

AN ORDINANCE 2017-10-05-0762

AUTHORIZING THE ALLOCATION OF UP TO \$2,545,000.00 OF FY 2018 HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) FUNDS AND THE REPROGRAMMING OF UP TO \$837,000.00 OF HOME FUNDS FROM TWO CANCELLED ACTIVITIES FROM FY 2017 FOR THE DEVELOPMENT OF THE LORD ROAD APARTMENTS IN AN AMOUNT UP TO \$1,600,000.00, FOR THE DEVELOPMENT OF THE LENWOOD HEIGHTS SUBDIVISION-PHASE III PROJECT IN AN AMOUNT UP TO \$1,659,000.00, TO HABITAT FOR HUMANITY OF SAN ANTONIO, INC. IN AN AMOUNT UP TO \$75,000.00 FOR CHDO OPERATING EXPENSES, AND TO ALAMO COMMUNITY GROUP IN AN AMOUNT UP TO \$48,000.00 FOR CHDO OPERATING EXPENSES; AND APPROVING A SUBSTANTIAL AMENDMENT TO THE FY 2018 ACTION PLAN AND BUDGET TO REPROGRAM SAID FUNDS IN THE AMOUNT OF \$837,000.00.

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WHEREAS, on August 3, 2017, pursuant to Ordinance No. 2017-08-03-0521, City Council approved the FY 2018 HOME Investment Partnerships Funding Budget, which included a \$1,250,000.00 set aside for Multi-Family Rental Housing; a \$1,220,000.00 set aside for Community Housing Development Organization ("CHDO") Single-Family New Construction; and a \$75,000.00 set aside for CHDO Operating Expenses; and

WHEREAS, the City released requests for applications seeking applications to allocate the FY 2018 HOME Multi-Family Rental Housing funds, the HOME CHDO Single Family New Construction funds and the HOME CHDO Operating Expenses funds; and

WHEREAS, the City received multiple applications requesting an allocation of the HOME funds; and

WHEREAS, in connection therewith, the City evaluated the respective housing applications based on the experience of the developers, efficient use of HOME Investment Partnerships Program ("HOME") funds, project feasibility, loan terms, site characteristics, transit amenities, project readiness, resident services, the developer's Section 3 Utilization Plan and other pertinent including, when applicable, the CHDO's ability to meet the threshold eligibility established by the U.S. Department of Housing and Urban Development ("HUD") (collectively, the "Housing Evaluation Criteria"); and

WHEREAS, in connection therewith, the City evaluated the respective CHDO applications for operating expenses based on the applicant's ability to meet the threshold eligibility established by HUD, the CHDO's experience, efficient use of HOME funds, and the provision of housing

counseling services, and other pertinent criteria (collectively, the “CHDO Operating Evaluation Criteria”); and

WHEREAS, HOME funds available in previously-appropriated projects may, pursuant to regulations of the HUD, be retained by grantees for reprogramming to provide supplementation to existing projects and/or funding in support of new programs; and

WHEREAS, the City of San Antonio (“City”) is a HOME fund grantee; and

WHEREAS, the sum of \$837,000.00 is currently available in HOME funds for said reprogramming and allocation as a result of previous year’s cancelled activities as reflected on **Attachment I**; and

WHEREAS, based on the relevant Housing Evaluation Criteria, the City selected the NRP Group’s Lord Road Apartments project to receive the FY 2018 HOME Multi-Family Rental Housing funds and a portion of the related reprogramming funds at issue and Habitat for Humanity of San Antonio, Inc.’s Lenwood Heights Subdivision–Phase III project to receive the FY 2018 HOME CHDO Single Family New Construction funds and a portion of the related reprogramming funds at issue; and

WHEREAS, the NRP Group’s Lord Road Apartments, located at Lord Road and W.W. White Road in Council District 2, will consist of three hundred twenty-four (324) rental units, twenty-three (23) of which will be HOME-assisted units, eighteen (18) of which shall be restricted to households at eighty percent (80%) of San Antonio’s area median income (“AMI”) and five (5) of which shall be restricted to households at fifty percent (50%) of AMI; and

