

(THIS IS A DRAFT ORDINANCE ONLY AND SUBJECT TO CHANGE)

ORDINANCE

APPROVING A SUBSTANTIAL AMENDMENT TO THE HOME-AMERICAN RESCUE PLAN (HOME-ARP) ALLOCATION PLAN TO REPROGRAM UP TO \$1,000,000.00 IN HOME-ARP FUNDING TO ELIGIBLE AFFORDABLE HOUSING DEVELOPMENT ACTIVITIES.

* * * * *

WHEREAS, as part of the American Rescue Plan Act (ARPA), the U.S. Department of Housing and Urban Development (HUD) received \$5 billion dollars to allocate and assist individuals or households who are homeless, at risk of homelessness, and other qualifying populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability across the country to be administered through HUD's HOME Investment Partnerships Program (HOME); and

WHEREAS, the \$5 billion in HOME-ARP funds were allocated to cities, counties and states through a formula allocation, with the City being awarded \$20,042,085 in HOME-ARP funding; and

WHEREAS, on February 17, 2022, pursuant to Ordinance No. 2022-02-17-0119, City Council approved staff's recommended HOME-ARP Allocation Plan, which identified the City's proposed use of HOME-ARP funds from HUD, including an allocation of up to \$6,500,000 set aside for development of affordable rental housing, and up to \$6,342,085 set aside for supportive services; and

WHEREAS, in furtherance of making awards of the HOME-ARP funding, City staff released a joint Request for Proposals (RFP) for Permanent Supportive Housing (PSH) making available City Housing Bond funds, HOME-ARP funds, and Bexar County federal funds to support affordable rental housing production and acquisition activities for chronically homeless individuals/families; and

WHEREAS, after review and evaluation of the submitted proposals, and in accordance with the City's HOME-ARP Allocation Plan, The Commons at Acequia Trails, a proposed permanent supportive housing project (the "*Project*"), was awarded HOME-ARP funding in the total amount of up to \$7,500,000.00, said amount being comprised of up to \$6,500,000.00 to assist with development/construction of the affordable rental housing project and up to \$1,000,000.00 to provide supportive services to tenants of the project; and

WHEREAS, the Project is anticipated to close at the end of January 2025; however, additional capital is needed to fund development/construction of the affordable housing units included as of the Project; and

WHEREAS, after review and discussion, City staff recommends that the \$1,000,000.00 in HOME-ARP funding initially awarded to The Commons at Acequia Trails for supportive services be reprogrammed and used instead for the development/construction of the affordable rental housing units included as a part of said Project; and

WHEREAS, to reprogram the \$1,000,000.00 in HOME-ARP funds originally allocated for supportive services and update the City's HOME-ARP Allocation Plan in accordance therewith, City staff recommends a Substantial Amendment to the HOME-ARP Allocation Plan; and

WHEREAS, approval of the requested reprogramming would allow for and result in the \$7,500,000 of HOME-ARP funding awarded to The Commons at Acequia Trails to be used entirely for the development/construction of the affordable rental housing units included as a part of said Project; and

WHEREAS, in order to effectuate the reprogramming and award of HOME-ARP funds to The Commons at Acequia Trails project as recommended herein, it is necessary to authorize a Substantial Amendment to the City's HOME-ARP Allocation Plan; and

WHEREAS, City Council approves a Substantial Amendment to the HOME-ARP Allocation Plan for the reprogramming of funds and authorizes the original award of up to \$7,500,000 in HOME-ARP funding to The Commons at Acequia Trails to be used entirely for the development/construction of the affordable rental housing units included as a part of said Project as set forth herein; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Revisions to the HOME-American Rescue Plan (HOME-ARP) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed \$1,000,000 available from Program Savings and Program Income are hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I**. Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new HOME-ARP projects in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized.

SECTION 2. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to **Attachment I** are hereby authorized for entry into the City's accounting system.

SECTION 3. The Director of the City's Finance Department is hereby authorized to effect on the books of the City the cancellations, revisions, and reprogramming in support thereof set forth in **Attachment I**. The City Manager or their designee, the Director of the Neighborhood and Housing Services Department or their designee, the Assistant Director of the Neighborhood and Housing Services Department or their designee, or the Grants Administrator of the Division of Grants Monitoring and Administration are each individually hereby authorized to (a) implement the

reductions, revisions, and reprogramming set forth in **Attachment I**; (b) comply with HUD rules, regulations, and procedures, and submit all certifications and such other information to and as required by HUD; (c) approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated; (d) close-out and cancel affected projects and create new projects and project budgets; and (e) negotiate and execute any and all necessary contracts and other documents in connection with the projects set forth above; and (f) provide for payment.

SECTION 4. Transfer of funds, expenditures, and encumbrances necessitated and scheduled pursuant to the aforesaid **Attachment I** is hereby authorized for entry into the budgets as therein described.

SECTION 5. A Substantial Amendment to the City's HOME-ARP Allocation Plan to reprogram funds in accordance with this Ordinance and **Attachment I** is hereby authorized and approved. The City Manager or their designee, the Director of the Neighborhood and Housing Services Department or their designee, the Assistant Director of the Neighborhood and Housing Services Department or their designee, or the Grants Administrator of the Division of Grants Monitoring and Administration are each individually hereby authorized to execute any and all documents necessary to implement and carry out said substantial amendment.

SECTION 6. The City Manager or their designee, the Director of the Neighborhood and Housing Services Department or their designee, the Assistant Director of the Neighborhood and Housing Services Department or their designee, or the Grants Administrator of the Division of Grants Monitoring and Administration, are each hereby authorized to negotiate and execute any and all contracts, agreements and other documents as necessary for: (a) implementation of the funding award as set forth herein; and (b) compliance with the U.S. Department of Housing and Urban Development (HUD) rules, regulations, and procedures, and to submit all certifications and such other information to and as required by HUD.

SECTION 7. The City Manager, or their designee, the Director of the Neighborhood and Housing Services Department or their designee, the Assistant Director of the Neighborhood and Housing Services Department or their designee, or Grants Administrator of the Division of Grants Monitoring and Administration are each individually hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated.

SECTION 8. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

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SECTION 9. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 16th day of January, 2025.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

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ATTACHMENT I
COVER SHEET