



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 1

**Agenda Date:** June 11, 2025

**In Control:** Public Comment Session

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Public Hearing for proposed Substantial Amendment #3 to the FY 2025 U.S. Department of Housing and Urban Development (HUD) Annual Action Plan and Budget

**SUMMARY:**

The Neighborhood and Housing Services Department (NHSD) seeks public comment on Substantial Amendment #3 for the proposed reprogramming of \$5,000,000.00 in Community Development Block Grant (CDBG) funds made available through current and prior year program savings to address slum and blighted buildings; and awarding up to \$5,000,000.00 in CDBG funds to the San Antonio Housing Trust PFC to address slum and blight of four buildings just outside the Central Business District.

**BACKGROUND INFORMATION:**

The San Antonio Housing Trust is undergoing a district-wide master plan and vision process in the Cattleman's Square Historic District. The non-profit entity is currently conducting a community-led process to re-envision the area situated between the westside neighborhoods and downtown.

In November 2024, the San Antonio Housing Trust PFC purchased 5.9 acres of property within

the master plan area. The organization seeks to purchase additional property within the area to ensure the planning efforts can be realized.

The San Antonio Housing Trust PFC will utilize up to \$5,000,000.00 in CDBG funds to acquire, stabilize and preserve approximately 1.31 acres of land and buildings at the corner of North Frio and West Houston Streets, within the Cattleman Square district. This ordinance will authorize the NHSD to negotiate and execute funding agreements with the San Antonio Housing Trust PFC for the acquisition.

The site consists of a four-building, 38,687-square-foot commercial property located at 118 N. Medina Street; 900 W. Houston Street; 908 W. Houston Street; and 907 W. Commerce Street. The existing improvements include a 19,329-square foot, three-story office building known as the Heimann Building, which is listed on the National Register of Historic Places; a two-story, 14,306-square foot former apartment/hotel/retail building known as the Rich Book Building; a 5,502-square foot commercial building currently used for storage; and a 1,750-square foot convenience store/former gas station. The improvements were originally constructed between 1900 and 1973, with renovations to the Heimann Building having been completed in 2004 and continuing today for non-residential office use. The Historic Preservation/Stabilization effort is anticipated to retain the same use without change in size or capacity to these non-residential building footprints.

A substantial amendment to the FY 2025 HUD Annual Action Plan and Budget (Substantial Amendment #3) is required to reprogram CDBG funds to award to the San Antonio PFC to address slum and blight.

## **ISSUE:**

On August 8, 2024, City Council adopted the \$27.8 million FY 2025 HUD Annual Action Plan and Budget which allocated approximately \$15,669,404.00 in CDBG and \$7,795,948.27 in HOME funds. A Substantial Amendment is required for the City to utilize this funding in a manner different than the plan details.

This public hearing is for consideration of the proposed Substantial Amendment #3 to the FY 2025 HUD Annual Action Plan and Budget, which adds a goal objective, adds a project, and reprograms funding for the proposed project. Specifically, this ordinance will:

- Add one (1) goal outcome indicator to aid in activities that address specific conditions of blight, physical decay, or environmental contamination that are not located in a slum or blighted area: acquisition; clearance; relocation; historic preservation; remediation of environmentally contaminated properties; or rehabilitation of buildings or improvements;
- Add one (1) project for Activities that Address the Elimination of Slums or Blight;
- Reprogram \$220,052.39 in CDBG funds made available through FY 2024 Green and Healthy Homes Grant Match program savings to Activities that Address the Elimination of Slums or Blight;
- Reprogram \$423,513.45 in CDBG funds made available through FY 2022 Minor Repair and Single Family Rehabilitation program savings to Activities that Address the Elimination of Slums or Blight;

- Reprogram \$139,460.33 in CDBG funds made available through FY 2021 Green and Healthy Homes Grant Match program savings to Activities that Address the Elimination of Slums or Blight;
- Reprogram \$31,251.83 in CDBG funds made available through FY 2020 NHSD Minor Repair Program savings to Activities that Address the Elimination of Slums or Blight;
- Reprogram of \$2,800,000.00 in CDBG funds from FY 2025 Homeownership Housing Development to Activities that Address the Elimination of Slums or Blight;
- Reprogram of \$1,385,722.00 in CDBG funds from Rental Housing Development to Activities that Address the Elimination of Slums or Blight; and
- Award up to \$5,000,000.00 in CDBG funds to The San Antonio Housing Trust PFC to acquire approximately 1.31 acres of land and buildings at the corner of North Frio and W Houston Streets for the purpose of stabilizing the properties and preserving the historic character of the buildings.

**ALTERNATIVES:**

The City is required to undergo this process for federally funded programs.

**FISCAL IMPACT:**

There is no fiscal impact to the City's General Fund.

**RECOMMENDATION:**

No action required.