

AN ORDINANCE 2020-01-30-0069

APPROVING SUBSTANTIAL AMENDMENT #1 (PART 1) TO THE FY2020 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ACTION PLAN AND BUDGET; AUTHORIZING THE REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS AND HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS; AWARDED FUNDS FROM CDBG, HOME AND AFFORDABLE HOUSING FUND (TIF SOURCED) TO AFFORDABLE HOUSING DEVELOPMENTS; AWARDED COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) OPERATING EXPENSE FUNDING; AND AUTHORIZING THE CLOSE-OUT AND CANCELLATION OF AFFECTED PROJECTS AND THE CREATION OF NEW PROJECTS AND PROJECT BUDGETS.

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WHEREAS, on August 8, 2019, pursuant to Ordinance No. 2019-08-08-0598, City Council approved and adopted the FY2020 United States Department of Housing and Urban Development (HUD) Action Plan and Budget; and

WHEREAS, on September 12, 2019, pursuant to Ordinance No. 2019-09-12-0691, City Council approved and adopted the City of San Antonio (City), FY2020 Annual Operating and Capital Budgets (Operating Budget); and

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

WHEREAS, in order to reprogram said CDBG and HOME funds, it is necessary to authorize a substantial amendment to the City's FY2020 HUD Action Plan and Budget; and

WHEREAS, there are multiple substantial amendments to the City's FY2020 HUD Action Plan and Budget being approved by City Council in two separate ordinances on January 30, 2020 and taken together, the two ordinances constitute Substantial Amendment #1 to City's FY2020 HUD Action Plan and Budget; and

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

WHEREAS, after the required notice having been duly published and posted, public hearings were held on January 15, 2020 and January 29, 2020;

WHEREAS, the sum of \$5,518,760 is currently available in CDBG funds for allocation to affordable housing development as a result of the FY2020 HUD Action Plan and Budget, program savings, program income, and/or cancelled activities as reflected on **Attachment I**; and

WHEREAS, the sum of \$1,849,000 is currently available in HOME funds for allocation to affordable housing development as a result of the FY2020 HUD Action Plan and Budget, program savings, program income and/or cancelled activities as reflected on **Attachment I**; and

WHEREAS, the sum of \$2,874,000 is currently available in Affordable Housing Fund (TIF Sourced) funds for allocation to affordable housing development as a result of the FY2020 Operating Budget as reflected on **Attachment I**; and

WHEREAS, the sum of \$150,000 is currently available in HOME funds for allocation to assist with the operating expenses of one of more Community Housing Development Organizations (CHDO) as a result of the FY2020 HUD Action Plan and Budget as reflected on **Attachment I**; and

WHEREAS, in furtherance of making the awards at issue, City staff released requests for applications (RFA) for affordable housing development, both homeownership and rental housing, and for CHDO operating expense assistance; and

WHEREAS, multiple applications were received in response to each respective RFA; and

WHEREAS, a panel of staff members reviewed and evaluated the applications received from developers for affordable housing based on the following criteria: experience, proposed plan, efficient use of funds, project feasibility, project site characteristics, project readiness, residential services, Section 3 utilization, and other relevant factors including the results of a preliminary underwriting review; and

WHEREAS, a panel of staff members reviewed and evaluated the applications received from CHDOs based on the following criteria: the applicant's ability to meet the threshold eligibility established by the United States Department of Housing and Urban Development (HUD), experience, proposed plan, financial need and other pertinent criteria; and

WHEREAS, based on their review and evaluation, the panels recommended the awards reflected on **Attachment I**; and

WHEREAS, City Council approves staff's recommendations to the reprogram said CDBG and HOME funds and to award said CDBG, HOME and Affordable Housing Fund (TIF Sourced) funds as reflected on **Attachment I**; **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 \$5,518,760 available from Program Savings, Program Income and cancelled projects to eligible

housing, are hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**. 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. Revisions to the Home Investment Partnerships Program (HOME) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed \$1,849,000 available from Program Savings and 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**. Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new HOME projects in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized.

SECTION 3. Revisions to the Affordable Housing Fund (AHF) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed \$2,874,000 available from Program Savings, are hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**. Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new projects in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized.

