

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY THE CITY COUNCIL.

ORDINANCE

ACCEPTING FUNDS FROM THE U.S. DEPARTMENT OF TREASURY, ERA2 PROGRAM, IN AN AMOUNT TOTALING \$5,214,822.97 TO SUPPORT RENTAL ASSISTANCE FROM ERA2 REALLOCATED FUNDS, ROUND 3.

* * * * *

WHEREAS, on April 23, 2020, City Council approved the creation of the Emergency Housing Assistance Program (“EHAP”) to help cover rent and utility expenses of low-income households affected by the economic consequences of the COVID-19 pandemic. In May of 2022, the City launched the new Housing Assistance Program (“HAP”) which is designed to provide rental, utility, and mortgage assistance to eligible low-income households, including, but no longer limited to those facing COVID 19 related financial hardships; and

WHEREAS, eligible households could receive up to three months of rental assistance not to exceed \$3,500 and may also be eligible for assistance with utilities and internet service up to \$1,500. Households facing eviction are prioritized for assistance. NHSD also continues to refer families needing mortgage assistance to the Texas Homeowner Assistance Fund, which provides up to \$65,000 per eligible household for mortgage payments, past due property taxes, property insurance, homeowner association fees, and utilities; and

WHEREAS, the U.S. Department of the Treasury Emergency Rental Assistance (“ERA”) program was created to help cover the unmet rent and utility expenses of low-income households affected by the economic consequences of the COVID-19 pandemic. Since the city’s emergency rental assistance programs were created, the city has consistently been awarded additional funds to support the ongoing needs of renters in the City of San Antonio who are at risk of being evicted; and

WHEREAS, In April 2023, San Antonio was awarded \$5,214,822.97 in Emergency Rental Assistance (“ERA2”) Reallocated Funds (“Round 3”) from the Treasury to be utilized to provide rental assistance under the City’s HAP to support at-risk households; and

WHEREAS, the total fiscal year 2023 budget for housing assistance including administrative expenses, as of May 2, 2023, is approximately \$13.3 million, which includes a variety of allocations including the U.S. Department of Housing and Urban Development, U.S. Department of the Treasury, Bexar County, and the City’s General Fund; and

WHEREAS, the funds accepted under this ordinance will provide up to \$5,214,822.97 in total funding and be utilized to support approximately 2,000 eligible applications under HAP. The

JYW
05/18/2023
Item No.

funding also brings the total rental assistance budget for fiscal year 2023 to approximately \$18.5 million; and

WHEREAS, NHSD temporarily reopened the HAP application for rental assistance from October 7 through October 17, 2022 and subsequently from February 1 through February 16, 2023 receiving over 10,000 applications collectively. The City has awarded approximately \$6.9 million to over 2,300 eligible families since October 2022. The HAP rental assistance application portal is set to reopen from May 15 – June 5, 2023, to provide additional rental assistance to nearly 2,000 additional households in need in San Antonio. This Ordinance will accept the \$5,214,822.97 awarded from the Treasury and allocate it to be used to provide additional rental assistance to eligible families residing in the San Antonio city limits; and

WHEREAS, based on the foregoing, staff recommends adopting this Ordinance accepting funds from the Treasury, including a \$5,214,822.97 grant from ERA2 Reallocated Funds, Round 3, and allocate these funds to financially assist households in need of rental and utility assistance and require the City to leverage General Fund sources to cover incurred expenses. **NOW, THEREFORE:**

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

SECTION 1. The City Council hereby accepts \$5,214,822.97 in U.S. Department of the Treasury Emergency Rental Assistance (“ERA2”), Reallocated Funds (“Round 3”) for eligible purposes under the U.S. Department of the Treasury ERA2, Round 3 guidance, and allocates these funds for eligible emergency rental, mortgage, and utility assistance under the Housing Assistance Program (“HAP”). Staff’s application to the Treasury for this grant is hereby ratified and a copy of said application is on file with the Neighborhood and Housing Services Department (“NHSD”).

SECTION 2. Upon approval of this Ordinance, a new fund and internal order number will be created, upon which the amount of up to \$5,214,822.97 will be appropriated from the U.S. Department of the Treasury. A formal final budget which will include Internal Order numbers and General Ledger numbers will be submitted by the department upon receipt.

SECTION 3. 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.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 18th day of May, 2023.

JYW
05/18/2023
Item No.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

DRAFT