

ORDINANCE 2022-06-23-0530

**APPROVING SUBSTANTIAL AMENDMENT #3 TO THE FY 2022
UNITED STATES DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT (HUD) ACTION PLAN AND BUDGET TO
REPROGRAM FUNDS.**

* * * * *

WHEREAS, on August 12, 2021, pursuant to Ordinance No. 2021-08-12-0564, City Council approved and adopted the FY 2022 United States Department of Housing and Urban Development (HUD) Action Plan and Budget (Action Plan); and

WHEREAS, on February 17, 2022, pursuant to Ordinance Nos. 2022-02-17-0119 (Part A) and 2022-02-17-0110 (Part B), City Council approved and adopted Substantial Amendment #1 to the FY 2022 HUD Action Plan; and

WHEREAS, on March 17, 2022, pursuant to Ordinance No. 2022-03-17-0192, City Council approved and adopted Substantial Amendment #2 to the FY 2022 HUD Action Plan; and

WHEREAS, on March 17, 2022, pursuant to Ordinance No. 2022-03-17-0193, City Council awarded up to \$1,250,000.00 of HOME Investment Partnerships Program (HOME) funding to the Country Club Village project; and

WHEREAS, the Country Club Village project was also previously awarded up to \$86,905.00 in City Fee Waivers and up to \$250,000.00 in SAWS fee waivers; and

WHEREAS, as building material and labor costs have risen dramatically in recent months, this development has requested additional funds in order to close its financial gap and meet their upcoming closing deadline for other funding sources already secured; and

WHEREAS, City staff recommends a third substantial amendment to the Action Plan to reprogram HOME Investment Partnerships Program (HOME) funding and Community Development Block Grant (CDBG) funding to increase the amount awarded for this project and to better align the funding; and

WHEREAS, after notice having been duly published and posted, a public comment period was opened, a public hearing was held on June 15, 2022, and timely responses were given from local officials to all citizen questions and issues and public access was granted to all questions and responses; and

WHEREAS, in order to reprogram said HOME and CDBG funds, it is necessary to authorize a third substantial amendment to the City's FY 2022 HUD Action Plan; and

WHEREAS, City Council approves staff's recommendations as set forth herein; **NOW THEREFORE:**

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

SECTION 1. This ordinance approves Substantial Amendment #3 to the FY 2022 Annual Action Plan and Budget for the reprogramming of \$3,250,000.00 in HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds. Amendments to HOME and CDBG funding do not impact the City's General Fund. Substantial Amendment #3 will:

1. Reprogram \$3,250,000.00 to the Country Club Village project. This includes \$1,250,000.00 in FY 2022 CDBG funds from the OORRP and \$2,000,000.00 in CDBG funds made available through prior year program savings; and
2. Allocate \$1,250,000.00 in HOME Investment Partnership Program (HOME) funds to the Owner-Occupied Rehabilitation and Reconstruction Program (OORRP) that was previously awarded to Prospera HCS and Versa Development for Country Club Village. The total amount of funding for OORRP will remain the same.

SECTION 2. Substantial Amendment #3 to the City's FY2022 United States Housing and Urban Development (HUD) Action Plan and Budget to reprogram said HOME and CDBG funds and modify said budgets in accordance with this ordinance and its attachments are hereby authorized and approved.


SECTION 3. The City Manager, or their designee, the 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 or are anticipated.

SECTION 4. The Deputy Chief Financial Officer is hereby authorized to effect on the books of the City the cancellations, revisions, and reprogramming in support thereof set forth in **Attachments I, II and III** and this ordinance. The City Manager or designee, the Director of the Neighborhood and Housing Services Department, the Deputy Director of the Neighborhood and Housing Services Department, the Assistant Director of the Neighborhood and Housing Services Department and the Grants Administrator of the Division of Grants Monitoring and Administration are each individually hereby authorized to negotiate and execute any and all contracts and other documents as necessary to: (a) implement the reductions, revisions, and reprogramming set forth in **Attachments I, II and III** and this ordinance; (b) comply 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; (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 in accordance with **Attachments I, II and III** and this ordinance; (e) execute any and all necessary contracts and other documents in connection with the projects set forth above; and (f) provide for payment. Approval of the City Attorney's Office is required for all contracts implementing the funding awards herein.

SECTION 5. 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 Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 23rd day of June, 2022.



M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:



for Debbie Racca-Sittre, City Clerk



for Andrew Segovia, City Attorney



City of San Antonio

City Council A Session Meeting June 23, 2022

41.

