



City of San Antonio

Legislation Details (With Text)

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Type: Staff Briefing - Without Ordinance

In control: Culture and Neighborhood Services Committee

On agenda: 8/17/2020

Title: A briefing on the FY 2021 Action Plan and Budget. [Lori Houston, Assistant City Manager; Veronica R. Soto, Director, Neighborhood and Housing Services Department]

Sponsors:

Indexes:

Code sections:

Attachments: 1. FY 2021 Action Plan Budget (07-22-20) DRAFT

Date	Ver.	Action By	Action	Result
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DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Verónica R. Soto, FAICP, Director

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT: FY 2021 Action Plan and Budget

SUMMARY:

A briefing on the \$22,350,369 FY 2021 Action Plan and Budget for the four federal grant programs funded by the U.S. Department of Housing and Urban Development (HUD) which include the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Program which authorizes a staff complement of 48 positions and authorizes contracts to execute program budgets.

BACKGROUND INFORMATION:

The City of San Antonio (the City) receives federal entitlement funding from the U.S. Department of Housing and Urban Development (HUD) for housing and community development activities. The City anticipates an allocation of \$21.7 million which is an overall increase of \$873,276 from FY 2020 allocations. The table below has a year to year comparison.

Entitlement Grant	FY 2020	FY 2021	Variance
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Community Development Block Grant	\$12,880,355	\$13,101,216	\$220,861
HOME Investment Partnerships Program	\$5,100,964	\$5,473,415	\$372,451
Emergency Solutions Grant	\$1,081,148	\$1,131,767	\$50,619
Housing Opportunities for Persons with AIDS	\$1,814,626	\$2,043,971	\$229,345

ISSUE:

In the FY 2021 Action Plan and Budget, the City has a total of \$22,350,369 in available funds for the period of October 1, 2020 to September 30, 2021. The following table provides a summary of the proposed FY 2021 budget across the four grant programs. The detailed budget schedules can be found in the attachments.

Grant	FY 2021 Budget*
Community Development Block Grant	\$13,351,216
HOME Investment Partnerships Program	5,823,415
Housing Opportunities for Persons w/ AIDS	2,043,971
Emergency Solutions Grant	1,131,767
Total	\$22,350,369

*Includes Entitlement and Estimated Program Income of \$600,000

The proposed FY 2021 Action Plan and Budget includes a total of \$12.5 million set aside for affordable housing activities that further Priority 1 (Provide Decent Safe Affordable Housing) of the FY 2016-2020 Consolidated Plan and aligns with the priorities outlined in the Affordable Housing Budget.

The budget also includes \$1,000,000 for the Emergency Housing Assistance Program to assist households at risk of homelessness due to the COVID-19 pandemic.

The administrative budget across the four grants is \$3,198,497 and provides for efficient grant administration and performance monitoring of these community development programs. This administrative budget funds 48 positions at Neighborhood and Housing Services Department, City Attorney’s Office, Department of Human Services and Development Services Department.

The following are staff recommended program allocations for FY 2021:

Community Development Block Grant

Housing Delivery (Citywide) | \$551,990

Utilized to support the delivery of the City’s Green and Healthy Homes Initiative and to support other rehabilitation program efforts.

Fair Housing Activities (Citywide) | \$350,000

The City’s Fair Housing Program will continue to advocate for and promote equal treatment of all residents under the Federal Fair Housing Act. The City will promote activities on asset retention by addressing unique problems of predatory lending practices by unscrupulous lenders. The program will provide information and education, especially to the disabled and elderly community, through outreach presentations and classes. The program will provide housing placement referrals for displaced families to avoid housing discrimination. Fair Housing staff will offer emergency assistance programs in response to the Covid-19 pandemic focused on

response and recovery. Staff will also provide individual predatory lending counseling and other housing counseling services.

Green and Healthy Homes Grant Match (Citywide) | \$350,000

Utilized as a match for the Lead Hazard Reduction Demonstration (LHRD) grant funds that assist low to moderate income families address health and environmental safety issues.

Support Affordable Housing Development - Rental Housing (Citywide) | \$3,250,000

Utilized to create and preserve affordable housing by supporting affordable housing development through acquisition, rehabilitation, clearance, site improvements and neighborhood infrastructure. Funding will supplement HOME Program rental housing development.

Support Affordable Housing Development - Homeownership Housing (Citywide) | \$1,625,000

Utilized to create and preserve affordable housing, by supporting affordable housing development through acquisition, rehabilitation, clearance, site improvements and neighborhood infrastructure. Funding will supplement HOME Program homeownership housing development.

Single-Family Rehabilitation & Reconstruction (Citywide) | \$1,799,226

Utilized to assist low to moderate income homeowners who need their homes rehabilitated or reconstructed. Funds may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

Minor Repair Activities (Citywide) | \$500,000

Utilized to assist low to moderate income homeowners with minor home repairs. Funds may assist with all aspects of rehabilitation, lead based paint abatement, and clearance activities. Programs will be administered either through the Department or a qualified CDBG sub-recipient.

