

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

AN ORDINANCE

ADOPTING THE FY 2016-2020 CONSOLIDATED PLAN AND FY 2016 ACTION PLAN INCLUDING THE 41ST YEAR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET IN THE TOTAL AMOUNT OF \$11,852,129.00; THE 24TH YEAR HOME INVESTMENT PARTNERSHIPS PROGRAM ENTITLEMENT GRANT (HOME) BUDGET IN THE TOTAL AMOUNT OF \$4,384,916.00; THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS ENTITLEMENT GRANT (HOPWA) BUDGET IN THE TOTAL AMOUNT OF \$1,216,888.00; AND THE EMERGENCY SOLUTIONS ENTITLEMENT GRANT (ESG) BUDGET IN THE TOTAL AMOUNT OF \$1,025,839.00; AUTHORIZING THE ALLOCATION OF PROGRAM INCOME IN THE AMOUNT OF \$220,000.00 IN CDBG FUNDS AND \$780,000.00 IN HOME FUNDS; AUTHORIZING A PERSONNEL COMPLEMENT; AND AUTHORIZING THE SUBMISSION OF THE GRANTS, CERTIFICATION AND OTHER INFORMATION AS REQUIRED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD); AND APPROVING THE FY 2016/ FY 2017 RENEWSA TARGET AREAS: AVENIDA GUADALUPE, EDGEWOOD, FIVE POINTS, HARLANDALE, LAS PALMAS, SOUTH SAN/ KINDRED, AND WHEATLEY.

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WHEREAS, the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended (Public Law 93-383), (i) provides cities with annual grant support to enable the rehabilitation and economic development of their urban communities so as to improve conditions for low and moderate income citizens; (ii) provides cities with annual grant support to enable the rehabilitation and development of affordable housing in their urban communities so as to improve conditions for low and moderate income citizens; (iii) provides cities with annual grant support to enable the rehabilitation, supportive services, and operations of emergency shelters in their urban communities so as to improve conditions for homeless persons and families; and (iv) provides cities with annual grant support to enable the acquisition and/or rehabilitation of facilities, supportive services, and operations in their urban communities so as to improve conditions for persons with HIV/AIDS and their families; and

WHEREAS, the City of San Antonio, through its Community Development Block Grant (CDBG) Program, has administered CDBG grant funds annually beginning with Fiscal Year 1974-1975 (Year 1) and continuing through Fiscal Year 2014-2015 (Year 40); and

WHEREAS, the City of San Antonio, through its HOME Investment Partnerships Entitlement Grant (HOME) Program, has administered HOME grant funds annually beginning with Fiscal Year 1992-1993 (Year 1) and continuing through Fiscal Year 2014-2015 (Year 23); and

WHEREAS, the City of San Antonio, through its Housing Opportunities for Persons With AIDS Entitlement Grant (HOPWA) Program, has administered HOPWA grant funds annually beginning with Fiscal Year 1995-1996 (Year 1) and continuing through Fiscal Year 2014-2015 (Year 20); and

WHEREAS, the City of San Antonio, through its Emergency Solutions Entitlement Grant (ESG) Program (formerly Emergency Shelter Entitlement Grant Program), has administered ESG grant funds annually beginning with Fiscal Year 1995-1996 (Year 1) and continuing through Fiscal Year 2014-2015 (Year 20); and

WHEREAS, pending completion of all required administrative procedures required for official HUD release of funds, Fiscal Year 2015-2016 CDBG Entitlement funds in the amount of \$11,852,129.00, Fiscal Year 2015-2016 HOME Entitlement funds in the amount of \$4,384,916.00, Fiscal Year 2015-2016 HOPWA Entitlement funds in the amount of \$1,216,888.00, and Fiscal Year 2015-2016 ESG Entitlement funds in the amount of \$1,025,839.00 will become available to the City on October 1, 2015; and

WHEREAS, pursuant to the Stewart B. McKinney Homeless Assistance Act of 1987, as amended, ESG funds must be matched locally on a \$1:\$1 basis from other resources; and

WHEREAS, as required by federal regulation, the Fiscal Year 2015-2016 Consolidated Annual Action Plan and Budget was prepared, encompassing grant funds of the 41st Year CDBG Program, the 24th Year HOME Program, the 21st Year HOPWA Program, and the 21st Year ESG Program; and

WHEREAS, citizen recommendations regarding the allocation of the aforesaid grant funds have heretofore been received at neighborhood and city-wide meetings and at public hearings, notices of which were duly posted; and

WHEREAS, in connection with the current CDBG Program, \$220,000.00 in program income is currently available in CDBG funds for allocation; and