2022-06-23-0530

- Ordinance approving Substantial Amendment #3 to the FY 2022 Annual Action Plan and Budget for the reprogramming of \$3,250,000 from the U.S. Department of Housing and Urban Development to eligible affordable housing development activities. [Lori Houston, Assistant City Manager; Veronica Garcia, Interim Director, Neighborhood and Housing Services Department]

Councilmember Rocha Garcia moved to Approve on the Consent Agenda. Councilmember Castillo seconded the motion. The motion carried by the following vote:

Aye: Nirenberg, Bravo, McKeeRodriguez, Viagran, Rocha Garcia, Castillo, Cabello
Havrda, Pelaez, Courage, Perry

Absent: Sandoval

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ATTACHMENT I
COVER SHEET

Community Development Block Grant (CDBG)

		FY 2022 Revised Budget	Units	FY 2022 Amendment 2 (Current)	Variance
Sources					
CDBG Entitlement		13,556,693	79%	13,556,693	70%
Program Income / Program Savings		1,676,000	10%	1,676,000	9%
Estimated Program Income		250,000	1%	250,000	1%
Reprogramming - ACG Babcock North I		1,000,000		1,000,000	5%
NSP PI Conversion to CDBG (Cevallos Lofts Payoff)		783,119		783,119	
Reprogramming - Prior Year Savings				2,000,000	
Total Sources		17,265,812	90%	19,265,812	100%
Uses					
Administration and Planning					
Avenida Guadalupe Master Plan		-		-	
HUD Five-Year Consolidated Plan Consultant Services		-		-	
Administration and Planning		2,650,000		2,650,000	
Total Administration and Planning		2,650,000	15%	2,650,000	14%
Priority #1: Decent Safe Affordable Housing					
Housing Delivery		551,990	N/A	551,990	
Fair Housing Activities ³		350,000	200	350,000	
Green and Healthy Homes Grant Match		-		-	
Rental Housing Development ⁴		213,525	33	3,463,525	3,250,000
Homeownership Housing Development ⁴		4,469,594	89	4,469,594	
Single-Family Rehabilitation & Reconstruction		4,658,281	34	3,408,281	(1,250,000)
Minor Repair		2,250,000	75	2,250,000	
Total Decent Safe Affordable Housing		12,493,390	72%	14,493,390	75%
Priority #2: Provide for Special Needs Populations					
Emergency Housing Assistance Program		1,050,000	250	1,050,000	
Parks and Recreation - Summer Youth Program		273,282	2000	273,282	
Parks and Recreation - Community Ext. Hours		74,140	2000	74,140	
Total Provide for Special Needs Populations		1,397,422	8%	1,397,422	7%
Priority #3: Address Housing Services for Homeless Populations					
Public Service - Housing Supportive Services		400,000	205	400,000	
Total Housing Services for Homeless Populations		400,000	2%	400,000	2%
Priority #4: Neighborhood Revitalization					
Code Enforcement Activities		125,000	1000	125,000	
Zarzamora Service Center Enviro Remediation		-		-	
Public Works - Infrastructure Supplemental Funding		-		-	
Total Neighborhood Revitalization		125,000	1%	125,000	1%
Priority #5: Economic Development					
Financial Education Program ³		200,000	400	200,000	
Total Economic Development		200,000	1%	200,000	1%
Total Uses		17,265,812	100%	19,265,812	100%

² Subject to Planning and Administration Cap of 20% of the CDBG funding and Program Income

³ Subject to Public Services Cap of 15% of the CDBG funding and Program Income

⁴ CDBG funds for housing development may only be used for activities that support development - no new construction

FY 22 Program Income:

Treasury Strip 1,525,000

Westin Baptist Pay-Off 151,000

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ATTACHMENT II
COVER SHEET

HOME Investment Partnerships Program

	FY 2022 Revised Budget	Units	FY 2022 Amendment 3 (Current)	Variance
Sources				
HOME Entitlement	5,529,909	18%	5,529,909	18%
Program Income ² / Program Savings	2,622,800		2,622,800	8%
Estimated Program Income	350,000	1%	350,000	1%
HOME-ARP	20,042,085		20,042,085	64%
Reprogramming - HFHSA Watson Road Ph. II	2,000,000		2,000,000	6%
Hamilton Wolfe Lofts (program savings)	267,267		267,267	
Costa Almadena Loan D#105261404 11-30-2021-Payoff	416,395		416,395	
Harlandale Loan D#2600263381 10-27-2021-Payoff	165,821		165,821	
Total Sources	31,394,277	19%	31,394,277	97%
Uses				
Administration				
Uses				
Administration and Planning				
Entitlement Administration & Planning	490,000	2%	490,000	2%
HOME-ARP Administration	2,000,000		2,000,000	6%
Total Administration and Planning ²	2,490,000	8%	2,490,000	8%
Priority #1: Decent Safe Affordable Housing				
Single-Family Rehabilitation & Reconstruction	3,962,709	40	5,212,709	17%
Rental Housing Development	5,899,766	30	4,649,766	15%
Homeownership Housing Development	449,717	6	449,717	1%
Homebuyer Incentive Program	275,000	14	275,000	1%
CHDO Operating Expense ³	275,000		275,000	1%
NHSD Project Related Cost for Development	-		-	0%
Total Decent Safe Affordable Housing	10,862,192	35%	10,862,192	35%
Priority #3: Address Housing Services for Homeless Populations				
Permanent Supportive Housing	10,500,000		10,500,000	33%
Tenant Based Rental Assistance	5,200,000		5,200,000	17%
Homelessness Prevention and Case Management	2,342,085		2,342,085	7%
Total Housing Services for Homeless Populations	18,042,085		18,042,085	57%
Total Uses	31,394,277	43%	31,394,277	100%