Public Service - Housing Supportive Services (Citywide) | \$400,000

CDBG funding will be utilized for public service - housing supportive service activities that will benefit low to moderate income persons. Programs will be administered either through the Department of Human Services or a qualified CDBG sub-recipient.

Public Service - COVID-19 Emergency Housing Assistance Program (Citywide) | \$1,000,000

Utilized to assist vulnerable populations at risk of homelessness during or as a result of COVID-19 by providing emergency rent or mortgage assistance and or utility assistance for up to three consecutive months. Households must have incomes at or below 80% Area Median Income.

Financial Education Program (Citywide) | \$200,000

Utilized to support a financial counseling program that provides free basic financial literacy to residents. The program aims to provide services to a least 400 individuals with either the City's program or the City's sub-recipient, Family Services Association.

Code Enforcement Activities (Citywide) | \$125,000

Utilized to support two (2) Code Enforcement positions that provide proactive code enforcement in CDBG-eligible census tracts. This budget does not provide for the cost of correcting code violations.

Zarzamora Service Center Environmental Remediation (District 5) | \$600,000

Utilized for environmental remediation at the former Zarzamora Service Center located at 4503, 4531, and 4719 South Zarzamora Rd. The City closed and moved the service center to the City's new Northwest Service

Center at Callaghan and W. Commerce in the summer of 2013, leaving the Zarzamora Service Center vacant and available for redevelopment. The City is requiring cleanup for historic firefighter foam impacts beyond Texas Commission on Environmental Quality (TCEQ) requirements. The total estimated cost to remediate this site is \$3.6 million. This funding is to reimburse previously allocated CDBG funds that were redirected from this project in April 2020 to respond to the COVID-19 crisis.

HOME Investment Partnerships Program

Single-Family Rehabilitation & Reconstruction (Citywide) | \$2,533,415

Utilized to assist low to moderate income homeowners whose homes need rehabilitation or reconstruction. Funds may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

Rental Housing Development (Citywide) | \$1,250,000

Utilized as gap financing for rental housing development activities for both new construction and rehabilitation of affordable rental housing units for low income households.

Homeownership Housing Development (Citywide) | \$1,250,000

Utilized as gap financing for homeownership housing development activities for both new construction and rehabilitation of affordable homeownership housing units for low income households.

CHDO Operating Expense Program (Citywide) | \$300,000

Utilized to provide operating funds to Community Housing Development Organizations (CHDO) based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO development funding within 24 months of the award.

Housing Opportunities for Persons with AIDS

Housing and Supportive Services | \$2,043,971

Utilized to provide tenant based rental assistance, transitional housing, transportation, case management, housing assistance, emergency financial assistance, newly empowered women program, and food/nutrition programs for persons with HIV/AIDS.

HEARTH Emergency Solutions Grant

Emergency Shelter | \$361,703

Utilized to provide essential services and operations to local emergency shelters. The City will work with external partners to provide case management, employment assistance, job training, and support services.

Rapid Re-housing | \$534,005

Utilized to work with external partners to provide assistance including rental assistance, transportation, case management services, and life skills classes to allow participants to achieve increased self-sufficiency and an improved ability to meet their basic needs.

Homeless Outreach | \$182,001

Utilized to provide street outreach and case management to homeless individuals, to include arranging, coordinating, and monitoring the delivery of individualized services including planning a path to permanent housing stability.

Citizen Participation

The City initiated a public comment period on July 12, 2020. Outreach included two public notices in the San

Antonio Express News, the City's websites and stakeholder communications.

A summary of the proposed FY 2021 Action Plan Budget was available for review and comment on the City's website www.sanantonio.gov/gma <<http://www.sanantonio.gov/gma>>. Comments were accepted online at www.sanantonio.gov/gmainaction <<http://www.sanantonio.gov/gmainaction>>; by e-mail at communitydevelopment@sanantonio.gov <<mailto:communitydevelopment@sanantonio.gov>> and by mail until August 12, 2020. Additionally, the City held two public hearings. A virtual public hearing was held on July 28, 2020. A total of 30 persons attended the public hearing and 9 citizens submitted comments. The second public hearing was held on August 12, 2020 by City Council via videoconference. Six persons spoke on this item.

City Council adopted the FY 2021 Action Plan and Budget on Thursday, August 13, 2020 and the plan was submitted to HUD on Friday, August 14, 2020.

ALTERNATIVES:

The City is statutorily required to undergo this process in order to execute federal funding agreements.

FISCAL IMPACT:

The City anticipates receiving a total of \$21,750,369 in entitlement funding for the period of October 1, 2020 to September 30, 2021. This item will not have an impact on the General Fund Budget.

RECOMMENDATION:

This item is for briefing purposes only. City Council adopted the FY 2021 Action Plan and Budget on Thursday, August 13, 2020.