



City of San Antonio

Agenda Memorandum

File Number:21-2470

Agenda Item Number: 15.

Agenda Date: 4/15/2021

In Control: City Council A Session

DEPARTMENT: Human Services

DEPARTMENT HEAD: Melody Woosley

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Bank On San Antonio Program Capacity Grant

SUMMARY:

This ordinance authorizes the acceptance of a grant award of the Bank On Capacity Grant up to \$25,000 from the Cities for Financial Empowerment Fund (CFE Fund) for an 18-month period from April 15, 2021 through October 14, 2022, and authorizes a budget with the use of in-kind match funds equal to 50% of the time (50% FTE) of a staff member spending time coordinating the program.

This ordinance also authorizes the Director of the Department of Human Services to initiate, negotiate, and execute any and all necessary documents and a grant contract to effectuate the acceptance of this grant, and to execute contract amendments pertaining to this contract, to include a) carry-over funds, when ascertained and approved by the funding agency through a revised notice of award; b) line item budget revisions authorized by the funding agency; c) modifications to the performance measures authorized by the funding agency and listed in the contract so long as the terms of the amendment stay within the general parameters of the intent of the grant; d) no cost extensions; e) amendments which will provide supplemental grant funds to the grant by the funding agency in an amount up to 20% of the total amount awarded to the grant; f) reimbursement increases of administrative funds for each participant served; g) amendments funding one time equipment purchases or defined program services; and h) changes in regulations mandated by the funding agency.

BACKGROUND INFORMATION:

As part of the COVID-19 Recovery and Resiliency Plan, the City of San Antonio, Department of Human

Services (DHS) launched the Bank On San Antonio program officially in December 2020 to expand access to low-cost pro-consumer financial products such as: starter bank accounts, second chance bank accounts and low-cost consumer lending products that serve as an alternative to predatory loans. Bank On San Antonio was certified by the national Bank on program with oversight by the cities for Financial Empowerment Fund (CFE), and includes financial products also certified by the CFE Fund as meeting high standards for being in the consumer interest of residents. The City's Department of Human Services will, under Bank On San Antonio, convene and collaborate with banks and credit unions, and non-profit partners to identify financial products that may be certified by the national Bank On program, promote the availability of such products to residents of the City, and create a system of referrals from social service providers to the financial institutions to benefit unbanked or underbanked San Antonio residents.

ISSUE:

The Bank On Capacity Grant will award \$25,000.00 to the City's Department of Human Services (DHS), which will be used to promote availability of safe and secure financial products to San Antonio residents who are unbanked or underbanked. The grant also provides technical assistance to the City's DHS and allows DHS to join a peer learning cohort of other U.S. city governments that have already or are currently creating a Bank On program to serve their local residents' financial stability and security needs.

The Grant requires an in-kind match equal to at least 50% of one Full Time Employee (0.5 FTE) position from the City. DHS proposes an in-kind match of 50% of the salary and benefits for one Management Analyst position in the Community Services Block Grant (CSBG), with time dedicated to the program valued at an estimated \$29,768.00 for year one of the grant and \$14,884.00 for the remaining 6 months of the grant period, for a total match of \$44,652.00 over 18 months of the grant period. No new positions will be added as part of the grant award.

The City's DHS received email notification of grant award by the CFE Fund on March 18, and a grant contract is pending from the funder.

ALTERNATIVES:

The City of San Antonio is the community's coordinating entity for the Bank On San Antonio program. Failure to approve this ordinance will not end the Bank On program but limits the ability for DHS to further develop that program without the funding, technical assistance and peer support that come with this grant award.

FISCAL IMPACT:

This ordinance authorizes the acceptance of the Bank On Capacity Grant and acceptance of funds, upon award, of \$25,000.00 for use in an 18 months period during FY2021 and FY2022, and approves a total associated budget of \$69,652.00, which includes \$25,000.00 grant award and \$44,652.00 in-kind match funds.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the acceptance of the Bank On Capacity Grant and total associated Budget of \$69,652.00, which includes \$25,000.00 grant award and \$44,652.00 in-kind match funds.

