



City of San Antonio

Agenda Memorandum

File Number:14-648

Agenda Item Number: 2.

Agenda Date: 4/2/2014

In Control: City Council B Session

DEPARTMENT: Department of Planning and Community Development

DEPARTMENT HEAD: John M. Dugan

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

FY 2015 Action Plan and Budget 1st Public Hearing

SUMMARY:

The first of two scheduled Public Hearings for the development of the City's FY 2015 U.S. Department of Housing and Urban Development Entitlement Grant Programs and Budget including the Community Development Block Grant (CDBG), HOME Investment Partnership Grant, Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Grant.

BACKGROUND INFORMATION:

The City of San Antonio receives four (4) federal entitlement grants awarded through the U.S. 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 four grants include Community Development Block Grant (CDBG), the Home Investment Partnership Grant (HOME), the Emergency Solutions Grant (ESG), and the Housing Opportunities for Persons with AIDS (HOPWA) Grant.

A minimum of two public hearings are required by HUD. One public hearing is required during the development of the proposed FY 2015 Action Plan and Budget to encourage public participation and comments. A second meeting is required once the FY 2015 Action Plan and Budget has been developed and released for a 30-day public comment period.

On February 18, 2014, the City of San Antonio Quality of Life Council Committee was briefed on the

recommended FY 2015 Consolidated Action Plan Development Calendar for the City's four HUD grant programs. This briefing also included a strategic framework to serve as the basis for funding recommendations FY 2015 Consolidated Annual Action Plan.

Residents wishing to speak at the Public Hearing may individually sign a register for that purpose which will be provided at the entrance of the City Council Chambers before 6:00 PM on Wednesday April 2, 2014. Residents also can register on-line at the link on the City Clerk's website.

The second public hearing, including the proposed FY 2015 Action Plan and Budget will also be presented to City Council for consideration on May 29, 2014.

ISSUE:

The proposed framework of FY 2015 Action Plan is dependent on HUD Entitlement funding levels and priorities described in the City's Five Year Consolidated Plan and Strategic Plan for Community Development.

Projected HUD Entitlement Funding Levels

In January 2014, the U.S. House of Representatives and U.S. Senate passed the FY 2014 Omnibus Appropriations Bill which set FY 2014 appropriations levels and funds all federally funded agencies, including HUD, through September 30, 2014. Compared to final FY 2013 sequestration funding levels, the bill includes a 5 percent increase for the HOME Investment Partnerships program (HOME), a 9 percent increase for homeless assistance grants, a 5 percent increase in HOPWA program, and a 2 percent reduction to the Community Development Block Grant program (CDBG). Specific detail regarding formula allocations to entitlements communities has not been released for the FY 2015 CDBG, HOME, ESG, and HOPWA grants. HUD has not specified a date when the final awards will be released. The following is a summary of the estimated FY 2015 allocation based on the FY 2014 Omnibus Appropriations Bill:

Program	FY 2014 Award	FY 2015 <u>Estimated</u> Award	Year over Year Change	% Variance
CDBG	\$11,772,041	\$11,536,600	(\$235,441)	-2%
HOME	3,745,405	3,932,675	187,270	5%
ESG	843,303	919,200	75,897	9%
HOPWA	1,138,748	1,195,685	56,937	5%
Total	\$17,499,497	\$17,584,161	\$84,664	

Proposed FY 2015 Funding Strategy

The City is releasing Pre-Applications for external agencies to identify community needs for activities eligible under the CDBG and HOME program. Staff has initiated this approach to inform the budget process of programmatic related demands in our community for the FY 2015 Action Plan.

CDBG Program

In addition to the pre-application review, the City may also recommend continuing prior CDBG grant priorities including funding the annual Section 108 debt service payment, REnewSA initiatives, Green and Healthy Homes grant match, housing repair, and fair housing activities.

- Debt Service Obligations for the Section 108 Loan
- Strategic Catalytic Investments (REnewSA)

- Code Enforcement (REnewSA)
- Green and Healthy Homes Initiative (Matching Grant)
- Façade Improvement Activities (REnewSA)
- Housing Repair Initiatives
- Fair Housing Program
- Public Service Programs

HOME Program

The City may recommend homebuyer activities, Community Housing Development Organization (CHDO) Set Aside activities, and multi-family rental development set aside to support projects receiving low income housing tax credits or similar programs designed to leverage private investments.

- Multi-family Redevelopment Set Aside
- CHDO Set Aside (required)
- CHDO Operating Support Program
- Homebuyer Program

ESG Program

The City may recommend rapid re-housing, homeless prevention, emergency shelter or street outreach services.

- Staff to Coordinate with Department of Human Services on Priority Recommendations

HOPWA Program

The City may recommend permanent housing placement services, rental/utility assistance, transitional shelter, medical hospice with 24-hour care, and essential services such as meals, transportation for persons with HIV/AIDS.

- Staff to Coordinate with Department of Human Services on Priority Recommendations

Proposed FY 2015 Consolidated Action Plan and Budget Schedule

The recommended FY 2015 Consolidated Action Plan Calendar establishes the dates for events related to the development of the FY 2015 Budget recommendations for the use of federal funds. The calendar to be presented was developed to meet the submission deadlines established by HUD and to allow for program funding to become available on October 1, 2014.

Action Plan Process	Date
Quality of Life Committee - FY 15 Action Plan Strategy and Schedule Briefing	February 18, 2014
Pre-Application Due Dates	March 5-12, 2014
1st Citywide Public Hearing	April 2, 2014
Quality of Life Committee (FY 15 Proposed Budget)	April 15, 2014
2nd Citywide Public Hearing (Action Plan/Budget Adoption)	May 29, 2014
Annual Action Plan/Budget Due to HUD	August 15, 2014

ALTERNATIVES:

A minimum of two Public Hearings is required as a condition of receiving the entitlement funds from HUD.

FISCAL IMPACT:

The public hearing on the City's FY 2015 U.S. Dept. of Housing and Urban Development (HUD) grants will not require City Council action. Final approval of the Budget is scheduled for May 29, 2014.

RECOMMENDATION:

This item is a public hearing for the FY 2015 Consolidated Annual Action Plan and Budget. No recommendation is required at this time.