² Program Income from estimated Cevallos Lofts Payoff

³ CHDO Operating is limited to 5% of the HOME Entitlement excluding PI

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ATTACHMENT III
COVER SHEET

FY 2022 Substantial Amendment #3

CDBG Sources	
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Fiscal Year	Activity Name	Fund Source/ Type	I/O	Fund	SAP Approved Budget	Expenses Commitments	Balance	Budget Adj	SAP Revised Budget	Fiscal Validated
2021	GMA Administration CDBG FY21	Entitlement	157000000238	28246000	\$ 1,551,316.84	\$ 670,232.01	\$ 881,084.83	\$ (881,084.83)	\$0.00	Y
2021	Fiscal Team Admin CDBG FY21	Entitlement	157000000239	28246000	\$ 294,169.67	\$ 146,365.11	\$ 147,804.56	\$ (147,804.56)	\$0.00	Y
2021	Housing Production Admin FY21	Entitlement	157000000240	28246000	\$ 176,540.69	\$ 94,061.68	\$ 82,479.01	\$ (82,479.01)	\$0.00	Y
2021	Housing Policy Admin FY21	Entitlement	157000000242	28246000	\$ 255,692.63	\$ 126,125.68	\$ 129,566.95	\$ (129,566.95)	\$0.00	Y
2021	CDBG Legal Administration FY21	Entitlement	157000000243	28246000	\$ 241,683.17	\$ 174,806.51	\$ 66,876.66	\$ (66,876.66)	\$0.00	Y
2021	Housing Program Delivery Admin - FY21	Entitlement	157000000244	28246000	\$ 551,990.00	\$ 209,774.10	\$ 342,215.90	\$ (342,215.90)	\$0.00	Y
2021	CDBG Code Compliance - FY21	Entitlement	157000000245	28246000	\$ 125,000.00	\$ 37,689.99	\$ 87,310.01	\$ (87,310.01)	\$0.00	Y
2021	Fair Housing Admin - FY21	Entitlement	157000000246	28246000	\$ 350,000.00	\$ 152,625.14	\$ 197,374.86	\$ (197,374.86)	\$0.00	Y
2021	Financial Education Program FY2021	Entitlement	157000000247	28246000	\$ 200,000.00	\$ 63,905.30	\$ 136,094.70	\$ (65,287.70)	\$70,807.00	Y
2022	Owner Occupied Rehab / Reconstruction Program	Entitlement	157000000352	28247000	\$ 4,658,281.00	\$ 63,144.13	\$ 4,595,136.87	\$ (1,250,000.00)	\$3,345,136.87	
					\$8,404,674.00	\$ 1,738,729.65	\$ 6,665,944.35	\$ (3,250,000.48)	\$ 3,415,943.87	

[illegible]

Fiscal Year	Activity Name	Set Aside / Activity Type	Fund Type	Council District	Award Amount	New IO	Project Number	Budget Adj	SAP Budget	Fund
	Country Club Village			7	\$3,250,000.00	TBD	TBD	\$3,250,000.48	\$3,250,000.00	
					\$3,250,000.00			\$3,250,000.48	\$3,250,000.00	

HOME Sources

Fiscal Year	Activity Name	Fund Source/ Type	I/O	Fund	SAP Approved Budget	Expenses Commitments	Balance	Budget Adj	SAP Revised Budget	Fiscal Validated
2022	Country Club Village	Program Income	157000000376	25226000	\$ 982,733.00	\$ -	\$ 982,733.00	\$ (982,733.00)	\$0.00	
2022	Country Club Village	Entitlement	157000000377	25230000	\$ 267,267.00	\$ -	\$ 267,267.00	\$ (267,267.00)	\$0.00	
					\$ 1,250,000.00	\$ -	\$ 1,250,000.00	\$ (1,250,000.00)	\$ -	

HOME Uses

[illegible]