WHEREAS, in connection with the HOME Program, \$780,000.00 in program income is currently available in HOME funds for allocation; and

WHEREAS, the required notice having been duly published, and said public hearing having been held before City Council on August 6, 2015, it is now the desire of the City, having considered the aforesaid citizen recommendations, to approve the CDBG, HOME, HOPWA, and ESG Budgets as part of the Fiscal Year 2015-2016 Consolidated Annual Action Plan and Budget, and to fund the 41st Year CDBG Program, the 24th Year HOME Program, the 21st Year HOPWA Program, and the 21st Year ESG Program on the City's books, and to formally resolve the issue of allocating the program income of CDBG and HOME funds; and

WHEREAS, in connection with the City's REnewSA program, it is necessary to target resources to seven areas for a two year term beginning in FY 2016 in order to have stable or emerging real estate markets, fair to excellent urban form, and to continue to provide significant

ongoing community development projects that warrant continued support and significant existing or planned community investments with high leverage potential; and

WHEREAS, it is necessary to approve the proposed FY 2016/ FY 2017 RENEWSA target areas, which include four (4) new target areas, Five Points, South San/ Kindred, Las Palmas, and Avenida Guadalupe, and three (3) existing target areas, Wheatley, Harlandale, and Edgewood; ;
NOW THEREFORE:

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

SECTION 1. The Community Development Block Grant (CDBG 41st Year) in the amount of \$11,852,129.00; the HOME Investment Partnerships Program Entitlement Grant (HOME 24th Year) in the amount of \$4,384,916.00; the Housing Opportunities for Persons With AIDS Entitlement Grant (HOPWA) in the amount of \$1,216,888.00; and the Emergency Solutions Entitlement Grant (ESG) in the amount of \$1,025,839.00, as each grant is contained in the FY 2016-2020 Consolidated Plan and FY 2016 Annual Action Plan/Budget, are hereby approved and adopted as set forth therein, copies of which are affixed hereto and incorporated by reference herein as **Attachment I**.

SECTION 2. The Forty-first (41st) Year Community Development Block Grant (CDBG) Program, the Twenty-fourth (24th) Year HOME Investment Partnerships Entitlement Grant (HOME) Program, the Housing Opportunities for Persons With Aids Entitlement Grant (HOPWA) Program, the Emergency Solutions Entitlement Grant (ESG) Program, and the Emergency Solutions Grant In-Kind Match, beginning October 1, 2015 and terminating September 30, 2016 is hereby authorized.

SECTION 3. Subject to and upon award, Fund Number 28041000 entitled "Community Development Block Grant 41st Year" is hereby designated for use in the accounting for the above grant and the total sum of \$11,852,129.00 is hereby appropriated in said fund for allocation to projects. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 4. Subject to and upon award, Fund Number 25024000 entitled "Home Entitlement Block Grant 24th Year" is hereby designated for use in the accounting for the above grant and the total sum of \$4,384,916.00 is hereby appropriated in said fund for allocation to projects. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 5. Subject to and upon award, Fund Number 26054000 entitled "Dept. of Housing & Urban Development" is hereby designated for use in the accounting for the above grant and the total sum of \$1,216,888.00 is hereby appropriated in said fund for allocation to projects to fund the ongoing HOPWA Program. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the finance Department upon approval of the above proposed budget.

SECTION 6. Subject to and upon award, Fund Number 26054000 entitled “Dept. of Housing & Urban Development” is hereby designated for use in the accounting for the above grant and the total sum of \$1,025,839.00 is hereby appropriated in said fund for allocation to projects to fund the ongoing ESG Program. A formal final budget including General Ledger numbers and Internal Order numbers will be submitted to the Finance Department upon approval of the above proposed budget.

SECTION 7. The REnewSA target areas, which include Avenida Guadalupe, Edgewood, Five Points, Harlandale, Las Palmas, South San/Kindred, and Wheatley, are hereby approved. Maps of the REnewSA target areas are affixed hereto and incorporated by reference herein as **Attachment VI**.

SECTION 8. The Deputy City Managers, all Assistant City Managers, Assistants to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, and the Director of the Department of Human Services are hereby designated and authorized as representatives of the City Manager for the purpose of CDBG, HOME, HOPWA, and ESG program administration and communication with the U.S. Department of Housing and Urban Development (HUD).

SECTION 9. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to submit to HUD those documents set forth herein as **Attachment I**, with certifications, as well as such other information as required by HUD for award of the aforesaid entitlement funds.

SECTION 10. Subject to and upon award of the aforesaid grant funds, the City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to accept same and to execute any and all documents required by HUD in connection therewith.