WHEREAS, Habitat for Humanity of San Antonio, Inc.’s Lenwood Heights Subdivision–Phase III project, a CHDO Single-Family New Construction project is located at 259 S. Acme Road (south of Commerce) in Council District 6, and will consist of the development of forty-two (42) single-family units available to homebuyers whose income is at or below eighty percent (80%) of AMI; and

WHEREAS, based on the relevant CHDO Operating Evaluation Criteria, the City selected Habitat for Humanity of San Antonio, Inc., and Alamo Community Group to receive the FY 2018 HOME CHDO Operating Expenses funds and a portion of the related reprogramming funds at issue; and

WHEREAS, it is the City Council’s intention to approve the allocation of up to \$1,600,000.00 of HOME funds for the development of the Lord Road Apartments; up to \$1,659,000.00 of HOME CHDO funds for the Lenwood Heights Subdivision–Phase III project; up to \$75,000.00 of HOME CHDO Operating Expenses funds to Habitat for Humanity of San Antonio, Inc.; and up to \$48,000.00 of HOME CHDO Operating Expenses funds to Alamo Community Group; and

WHEREAS, in order to reprogram said funds, it is necessary to authorize a substantial amendment to the City’s FY 2018 Annual 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 said public hearing having been held before City Council on September 20, 2017, it is now the desire of the City to formally allocate the reprogrammable HOME funds at issue; **NOW THEREFORE:**

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

SECTION 1. 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 \$3,382,000.00 available from the FY 2018 Entitlement and cancelled projects to one Multi-Family Rental Housing Development project, one Community Housing Development Organization (CHDO) Single Family New Construction project and two organizations for CHDO Operating Expense Funding, 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 \$1,600,000.00 of FY 2018 HOME Multi-Family Rental Housing and reprogrammed funds for the development of NRP Group's Lord Road Apartments; up to \$1,659,000.00 of FY 2018 HOME CHDO Single Family New Construction and reprogrammed funds for Habitat for Humanity of San Antonio, Inc.'s Lenwood Heights Subdivision-Phase III project; up to \$75,000.00 of FY 2018 HOME CHDO Operating Expenses and reprogrammed funds to Habitat for Humanity of San Antonio, Inc. for eligible CHDO operating expenses; and up to \$48,000.00 of FY 2018 HOME CHDO Operating Expenses and reprogrammed funds to Alamo Community Group for eligible CHDO operating expenses. 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** is hereby authorized.

SECTION 2. Budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated is hereby authorized. The closeout and cancellation of affected projects and the creation of new projects and project budgets in accordance with **Attachment I** is hereby authorized.

SECTION 3. 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, is hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated; authorizing the close-out and cancellation of affected projects and the creation of new projects and project budgets, and authorizing the negotiation, execution and submission of contracts and other documents as necessary; and providing for payment.

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

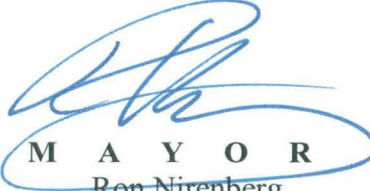
SECTION 5. The Director of the City's Finance Department or her designee is hereby authorized to effect on the books of the City the cancellations, revisions, and reprogramming in support thereof, set forth in **Attachment I**. The City Manager or her designee, the Director of the Neighborhood and Housing Services Department or her designee, or the Grants Administrator of the Division of Grants Monitoring and Administration, is hereby authorized to negotiate and 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 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 6. A substantial amendment to the City's FY 2018 Annual Action Plan and Budget to reprogram funds in the HOME budgets 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 7. 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 8. This Ordinance is effective immediately upon the receipt of eight (8) affirmative votes; otherwise, it is effective ten (10) days after passage.

PASSED AND APPROVED this 5th day of October, 2017.




