

AN ORDINANCE

ADOPTING THE FY 2017 ACTION PLAN AND BUDGET INCLUDING THE 42ND YEAR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET IN THE TOTAL AMOUNT OF \$13,247,418.00; THE 25TH YEAR HOME INVESTMENT PARTNERSHIPS PROGRAM ENTITLEMENT GRANT (HOME) BUDGET IN THE TOTAL AMOUNT OF \$7,544,357.00; THE 22ND YEAR HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS ENTITLEMENT GRANT (HOPWA) BUDGET IN THE TOTAL AMOUNT OF \$1,244,429.00; AND THE 22ND YEAR HEARTH EMERGENCY SOLUTIONS ENTITLEMENT GRANT (HESG) BUDGET IN THE TOTAL AMOUNT OF \$1,047,124.00; 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).

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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), provides cities with annual grant support to enable (i) the rehabilitation and economic development of urban communities so as to improve conditions for low and moderate income citizens; (ii) the rehabilitation and development of affordable housing in urban communities so as to improve conditions for low and moderate income citizens; (iii) the rehabilitation, supportive services, and operations of emergency shelters in urban communities so as to improve conditions for homeless persons and families; and (iv) the acquisition and/or rehabilitation of facilities, supportive services, and operations in 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 2015-2016 (Year 41); 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 2015-2016 (Year 24); 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 2015-2016 (Year 21); and

WHEREAS, the City of San Antonio, through its HEARTH Emergency Solutions Entitlement Grant (HESG) Program, has administered HESG grant funds annually beginning with Fiscal Year 1995-1996 (Year 1) and continuing through Fiscal Year 2015-2016 (Year 21); and

WHEREAS, pending completion of all required administrative procedures required for official HUD release of funds, Fiscal Year 2016-2017 CDBG Entitlement funds in the amount of \$13,247,418.00, Fiscal Year 2016-2017 HOME Entitlement funds in the amount of \$7,544,357.00, Fiscal Year 2016-2017 HOPWA Entitlement funds in the amount of \$1,244,429.00, and Fiscal Year 2016-2017 HESG Entitlement funds in the amount of \$1,047,124.00 will become available to the City on October 1, 2016; and

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

WHEREAS, as required by federal regulation, the Fiscal Year 2016-2017 Annual Action Plan and Budget was prepared, encompassing grant funds of the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG 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, the required notice having been duly published, and said public hearing having been held before City Council on August 4, 2016, it is now the desire of the City, having considered the aforesaid citizen recommendations, to approve the CDBG, HOME, HOPWA, and HESG Budgets as part of the Fiscal Year 2016-2017 Annual Action Plan and Budget, and to fund the 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program on the City's books, and to formally resolve the issue of allocating the program income of CDBG and HOME funds; **NOW THEREFORE:**

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

SECTION 1. The Community Development Block Grant (CDBG 42nd Year) budget in the amount of \$13,247,418.00; the HOME Investment Partnerships Program Entitlement Grant (HOME 25th Year) budget in the amount of \$7,544,357.00; the Housing Opportunities for Persons With AIDS Entitlement Grant (HOPWA 22nd Year) budget in the amount of \$1,244,429.00; and the HEARTH Emergency Solutions Entitlement Grant (HESG 22nd Year) budget in the amount of \$1,047,124.00, as each grant budget is contained in the FY 2016-2017 Action Plan and 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 42nd Year Community Development Block Grant (CDBG) Program, the 25th Year HOME Investment Partnerships Entitlement Grant (HOME) Program, the 22nd Year Housing Opportunities for Persons With Aids Entitlement Grant (HOPWA) Program, the 22nd Year HEARTH Emergency Solutions Entitlement Grant (HESG) Program, and the Emergency Solutions Grant In-Kind Match, beginning October 1, 2016 and terminating September 30, 2017, is hereby authorized.

SECTION 3. Subject to and upon award, Fund Number 28242000 entitled "Community Development Block Grant 42nd Year" is hereby designated for use in the accounting for the above grant and the total sum of \$13,247,418.00 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 25225000 entitled “Home Entitlement Block Grant 25th Year” is hereby designated for use in the accounting for the above grant and the total sum of \$7,544,357.00 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 \$1,244,429.00 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 \$1,047,124.00 is hereby appropriated in said fund for allocation to projects to fund the ongoing HESG 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 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 HESG program administration and communication with the U.S. Department of Housing and Urban Development (HUD).

SECTION 8. 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 9. 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 10. 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 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 given authority to approve the 25th 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 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, 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 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG 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 42nd Year CDBG Program, the 25th Year HOME Program, the 22nd Year HOPWA Program, and the 22nd Year HESG Program, examples of which are affixed hereto and incorporated herein for all purposes as **Attachments II, III, and IV**, and the reaffirmation of any and all assurances required of the City by HUD.

SECTION 13. 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 14. 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 such Director's stead, the Assistant Director of the City's housing programs in 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 all Owner-Occupied Reconstruction, Rental Rehabilitation, and housing revitalization programs. Sub-grantee contracts and Final Notices 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, 2016 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, 2016, 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 15. The Director of the Department of Planning and Community Development, or, in such Director's stead, the Assistant Director of the City's housing programs in 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 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, 2016 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, 2016, 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 16. 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, 2016 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, 2016, to the HOPWA Contingency Account and the HESG Contingency Account in preparation for timely reprogramming to other eligible activities.

SECTION 17. 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 CHDOs 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 recaptured 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 25225000, and to appropriate said amounts to HOME Project entitled "CHDO Revolving Loan Account."

SECTION 18. 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, 2017.

SECTION 19. All projects in CDBG Entitlement Program funds for the 41st Year and HOME 24th 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 up to ninety (90) days is allowed to move into the fund after the contract ceases.

SECTION 20. 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 21. 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 22. 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 HESG programs and fiscal activities and requests;
- (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 HESG 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 23. The proposed personnel complement of forty-five (45) positions, which is attached hereto and incorporated herein for all purposes as **Attachment V**, is authorized for carrying out aspects of the approved 42nd Year CDBG Program, 25th Year HOME Program, the Fiscal Year 2016-2017 HOPWA Program, and the Fiscal Year 2016-2017 HESG Program.

SECTION 24. 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 28242000 CDBG accounts and Fund 25225000 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 25. 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 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 complete all documents required by HUD to officially close projects and program financial records following completion of the contracted scope-of-work.

SECTION 27. 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 28. 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 29. 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 30. 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 _____, 2016.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Martha G. Sepeda, Acting City Attorney