SECTION 11. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby directed to monitor all CDBG-funded neighborhood revitalization and public service project activities and HOME-funded project activities so as to assure compliance with goals and objectives adopted by City Council; substantial fiscal or programmatic changes thereto shall in all cases be approved by the City Council.

SECTION 12. The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby given authority to approve the 24th Year HOME Program

Administrative budget for the City's Division of Grants Monitoring and Administration with a total budget not to exceed that set forth pursuant to **Attachment I** affixed hereto.

SECTION 13. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized and directed to carry out the administration of the 41st Year CDBG Program, the 24th Year HOME Program, the Fiscal Year 2015-2016 HOPWA Program, and the Fiscal Year 2015-2016 ESG Program. Such administration shall include, but not be limited to, the execution of any and all contracts and other documents necessary in connection with the 41st Year CDBG Program, an example of which are affixed hereto and incorporated herein for all purposes as **Attachments II and III**, the 24th Year HOME Program, and the Fiscal Year 2015-2016 HOPWA Program, and the Fiscal Year 2015-2016 ESG Program, an example of which in substantially final form is affixed hereto and incorporated herein for all purposes as **Attachment IV**, and the reaffirmation of any and all assurances required of the City by HUD.

SECTION 14. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby designated as the Certifying Official for the National Environmental Protection Act (NEPA) and related laws governing HUD's Environmental review requirement.

SECTION 15. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents in connection with each project delineated in **Attachment I**. Further, the Director of the Department of Planning and Community Development or in his stead, the Assistant Director of the City's housing programs in Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to execute any and all documents in connection with all Owner-Occupied Reconstruction, Rental Rehabilitation, and housing revitalization programs. Sub-grantee contracts and Final Notice to Proceed are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and agreements must be finalized on or before November 1, 2015 in order to facilitate their execution. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration and the Director of the Finance Department are hereby authorized and directed to automatically cancel and move the full budget allocation provided to any project, including City Administration project allocations, for which acceptable performance indicators are not provided, or for which information for contract/Final Notice to Proceed execution has not been received by the appropriate City department by November 1, 2015, to the CDBG Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

SECTION 16. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents in connection with each project delineated in **Attachment I**. Further, the Director of the Department of Planning and Community Development or in his stead, the Assistant Director of the City's housing programs in Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to execute any and all loan documents in connection with the Homeownership Incentive Program, Owner-Occupied Housing Rehabilitation, Rental Rehabilitation, and housing revitalization projects delineated in **Attachment I**. Sub-recipient contracts and project loan documents are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and loan documents must be finalized on or before November 1, 2015 in order to facilitate their execution. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration and the Director of the Finance Department are hereby authorized to cancel and move the full budget allocation provided to any project for which acceptable required loan document information or performance indicators are not provided, or for which information for contract/loan document execution has not been received by the appropriate City department by November 1, 2015, to the HOME Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

SECTION 17. The Director of the Department of Human Services is hereby authorized to execute any and all agreements with delegate agencies and/or City departments for each project and for the amounts appropriated as delineated in **Attachment I**. Delegate agency contracts are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and agreements must be finalized on or before November 1, 2015 in order to facilitate their execution. The Directors of the Human Services and Finance Departments are hereby authorized and directed to automatically cancel and move the full budget allocation provided to any project, including City Department project allocations, for which acceptable performance indicators are not provided, or for which information for contract/Final Notice to Proceed execution has not been received by the appropriate City department by November 1, 2015, to the HOPWA Contingency Account and the ESG Contingency Account in preparation for timely reprogramming to other eligible activities.

SECTION 18. All Community Housing Development Organizations [CHDOs] receiving HOME funds are hereby authorized to establish the HOME Revolving Loan Funds for their HOME-funded housing programs, and loan repayments and interest, designated as proceeds, are hereby authorized to be deposited in said Revolving Loan Fund. Funds designated as proceeds shall be used for HOME eligible projects to benefit low-income families. Recaptured funds from projects no longer meeting HUD affordability requirements may be retained by CHDO for HOME eligible projects, as incorporated in the HOME Policy Guide and as approved by the City or repaid to the City. Additionally, HOME funds for projects that are terminated before completion, either voluntarily or otherwise, shall be repaid to City. CHDOs shall report

revenues and expenditures of CHDO proceeds and CHDO recapture funds to be received by the Division of Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. These provisions shall be specified in a written agreement with the CHDO. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25024000, and to appropriate said amounts to HOME Project entitled "CHDO Revolving Loan Account."

