



City of San Antonio

Agenda Memorandum

File Number: 18-3592

Agenda Item Number: 3.

Agenda Date: 6/13/2018

In Control: City Council B Session

DEPARTMENT: Neighborhood & Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, AICP, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Public Hearing for the FY 2019 Action Plan and Budget

SUMMARY:

A Public Hearing for the FY 2019 Action Plan and Budget for the City's four U.S. Department of Housing and Urban Development (HUD) grant programs 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) Grant.

BACKGROUND INFORMATION:

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 HEARTH Emergency Solutions Grant (HESG). 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.

ISSUE:

FY 2019 Action Plan and Budget

In the FY 2019 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 budget across the four grant programs. The detailed budget schedules can be found in Attachment A.

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

*Includes Entitlement and Estimated Program Income

The City received an increase of \$1.36 million overall compared to FY 2018. The City took a strategic approach in developing the proposed FY 2019 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.

The following are staff recommended program allocations for FY 2019.

Community Development Block Grant

Housing Delivery (Citywide) \$632,000

CDBG funds will be 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) \$246,000

The City’s Fair Housing Program will continue to advocate for and promote equal treatment of all residents of the community under the Federal Fair Housing Act. The City’s program is part of the Family Assistance Division of the Department of Human Services and 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 also continue to assist in natural disaster situations by providing housing placement referrals for displaced families in an effort to avoid housing discrimination. On an individual level, Fair Housing staff will provide predatory lending counseling.

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

CDBG funds will be used as a match for the Lead Hazard Reduction Demonstration (LHRD) grant funds to assist low to moderate income families address health and environmental safety issues across San Antonio.

Support Affordable Housing Development (Citywide) \$5,000,000

In an effort to create and preserve affordable housing, the City will utilize CDBG funds to support affordable housing development through acquisition, rehabilitation, clearance, site improvements and neighborhood infrastructure. This funding will supplement rental housing development and homeownership housing development through the HOME Program. Outcomes will include acquisition, rehabilitation, resale or new construction homeownership housing and acquisition rehabilitation or new construction rental housing.

Single-Family Rehabilitation & Reconstruction (Citywide) \$1,743,889

In an effort to preserve our inner city neighborhoods, the City will utilize CDBG funds to assist low to

moderate income homeowners that are in need of rehabilitating or reconstructing homes. Funds available may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

Minor Repair Activities (Citywide) \$688,000

In an effort to preserve our inner city neighborhoods, the City will utilize CDBG funds to assist low to moderate income homeowners with minor home repairs. Funds available may assist with all aspects of rehabilitation, lead based paint abatement, and clearance activities.

Code Enforcement Activities (Citywide) \$187,749

CDBG funds will be used to support three (3) Code Enforcement positions that provide proactive code enforcement in CDBG-eligible census tracts. The City is allocating additional local resources in support of revitalization efforts, including other code enforcement costs that are not CDBG eligible. This budget does not provide for the cost of correcting code violations.

Sidewalk Improvements (Citywide) \$750,000

CDBG funds will be used for neighborhood improvements in low-income, primarily residential, neighborhoods. Activities can include improvements for sidewalks, streets, lighting, water, sewer, and drainage.

Public Service - Housing Supportive Services (Citywide) \$500,000

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

Summer Youth Program (D1, D2, D3, D4, D5, D6 & D7) \$208,282

The COSA Parks and Recreation Summer Youth Recreation Program is an eight-week, structured, supervised program offered at 20 Community Centers located in D1, D2, D3, D4, D5, D6 & D7, which features recreation-themed activities, active games, sports and more. A weekly enrichment program will also instruct participants with advanced art projects and science experiments along with a fitness and wellness component. Participants are grouped according to age and staff conducts age-appropriate recreation activities. CDBG funds will be used for staff salaries and other administrative expenses.

Community Center Extended Hours (D1, D2, D3, D4, D5, D6 & D7) \$64,140

CDBG funds will be used to support staff salaries at 20 community centers in D1, D2, D3, D4, D5, D6 & D7 during extended hours of operation from 5:30 p.m. to 9:00 p.m. Monday through Thursday and Saturday 10:00 a.m. - 4:00 p.m. during the summer months.

