



# City of San Antonio

## Agenda Memorandum

**File Number: 18-3310**

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**Agenda Item Number: 4.**

**Agenda Date: 5/16/2018**

**In Control: Comprehensive Plan Committee**

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**DEPARTMENT: Neighborhood & Housing Services Department**

**DEPARTMENT HEAD: Verónica R. Soto, AICP, Director**

**COUNCIL DISTRICTS IMPACTED: Citywide**

**SUBJECT:**

FY 2019 HUD Action Plan and Budget

**SUMMARY:**

Briefing and possible action on the FY 2019 HUD Action Plan and Budget for 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), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Grant.

**BACKGROUND INFORMATION:**

The City of San Antonio commenced the development of the FY 2019 HUD Action Plan and Budget, which is the fourth year plan under the FY 2016-2020 Consolidated Plan. The City anticipates receiving approximately \$20.9 million in federal entitlements awarded through the U.S. Department of Housing and Urban Development (HUD). These grants include the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA) Program, and the Emergency Solutions Grant (ESG). 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.

***Consolidated Plan***

The City of San Antonio receives four (4) federal entitlement grants awarded through the U.S. Department of Housing and Urban Development (HUD). These four grants include CDBG, HOME, HOPWA and ESG. Under the FY 2016-2020 Consolidated Plan, the City anticipates \$89.9 million in federal resources to be available through the four formula grants.

In order to determine the most pressing needs and develop effective, place-based market-driven strategies to meet these needs, HUD required the development of a FY 2016-2020 Consolidated Plan. In developing the Consolidated Plan, the City gathered information through a number of methods, including a facilitated engagement session with 42 local stakeholders, four public meetings, a community survey (over 1,650 responses received), and a review of available census and HUD data. This process formed the basis of the strategic plan element of the Consolidated Plan.

Annually, the City coordinates an Action Plan and Budget development process to identify and implement community development and affordable housing activities to advance the goals of the Consolidated Plan.

**ISSUE:**

***FY 2016-2020 Consolidated Plan Priorities and Goals***

The City established an interdepartmental Steering Committee comprised of representatives from various City departments to assist in reviewing community needs, identifying other City resources, and setting initial funding priorities based on results of the community engagement. The priorities of the Strategic Plan are as follows:

**Priority 1: Provide Decent Safe Affordable Housing**

The City shall utilize HUD funds to address a host of affordable housing issues. The goals are:

- A. Rehabilitate existing housing stock to preserve neighborhoods by addressing aging, low performing, and substandard housing
- B. Build new affordable single family housing to re-establish strong communities
- C. Provide homebuyer assistance to make homes affordable and sustainable
- D. Develop new affordable rental housing to expand the amount of available affordable rental housing
- E. Further fair housing opportunities

**Priority 2: Provide Neighborhood Revitalization Efforts**

Neighborhood revitalization at its fundamental core transforms lower income neighborhoods into sustainable communities with mixed-income housing, safe streets, and economic opportunity. The goals of this priority are:

- A. Integrate housing, land use, transit, and safety to create mixed use/mixed income neighborhoods
- B. Improve neighborhood connectivity between jobs, housing, and commercial areas
- C. Improve public infrastructure including streets, streetscapes, sidewalks, drainage, and utilities
- D. Eliminate environmental hazards and conditions of blight

**Priority 3: Provide for Special Needs Populations**

The City will utilize HOPWA funds to provide rental assistance, counseling, healthcare, life skills, short-term housing, supportive services and transportation services to clients. The City will also provide case management, financial assistance and support services. The goal is:

- A. Provide housing and services for persons with HIV/AIDS

**Priority 4: Provide Housing and Supportive Services for Homeless Population**

Emergency shelter funds are used to provide essential services and operations in emergency shelters. The services provided will improve housing stability, reduce barriers to finding safe and affordable housing, and positively impact client's ability to remain in stable housing. The goals are:

- A. Provide services & housing for the homeless
- B. Provide services to prevent at-risk persons from becoming homeless

**Priority 5: Provide Economic Development**

Financial literacy for low-income families is about education with respect to reducing overall household cost in relation to household income. For basic needs, the impact of financial decisions made today directly impact the future ability to manage debt and save money. The goal is:

- A. Provide financial literacy training

***FY 2019 HUD Action Plan and Budget***

In the FY 2019 HUD Action Plan and Budget, the City has a total of \$21,134,235 in available funds for the period of October 1, 2018 to September 30, 2019. The following table provides a summary of the proposed FY 2019 HUD budget across the four grant programs. The detailed budget schedules can be found in Attachment A.

<b>Formula Grant</b>	<b>FY 2019 Actual*</b>
Community Development Block Grant	\$12,991,544
HOME Investment Partnerships Program	5,491,627
Housing Opportunities for Persons w/ AIDS	1,606,272
Emergency Solutions Grant	1,044,792
<b>Total</b>	<b>\$21,134,235</b>

\*Includes Entitlement and Estimated Program Income

The City received an increase of \$1.6 million overall compared to FY 2018. The City took a strategic approach in developing the proposed FY 2019 HUD Action Plan and Budget to identify activities that further Priority 1 (Provide Decent Safe Affordable Housing) of the Five Year Consolidated Plan. The proposed plan includes a total of \$13.5 million in CDBG and HOME funding set aside for affordable housing activities.

Funding options will be discussed during the Comprehensive Plan Committee meeting.

**FISCAL IMPACT:**

The City’s FY 2019 HUD Action Plan and Budget will not have an impact on the General Fund Budget.

**RECOMMENDATION:**

Staff recommends forwarding to the full City Council the proposed FY 2019 HUD Action Plan and Budget for the City’s four U.S. Department of Housing and Urban Development (HUD) grant programs including the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Grant.