SECTION 19. The Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to cancel and reprogram any and all budget allocations provided to any project, in the event any sub-grantee contract, sub-recipient, Final Notices to Proceed, and/or delegate agency contract is not executed by January 1, 2016.

SECTION 20. All projects in CDBG Entitlement Program funds for the 40th Year and HOME 23rd Year Projects with completed scopes of work are hereby closed and unexpended grant monies and program income in said funds are hereby authorized to be placed in the contingency fund in preparation for future reprogramming in compliance with City policies and HUD regulations and allowing up to ninety (90) days to move into the fund after the contract ceases.

SECTION 21. Transfer of funds, expenditures, and encumbrances necessitated and scheduled pursuant to the aforesaid **Attachment I** is hereby authorized for entry into the budgets as therein described.

SECTION 22. The City's Director of Finance is hereby authorized to effect on the books of the City the cancellations, revisions, and/or reprogramming in support thereof, set forth in **Attachment I**. The City Manager or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to execute any and all contracts and other documents as necessary for (a) implementation of the reductions, revisions, and reprogramming set forth in **Attachment I**; and (b) compliance with HUD regulations and procedures, and to submit all certifications and such other information to and as required by HUD.

SECTION 23. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby designated the Program Manager for the CDBG Program. Further program responsibilities shall be as follows:

- (a) The Division of Grants Monitoring and Administration shall administer and monitor all CDBG and HOME Programs and fiscal activities and requests, and the Department of Human Services shall monitor all HOPWA and ESG programs and fiscal activities and requests; shall monitor, where applicable, fair housing compliance and shall administer the handling and resolution of complaints related thereto;

- (b) The Human Resources Department shall monitor all projects and sub-agencies as necessary for compliance with all equal employment opportunity rules, regulations, policies, and laws;
- (c) The Department of Economic Development shall monitor all projects and sub-agencies as necessary for compliance with local, state, and federal MBE-WBE rules, regulations, policies, and laws;
- (d) The Department of Human Services shall monitor, where applicable, fair housing compliance and shall administer the handling and resolution of complaints related thereto;
- (e) The Department of Public Works shall monitor flood insurance and floodplain management compliance, shall conduct pre-construction conferences, and shall monitor Davis-Bacon compliance for all CDBG capital improvement projects;
- (f) The Office of the City Auditor shall accomplish fiscal and program compliance audits of the sub-grantee agencies in the CDBG, HOME, HOPWA, and ESG programs in compliance with OMB A-133, and in coordination with the City's annual independent audit; and
- (g) The City Attorney's Office shall provide legal services including, but not limited to, contract and loan development and review and the preparation of legal opinions to resolve questions of regulatory application associated with the development and administration of HUD programs administered by the City's Division of Grants Monitoring and Administration.

SECTION 24. The proposed personnel complement of forty-three (43) positions, which is attached hereto and incorporated herein for all purposes as **Attachment V**, is authorized for carrying out aspects of the approved 41st Year CDBG Program, 24th Year HOME Program, the Fiscal Year 2015-2016 HOPWA Program, and the Fiscal Year 2015-2016 ESG Program.

SECTION 25. The Finance Department is hereby authorized and directed in its payments to other agencies to follow drawdown procedures established by both the City of San Antonio and HUD whereby CDBG funds shall be drawn down prior to other funds in the case of multi-funded projects where not in conflict with other federal requirements. The Finance Department is further directed to ensure that prior to processing any and all fiscal requests related to Fund 28041000 CDBG accounts and Fund 25024000 HOME accounts, each such request has received prior compliance review and approval by the Director of the Department of Planning and Community Development, or the Grants Administrator of the Divisions of Grants Monitoring and Administration, or his designated representative, and that such review and approval is indicated by their signatures or initials affixed to the fiscal request.

SECTION 26. The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated.

SECTION 27. The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, the Grants Administrator of the Division of Grants Monitoring and Administration, or the Director of the Department of Human Services, is hereby authorized to complete all documents required by HUD to officially close projects and program financial records following completion of the contracted scope-of-work.

SECTION 28. An allocation in an amount not to exceed \$220,000.00 in CDBG funds program income is hereby approved in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**.

SECTION 29. An allocation in an amount not to exceed \$780,000.00 in HOME funds program income is hereby approved in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**.

SECTION 30. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to aforesaid **Attachment I**, are hereby authorized for entry into the City's accounting system.

SECTION 31. The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, the Director of the Department of Planning and Community Development, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to close-out and cancel affected projects and create new projects and project budgets.

SECTION 32. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance 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 33. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this _____ day of _____, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Martha G. Sepeda, Acting City Attorney

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