

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

AN ORDINANCE

AUTHORIZING THE REPROGRAMMING OF UP TO \$2,701,242.90 OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS; AUTHORIZING THE CLOSE-OUT AND CANCELLATION OF AFFECTED PROJECTS AND THE CREATION OF NEW PROJECTS AND PROJECT BUDGETS; AND APPROVING SUBSTANTIAL AMENDMENT #1 TO THE FY2019 ACTION PLAN AND BUDGET TO REPROGRAM SAID FUNDS.

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WHEREAS, on August 2, 2018, pursuant to Ordinance No. 2018-08-02-0540, City Council approved the FY2019 Action Plan and Budget; and

WHEREAS, the City of San Antonio (City), as a grantee of Community Development Block Grant (CDBG) funds, is permitted to reprogram funds available from cancelled activities, program savings, and program income; and

WHEREAS, the sum of \$2,701,242.90 is currently available in CDBG funds for reprogramming and allocation as a result of program savings and cancelled activities as reflected on **Attachment I**; and

WHEREAS, it is the City Council's intention to approve the allocation of up to \$2,701,242.90 of CDBG funds as reflected on **Attachment I**; and

WHEREAS, in order to reprogram said funds, it is necessary to authorize a substantial amendment to the City's FY2019 Action Plan and Budget; and

WHEREAS, pursuant to applicable HUD regulations, statutory requirements, and/or City Council policy designed to ensure adequate citizen input, a public hearing is required prior to any reprogramming of or modification to funds or projects; and

WHEREAS, the required notice having been duly published, and public hearings having been held on March 6, 2019 and again before City Council on March 20, 2019, it is now the desire of the City to formally allocate the reprogrammable CDBG funds at issue; **NOW THEREFORE:**

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

[DRAFT - PENDING FISCAL'S REVIEW]

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 \$2,701,242.90, available from program savings, cancelled activities and/or program income, are

hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**, to wit: up to \$1,300,000.00 for environmental remediation at the former Zarzamora Service Center; up to \$500,000.00 for the air-conditioning partnership for public housing residents; up to \$250,000.00 for facility improvements at the House of Neighborly Services; up to \$200,000.00 for East Meadows Infrastructure Improvements; up to \$200,000.00 for the short-term rental assistance program; up to \$183,323.56 in supplemental funding for Irma Avenue reconstruction; up to \$33,295.63 in supplemental funding for Fern Circle sidewalks; up to \$22,260.71 in supplemental funding for Stephanie Street sidewalks; and up to \$12,363.00 in supplemental funding for San Pedro Park improvements. Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new CDBG projects in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized.

SECTION 2. A substantial amendment #1 to the City's FY2019 Action Plan and Budget to reprogram funds in the CDBG budget in accordance with this Ordinance and **Attachment I** is hereby authorized. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents in connection with said amendment.

SECTION 3. Section 7 of Ordinance No. 2018-09-13-0709 (FY 2019 Annual Consolidated Operating and Capital Budget), which awarded House of Neighborly Services (HNS) up to \$500,000.00 for facility improvements contingent upon HNS securing all \$2.05 million for improvements and meeting city funding requirements, is hereby amended to allow for the eligible use of CDBG funding immediately as long as HNS complies with all applicable federal due diligence requirements and regulations.

SECTION 4. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to the aforesaid **Attachment I** are hereby authorized for entry into the City's accounting system.

SECTION 5. 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 in **Attachment I**. The City Manager or their designee, the Director of the Neighborhood and Housing Services Department or their designee, or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to (a) implement the reductions, revisions, and reprogramming set forth in **Attachment I**; (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; (e) execute any and all necessary documents in connection with the projects set forth above; and (f) provide for payment.

SECTION 6. 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 7. 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 March, 2019.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

ATTACHMENT I