



# City of San Antonio

## Agenda Memorandum

**File Number:**19-4241

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**Agenda Item Number:** 23.

**Agenda Date:** 5/30/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Neighborhood and Housing Services

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

**COUNCIL DISTRICTS IMPACTED:** City-Wide

### **SUBJECT:**

Minor Amendment #1 (Reprogramming) to the FY 2019 Action Plan and Budget

### **SUMMARY:**

Consideration of an ordinance to approve a Minor Amendment #1 to the FY 2019 Action Plan and Budget to reprogram Community Development Block Grant (CDBG) Funds in an amount not to exceed \$500,000.00 from the Air Conditioning Partnership for Public Housing Residents to the Owner Occupied Rehabilitation/Reconstruction Program.

### **BACKGROUND INFORMATION:**

The City of San Antonio (the City) receives an annual entitlement of Community Development Block Grant (CDBG) funding through the U.S. Department of Housing and Urban Development (HUD). CDBG funds are designed to meet the needs of persons of low and moderate income and to preserve and redevelop low-income communities.

On August 2, 2018, through Ordinance 2018-08-02-0540, City Council approved the FY 2019 Action Plan and Budget which allocated \$12.99 million in CDBG Funding. Subsequently, on March 21, 2019, the San Antonio City Council approved an award of up to \$500,000.00 in CDBG Funding the San Antonio Housing Authority (SAHA) for air conditioning equipment and installation across 20 public housing developments (approximately 2500 units) that do not currently have air conditioning as a standard rental feature. A funding agreement was contingent on final regulatory approval from the HUD. The project design and timeline, as proposed, could not meet the final regulatory requirements as outlined by HUD.

**ISSUE:**

Staff recommends reprogramming \$500,000.00 in CDBG funding to the Owner Occupied Rehabilitation/Reconstruction Program to replace the project to be cancelled. 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. Additional funds are in the HOME budget for this program.

**ALTERNATIVES:**

An alternative to appropriating CDBG funding would be to reject this recommendation; however, the proposed activity is in line with the Five Year Consolidated Plan and will assist in the timely commitment and expenditure of these federally sourced funds.

**FISCAL IMPACT:**

This ordinance approves a Minor Amendment #1 to the FY 2019 Action Plan and Budget to reprogram \$500,000.00 in Community Development Block Grant (CDBG) Funding to Owner Occupied Rehabilitation/Reconstruction Program.

**RECOMMENDATION:**

Staff recommends approval of Minor Amendment #1 to the FY 2019 Action Plan and Budget to reprogram Community Development Block Grant (CDBG) Funds in an amount not to exceed \$500,000.00 from the Air Conditioning Partnership for Public Housing Residents to the Owner Occupied Rehabilitation/Reconstruction Program.