M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



for
Andrew Segovia, City Attorney

Agenda Item:	23 (in consent vote: 5, 6A, 6B, 6C, 7, 8, 9, 10, 11A, 11B, 12, 14, 16, 17, 19, 21, 22, 23, 24A, 24B)						
Date:	10/05/2017						
Time:	10:42:24 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the allocation of up to \$2,545,000.00 of FY 2018 HOME Investment Partnerships Program (HOME) entitlement funds and the reprogramming of up to \$837,000.00 of HOME funds from two cancelled activities from FY 2017 for the development of the Lord Road Apartments in an amount up to \$1,600,000.00, for the development of the Lenwood Heights Subdivision-Phase III Project in an amount up to \$1,659,000.00, to Habitat for Humanity of San Antonio in an amount up to \$75,000.00 for operating expenses, and to Alamo Community Group in an amount up to \$48,000.00 for operating expenses; and approving a substantial amendment to the FY 2018 Action Plan and Budget to reprogram said funds in the amount of \$837,000.00. [Peter Zaroni, Deputy City Manager; Verónica R. Soto, Director, Neighborhood and Housing Services]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				x
William Cruz Shaw	District 2		x			x	
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8	x					
John Courage	District 9		x				
Clayton H. Perry	District 10	x					

SZ
10/05/2017
Item No. 23

Attachment I

Neighborhood and Housing Services Department
HOME Program Funding Schedule

ATTACHMENT I

SUMMARY			
Sources by Fund Type		Uses by Activity Type	
FY 2018 Entitlement	\$2,545,000.00	Multi-Family Rental Housing Development	\$1,600,000.00
HOME Reprogramming	\$837,000.00	CHDO Single-Family New Construction Development	\$1,659,000.00
		CHDO Operating Expense Funding	\$123,000.00
Total Sources	\$3,382,000.00	Total Uses	\$3,382,000.00

DETAIL								
Multi-Family Rental Housing Development (MFRHD)								
Sources								
Fiscal Year	HUD Program	Activity Name	Fund Source Type	I/O	Fund	SAP Approved Budget	Expenses To Date	Balance
2018	HOME	Multi-family Rental Housing Set Aside	Entitlement	157000000019	25226000	\$1,250,000.00	\$0.00	\$1,250,000.00
2017	HOME	MFRHD - Pedcor Oak Valley Apartments (Cancelled)	Reprogramming	150000000281	25024000	\$248,945.95	\$0.00	\$248,945.95
2017	HOME	MFRHD - Pedcor Oak Valley Apartments (Cancelled)	Reprogramming	150000000280	25225000	\$101,054.05	\$0.00	\$101,054.05
Total Sources								\$1,600,000.00
Uses								
Fiscal Year	HUD Program	Project Name	Council District				Award Amount	
2018	HOME	Lord Road Apartments (NRP Group)	2				\$1,600,000.00	
Total Uses							\$1,600,000.00	
Over (Under)							\$0.00	

Community Housing Development Organization (CHDO) Single-Family New Construction Development								
Sources								
Fiscal Year	HUD Program	Activity Name	Fund Source Type	I/O	Fund	SAP Approved Budget	Expenses To Date	Balance
2018	HOME	CHDO Single Family New Construction Development	Entitlement	157000000020	25226000	\$1,220,000.00	\$0.00	\$1,220,000.00
2017	HOME	MFRHD - Pedcor Oak Valley Apartments (Cancelled)	Reprogramming	150000000280	25225000	\$439,000.00	\$0.00	\$439,000.00
Total Sources								\$1,659,000.00
Uses								
Fiscal Year	HUD Program	Project Name	Council District				Award Amount	
2018	HOME	Lenwood Heights Subdivision - Phase III (Habitat for Humanity)	6				\$1,659,000.00	
Total Uses							\$1,659,000.00	
Over (Under)							\$0.00	

Community Housing Development Organization (CHDO) Operating Expense Funding								
Sources								
Fiscal Year	HUD Program	Activity Name	Fund Source Type	I/O	Fund	SAP Approved Budget	Expenses To Date	Balance
2018	HOME	CHDO Operating Expenses Set Aside	Entitlement	157000000022	25226000	\$75,000.00	\$0.00	\$75,000.00
2017	HOME	CHDO Operating - SA Youth (Cancelled)	Reprogramming	150000000246	25024000	\$15,000.00	\$0.00	\$15,000.00
2017	HOME	MFRHD - Pedcor Oak Valley Apartments (Cancelled)	Reprogramming	150000000280	25225000	\$33,000.00	\$0.00	\$33,000.00
Total Sources								\$123,000.00
Uses								
Fiscal Year	HUD Program	Project Name	Award Amount					
2018	HOME	Habitat for Humanity	\$75,000.00					
2018	HOME	Alamo Community Group	\$48,000.00					
Total Uses								\$123,000.00
Over (Under)								\$0.00