



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 28

**Agenda Date:** February 27, 2025

**In Control:** City Council A Session

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**DEPARTMENT:** Department of Human Services

**DEPARTMENT HEAD:** Melody Woosley

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

HOME-American Rescue Plan (HOME-ARP) Allocation Plan – Substantial Amendment #2

**SUMMARY:**

Ordinance approving Substantial Amendment #2 to the HOME-American Rescue Plan (HOME-ARP) Allocation Plan to reprogram a total of \$1,830,407 in HOME-ARP grant funds from the U.S. Department of Housing and Urban Development (HUD) to eligible HOME-ARP activities.

**BACKGROUND INFORMATION:**

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

The \$5 billion in HOME-ARP funds were allocated to cities, counties, and states, through a

formula allocation, and the City of San Antonio received \$20 million.

On February 17, 2022, City Council-approved staff's recommended allocation plan and the submission thereof to HUD for the use of HOME-ARP funds received.

On January 16, 2025, City Council approved Substantial Amendment #1 to the HOME-American Rescue Plan (HOME-ARP) Allocation Plan to reprogram a total of \$1,000,000 in HOME-ARP grant funds from the U.S. Department of Housing and Urban Development (HUD) to eligible affordable housing development activities.

For this amendment to the City's adopted HOME-ARP Allocation Plan and Budget, the City of San Antonio initiated a 15-day public comment period on February 11, 2025, through February 26, 2025.

### **ISSUE:**

The Neighborhood and Housing Services Department serves as the administrator for HUD HOME-ARP funds. The Department of Human Services manages five programs funded from HUD HOME-ARP.

DHS proposes this substantial amendment to the HOME-American Rescue Plan (HOME-ARP) Allocation Plan incorporating the following changes:

- Increase the administrative cost from 10% to 15%, not to exceeding the statutory maximum of 15%. This will allow the City to support administrative funds for our three sub-recipients.
- Adjusting funding between Tenant Based Rental Assistance (TBRA), and Supportive Services based on eligible activities as listed in the HUD CPD Notice 21-01.
- Execution of contract amendments with sub-recipients to shift HOME-ARPA funding within a sub-recipient's contract allocation from the Tenant Based Rental Assistance program to the Homeless Prevention Supportive Services program. The total value of each sub-recipient's contract will remain the same. This would increase the number of programs managed by DHS to six programs.

### **ALTERNATIVES:**

If this amendment is not approved, the impact would be fewer services available to address the housing needs of those experiencing homelessness. Additionally, unused federal funds may be subject to recapture by HUD.

### **FISCAL IMPACT:**

The following adjustment will align and consolidate supportive services into the supportive services category. There is no impact to services.

<b>HOME-ARP Funding Category</b>	<b>Revised HOME-ARP Award</b>	<b>Adjustment</b>	<b>Proposed Revised Budget</b>
Administrative	2,000,000	377,104	2,377,104
Support Services	5,342,085	1,453,303	6,795,388
Develop Affordable Housing	7,500,000	-	7,500,000
TBRA	\$5,200,00	(1,830,407)	3,369,593
<b>Total</b>	<b>\$ 20,042,085</b>	<b>-</b>	<b>\$20,042,085</b>

There is no fiscal impact to the City's General Fund in the form of a cash match.

**RECOMMENDATION:**

Staff recommends approval.