

ORDINANCE

2020-03-19-0199

**APPROVING SUBSTANTIAL AMENDMENT #2 TO THE FY 2020 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ACTION PLAN AND BUDGET; AUTHORIZING THE REPROGRAMMING OF NEIGHBORHOOD STABILIZATION PROGRAM (NSP) FUNDS; AWARDING UP TO \$700,000.00 OF NSP FUNDING TO NEIGHBORHOOD HOUSING SERVICES OF SAN ANTONIO, INC.; AUTHORIZING THE CLOSE-OUT AND CANCELLATION OF AFFECTED PROJECTS AND THE CREATION OF NEW PROJECTS AND PROJECT BUDGETS; AND AMENDING THE NSP TARGET AREAS.**

\* \* \* \* \*

**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**, the City of San Antonio (City), as a grantee of Neighborhood Stabilization Program (NSP) funds from HUD, is permitted to reprogram and award funds available from cancelled activities, program savings, and program income; and

**WHEREAS**, there are NSP funds available for allocation to affordable homeownership development as a result of program savings, program income, and/or cancelled activities as reflected in **Attachment I**; and

**WHEREAS**, it is the desire of the City to use the grant funds to target newly-proposed NSP areas as reflected in **Attachment II** that include Opportunity Zones and census tracts that have at least 10% concentration of residential properties built in 1960 or prior and at least 1% vacancy rate; and

**WHEREAS**, in order to reprogram said NSP funds and modify the NSP Target Areas, it is necessary to authorize a substantial amendment to the 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 concerning the proposed substantial amendment and revised NSP Target Areas were held on February 29, 2020 and March 5, 2020; and

**WHEREAS**, in furtherance of making the awards at issue, City staff released a request for applications (RFA) for affordable housing development; and

**WHEREAS**, two applications were received in response to the 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 and capacity, project readiness, project site characteristics and amenities, HUD regulatory conditions, and efficient use of funds; and

**WHEREAS**, after consideration of the panel recommendations, staff recommends awarding up to \$700,000.00 in NSP funding to Neighborhood Housing Services of San Antonio, Inc. for the development of fourteen (14) homeownership housing units and deferring consideration of the second application to a later date; and

**WHEREAS**, City Council approves the recommended reprogramming and award of said NSP funds and approves of the amendment to the NSP Target Areas map; **NOW THEREFORE**:

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

**SECTION 1.** Revisions to the Neighborhood Stabilization Program (NSP) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed Seven Hundred Thousand and No/100 Dollars (\$700,000.00) available from cancelled activities, program savings, 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**. Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of a new NSP project in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized. Amendment to the NSP target areas, as set forth in the NSP Target Area Map which is attached hereto and incorporated herein for all purposes as **Attachment II**, is hereby authorized.

**SECTION 2.** In accordance with the schedule affixed hereto as **Attachment I** and incorporated herein, an allocation of NSP funds in an amount not to exceed Seven Hundred Thousand and No/100 Dollars (\$700,000.00) is hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by referenced herein for all purposes as **Attachment I**, to wit:

- (a) Up to Seven Hundred Thousand and No/100 Dollars (\$700,000.00) allocated to Neighborhood Housing Services of San Antonio, Inc. for the development of fourteen (14) homeownership housing units in the NSP Target Areas designated on the NSP Target Area Map attached hereto as **Attachment II**.

**SECTION 3.** 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 are each individually hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns or are anticipated.

**SECTION 4.** A Substantial Amendment # 2 to the City's FY2020 HUD Action Plan and Budget to reprogram funds in the NSP Budget in accordance with this Ordinance and **Attachment I** is hereby authorized and approved. 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 are each individually hereby authorized to execute any and all documents necessary to implement and carry out said Substantial Amendment #2.

**SECTION 5.** 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, are each individually 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.

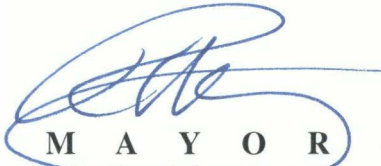
**SECTION 6.** The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to the aforesaid **Attachment I** are hereby authorized for entry into the City's accounting system.

**SECTION 7.** 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 are each individually 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**; and (e) execute any and all necessary contracts and other documents in connection with the projects set forth above; and (f) provide for payment.

**SECTION 8.** The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer, City of San Antonio. The Chief Financial Officer 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 9.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED AND APPROVED** this 19<sup>th</sup> day of March, 2020.



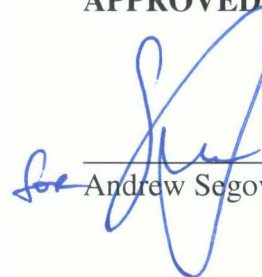
**M A Y O R**  
Ron Nirenberg

**ATTEST:**



\_\_\_\_\_  
Tina Flores, Acting City Clerk

**APPROVED AS TO FORM:**



\_\_\_\_\_  
for Andrew Segovia, City Attorney



## City of San Antonio

### City Council

March 19, 2020

**Item: 23**

**Enactment Number:**

**File Number: 20-1685**

**2020-03-19-0199**

Ordinance approving Substantial Amendment #2 to the FY2020 HUD Action Plan and Budget awarding up to \$700,000 in Neighborhood Stabilization Program funding to Neighborhood Housing Services of San Antonio, Inc. for the development of 14 affordable (infill) homeownership housing units and amending the NSP target areas. [Lori Houston, Assistant City Manager; Verónica R. Soto, Director, Neighborhood and Housing Services]

Councilmember Jada Andrews-Sullivan made a motion to adopt. Councilmember Roberto C. Treviño seconded the motion. The motion passed by the following vote:

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

SZ  
03/19/2020  
Item No. 23

# ATTACHMENT I



Neighborhood Stabilization Program Funding Schedule							
Sources							
Fiscal Year	Activity Name	Fund Source Type	I/O	Fund	SAP Approved Budget	Expenses/Commitments	Balance
2010	SF Acquisition	Entitlement	131-1796	2328000001	\$2,007,580.85	\$1,936,607.85	\$70,973.00
2010	SF Rehabilitation	Entitlement	131-1826	2328000001	\$580,354.28	\$432,859.13	\$147,495.15
2014	Wheatley Acquisition	Entitlement	131-2201	2328000001	\$363,298.74	\$36,333.18	\$326,965.56
2019	Program Income	Program Income	N/A	N/A	\$3,080,613.24	\$2,926,046.95	\$154,566.29
						<b>Total Sources</b>	<b>\$700,000.00</b>

Uses					
Fiscal Year	Project Name		Council District		Award Amount
2020	Neighborhood Housing Services of San Antonio	Infill Homeownership Housing Development	1 - 5		\$700,000.00
				<b>Total Uses</b>	<b>\$700,000.00</b>
				<b>Over (Under)</b>	<b>\$0.00</b>

## **ATTACHMENT II**



# Neighborhood Stabilization Program Proposed Area



## Legend

- Highways
- NSP Proposed Area
- City Boundary