SECTION 4. In accordance with the schedule affixed hereto as **Attachment I** and incorporated herein, an allocation of Community Development Block Grant (CDBG) funds in an amount not to exceed \$5,518,760, HOME Investment Partnerships Program (HOME) funds in an amount not to exceed \$1,849,000, and Affordable Housing Fund (TIF Sourced) funds in an amount not to exceed \$2,874,000, 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:

- (a) Up to \$1,319,000 in CDBG funding to the NRP Group for an \$18 million, 88-unit rental housing development, called Alazan Lofts, located on El Paso St. and S. Colorado St., in Council District 5;
- (b) Up to \$1,000,000 in CDBG funding to the Alamo Community Group (ACG) for the \$1.7 million rehabilitation of a 139-unit rental housing development, called Babcock North I, located at 6542 Spring Branch St., in Council District 8;
- (c) Up to \$650,000 in CDBG funding to the Atlantic Pacific Company for a \$14.6 million, 49-unit rental housing development, called Legacy at Piedmont, located at 826 E. Highland Blvd., in Council District 3;
- (d) Up to \$2,549,760 in CDBG funding to Habitat for Humanity for the development of 48 homeownership housing units, called Watson Road Phase II, located at 13801 Watson Rd., in Council District 4;

- (e) Up to \$1,549,000 in HOME funding to Prospera HCS for a \$19.4 million, 78-unit rental housing development, called Village at Nogalitos, located at 3727 Nogalitos St., in Council District 5;
- (f) Up to \$150,000 in HOME funding to Our Casas Resident Council for the development of three homeownership housing units, called Chihuahua Homes Plus, located at 2427 Chihuahua St. and 4246 W. Cesar Chavez, in Council District 5;
- (g) Up to \$50,000 in HOME funding to each of the following eligible Community Housing Development Organizations: Habitat for Humanity of San Antonio (Council District 1), Prospera HCS (Council District 10), and Neighborhood Housing Services of San Antonio (Council District 3);
- (h) Up to \$1,540,760 in Affordable Housing Fund (TIF Sourced) to the NRP Group for a \$19.4 million, 69-unit rental housing development, called Luna Flats, located at 4415 San Pedro Ave., in Council District 1; and
- (i) Up to \$1,333,240 in Affordable Housing Fund (TIF Sourced) to Habitat for Humanity for Watson Road Phase I, located at 13801 Watson Rd., in Council District 4.

SECTION 5. A Substantial Amendment No. 1 (Part 1) to the City's FY2020 HUD Action Plan and Budget to reprogram funds in the CDBG and HOME budgets in accordance with this Ordinance and **Attachment I** is hereby authorized and approved. The substantial amendments being made to the City's FY2020 HUD Action Plan and Budget are being and have been approved by City Council in two separate ordinances on January 30, 2020, and taken together, the two ordinances constitute Substantial Amendment #1 to City's FY2020 HUD Action Plan and Budget. The City Manager or their designee, the Director of the Neighborhood and Housing Services Department or their designee, or Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents necessary to implement and carry out said Substantial Amendment #1.

SECTION 6. The City Manager or her designee, the Director of the Neighborhood and Housing Services Department or her designee, or the 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 7. 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 8. 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 in accordance with **Attachment I**; (e) execute any and all necessary contracts and other documents in connection with the projects set forth above; and (f) provide for payment.

SECTION 9. 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 10. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 30th day of January, 2020.


M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

for 

Leticia M. Vacek, City Clerk



Andrew Segovia, City Attorney



City of San Antonio

City Council

January 30, 2020

Item: 33

File Number: 20-1102

Enactment Number:

2020-01-30-0069

Ordinance approving Substantial Amendment #1 (Part 1) to the FY 2020 HUD Action Plan and Budget and awarding up to \$5,518,760.00 in Community Development Block Grant (CDBG) funding; up to \$1,849,000.00 in HOME Investment Partnerships Program (HOME) funding; and up to \$2,874,000.00 in Affordable Housing Fund (TIF Sourced) for certain eligible activities. [Lori Houston, Assistant City Manager; Verónica R. Soto, Director, Neighborhood and Housing Services]

passed

Aye: 11 Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage and Perry

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01/30/2020
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ATTACHMENT I

FUNDING SCHEDULE

Affordable Housing Budget (TIF Sourced)							
Sources							
Fiscal Year	Activity Name	Fund Source Type	IO	Fund	SAP Approved Budget	Expenses/Commitments	Balance
2020	Affordable Housing Budget	TIRZ	257000000023	29623002	\$3,450,000.00	\$576,000.00	\$2,874,000.00
						Total Sources	\$2,874,000.00

Uses					
Fiscal Year	Project Name	Set Aside / Funding Type	Council District		Award Amount
2020	Luna Flats (NRP Group)	Rental Housing Development	1		\$1,540,760.00
2020	Watson Road Phase I (Habitat for Humanity)	Homeownership Housing Development	4		\$1,333,240.00
				Total Uses	\$2,874,000.00
				Over (Under)	\$0.00