDHCA TERAP and the County's TDHCA TERAP including contracts, subawards, and contract amendments to implement and administer the programs

SECTION 11. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 12. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 21st day of January, 2021.

SZ
01/21/2021
Item No. ____

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina Flores, City Clerk

Andrew Segovia, City Attorney