Financial Education Program (Citywide) \$200,000

The City currently supports a financial counseling program that provides free basic financial literacy to area 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.

HOME Investment Partnerships Program

Single-Family Rehabilitation & Reconstruction (Citywide) \$1,500,000

In an effort to preserve our inner city neighborhoods, the City will utilize HOME funds to assist low to moderate income homeowners that are in need of rehabilitating or reconstructing homes. Funds available 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**
HOME funds will be set-aside for rental housing development activities. The program provides gap financing for both new construction and rehabilitation of affordable rental housing units for low income households.

Homeownership Housing Development (Citywide) **\$1,250,000**
HOME funds will be set aside for homeownership housing development activities. The program provides gap financing for both new construction and rehabilitation of affordable homeownership housing units for low income households.

Homebuyer Incentive Program (Citywide) **\$926,736**
HOME funds will be used to assist low-to-moderate income homebuyers seeking to purchase decent, safe affordable housing. Specifically, the program will provide down payment and closing cost assistance to ensure homes are both affordable and sustainable to the homebuyer.

CHDO Operating Expense Program (Citywide) **\$75,000**
This program is designed to provide operating funds to Community Housing Development Organizations 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 **\$1,606,272**
The City will provide tenant based rental assistance, transitional housing, transportation, case management, housing information assistance and food/nutrition programs for persons with HIV/AIDS.

HEARTH Emergency Solutions Grant

Emergency Shelter **\$511,948**
Emergency shelter funds are used to provide essential services and operations to local emergency shelters. DHS will work with external partners to provide case management, employment assistance and job training, and support services.

Homeless Prevention **\$282,094**
The City will work with external partners to provide financial assistance and services to prevent individuals and families from becoming homeless and from moving into an emergency shelter. The funds are intended to target individuals and families who would be homeless but for this assistance.

Rapid Re-housing **\$198,510**
The City will 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.

Citizen Participation Process

The City of San Antonio encourages its citizens to provide input on the proposed FY 2019 Action Plan and Budget. The public comment period has been initiated and public comments will be accepted until Wednesday, August 1, 2018. A copy of the proposed FY 2019 Action Plan and Budget is available for review and comment on the City's website www.sanantonio.gov/gma. This information is also available for review and comment at the Department of Human Services located at 106 South St. Mary's Street, 7th Floor, the Central Library located at 600 Soledad, and a public notice has been placed on the bulletin board located on the First Floor of City Hall, 100 Military Plaza, San Antonio, TX 78205.

Three Public Hearings will be held during the development of the FY 2019 Action Plan and Budget to encourage citizen participation and comment on the proposed plan. The first Public Hearing is scheduled for Wednesday, June 13, 2018 at City Council Chambers. The second Public Hearing is scheduled for Wednesday, July 11, 2018 at the Central Library, and the third Public Hearing is scheduled for Wednesday, August 1, 2018 at City Council Chambers. This is the first of three scheduled public hearings. City Council consideration for the adoption of the FY 2019 Action Plan and Budget will take place on Thursday, August 2, 2018 in the City Council Chamber, Municipal Plaza Building.

Public comment may also be provided in person or in writing to the Neighborhood & Housing Services Department, Division of Grants Monitoring and Administration, 1400 S. Flores, Unit 3, San Antonio, Texas 78204, Monday - Friday, 7:45 am - 4:30 pm, or by e-mail at communitydevelopment@sanantonio.gov <<mailto:communitydevelopment@sanantonio.gov>>. For questions or additional information about the FY 2019 Action Plan & Budget, contact the Neighborhood & Housing Services Department at (210) 207-6600.

FISCAL IMPACT:

In the FY 2019 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.

RECOMMENDATION:

Staff recommends approval of the FY 2019 Action Plan and Budget for the City's four U.S. Department of Housing and Urban Development (HUD) grant programs 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) Grant. Staff's planning schedule places this item on the City Council Agenda on August 2, 2018 after three public hearings.