



# City of San Antonio

## Legislation Details (With Text)

**File #:** 13-771

**Type:** Miscellaneous Item

**In control:** City Council A Session

**On agenda:** 12/5/2013

**Title:** A Public Hearing and Ordinance authorizing the reprogramming of FY 2014 Home Investment Partnership (HOME) funds in the amount of \$908,762 and Community Development Block Grant Funds (CDBG) in the amount of \$507,685 available from City-wide project savings and cancelled projects to new projects; amending the FY 2014 Consolidated Action Plan and Budget; authorizing the close out and cancellation of affected projects and the creation of new projects and project budgets; and authorizing the execution and submission of contracts and other documents as necessary. [Peter Zaroni, Deputy City Manager; John Dugan, Director, Planning and Community Development]

**Sponsors:**

**Indexes:** CDBG, HOME Program

**Code sections:**

**Attachments:** 1. Reprogramming Fiscal Attachment, 2. Ordinance 2013-12-05-0860

Date	Ver.	Action By	Action	Result
12/5/2013	1	City Council A Session		

**DEPARTMENT:** Department of Planning and Community Development

**DEPARTMENT HEAD:** John M. Dugan

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Substantial Amendment to FY 2014 Annual Action Plan and Budget

**SUMMARY:**

An Ordinance amending the FY 2014 Action Plan and Budget authorizing a the reprogramming of \$908,762 in Home Investment Partnership (HOME) funds and \$507,685 in Community Development Block Grant Funds (CDBG) available from City-wide project completions and cancelled projects for eligible activities in line with the five year Consolidated Plan and the Strategic Plan for Community Development.

**BACKGROUND INFORMATION:**

The City of San Antonio receives federal entitlement grants awarded through the Department of Housing and Urban Development (HUD). These funds are designed to meet the needs of persons who are of low and moderate income and for preserving and developing low-income communities. These grants include the Community Development Block Grant (CDBG) and the Home Investment Partnerships Program (HOME). Each year the City conducts an Action Plan process to identify and implement community development and affordable housing activities that address a myriad of activities necessary to advance the goals of both the five year Consolidated Plan and the City's Strategic Plan for Community Development.

On August 1, 2013, City Council adopted the FY 2014 Action Plan and Budget, which was due to HUD by August 15, 2013, with the recommendations which allocated \$12,090,427 in CDBG funds and \$4,292,605 in HOME funds for the following activities:

**FY 2014 CDBG Allocation**

- Debt Service obligation repayment
- Public services
- Matching requirement for \$3 million Green and Healthy Homes grant
- Minor Repair Program (reduced)
- Strategic reinvestment for façade improvements (reduced) and catalytic projects (Wheatley)
- Administration

**FY 2014 HOME Allocation**

- Multi-family Development Set-Aside (Wheatley)
- CHDO Single Family Housing New Construction
- CHDO Operating Funding
- Strategic Reinvestment funds for Down Payment Assistance and Homeowner Rehabilitation
- Administration

In accordance with the need to reprogram \$1,416,447 in available CDBG and HOME funds, the Department of Planning and Community Development (DPCD) recommended the reprogramming of funds to the City's Quality of Life Committee on November 19, 2013. The council sub-committee approved staff's recommendation to utilize CDBG and HOME funds as cited below for full council consideration.

**ISSUE:**

Since the approval of the FY 2014 Annual Action Plan, staff has identified \$908,762 in HOME funds and \$507,685 in CDBG funds available for grant activities. These additional funds became available as a result of project savings or canceled activities. To utilize these available funds, the City, through a substantial amendment to the existing Annual Action Plan, needs to allocate these available resources to eligible activities consistent with the five year Consolidated Plan and the Strategic Plan for Community Development. This reprogramming proposal recommends additional funding for the following activities:

**Multi-family Set-Aside - \$908,762 (HOME)**

Of the available HOME funds, staff proposes utilizing \$795,978 for multi-family development activities intended to support rehabilitation and/or new construction activities to leverage with the Low Income Housing Tax Credit Program and other affordable rental programs. Additionally, \$112,784 will be designated for the Eastside Choice Neighborhood Transformation Wheatley Redevelopment project. The FY 2014-FY 2019

Capital Improvement Plan appropriated a total of \$1.4 million in HOME funds for the Eastside Choice Neighborhood Transformation Wheatley Redevelopment. This action will make the Annual Action Plan consistent with the FY 2014-FY 2019 Capital Improvement Plan.

**Housing Minor Repair Activities - \$215,000 (CDBG)**

Staff proposes utilizing \$215,000 in available CDBG funds for the minor repair of low-to-moderate income households to add to the existing \$35,000 made available through the FY 14 Action Plan Budget. A total of \$250,000 will be utilized, through sub-recipient partners, to complete minor repairs to homes owned by low-to-moderate income households. This minor repair program complements the City's Green and Healthy Homes Initiative and City Public Services Casa Verde Program.

**Targeted Façade Improvement - \$48,591 (CDBG)**

Staff proposes adding \$47,685 in available CDBG funds to the existing \$10,179 made available through the FY 14 Action Plan Budget for targeted facade improvement initiatives. This total of \$57,864 will be utilized to reverse the deterioration of commercial structures in targeted areas and stimulate new, private investment and economic growth.

**Public Infrastructure Improvements (CDBG) - \$244,094**

Staff proposes substituting \$244,093.50 in available CDBG funds to support public infrastructure improvements in the Street Maintenance Program in low-to-moderate income neighborhoods allowing a redirection of General Fund funds to used to provide a repayment to HUD from former CDBG funds expended on acquisition and administrative support on eight properties acquired through the former St. Paul Area Development Corporation which were not utilized to meet a CDBG National Objective.

**ALTERNATIVES:**

City Council may elect not to approve one or more of the associated Quality of Life recommendations.

**FISCAL IMPACT:**

This proposed action will have no impact on the General Fund budget and will be funded with CDBG and HOME funds.

**RECOMMENDATION:**

Staff recommends forwarding to the full City Council for consideration, a substantial amendment to the FY 2014 Action Plan and Budget administering programs funded through the City's four U.S. Department of Housing and Urban Development (HUD) grant programs including the Community Development Block Grant (CDBG), the Home Investment Partnership Grant (HOME).