



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 9

Agenda Date: March 9, 2023

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

This ordinance accepts \$3,368,356.96 in reallocated Emergency Rental Assistance, Round 2 federal funds (ERA-2) to expand Right to Counsel (RTC), Resident Relocation Assistance Programs (RRAP), and the Housing Assistance Program (HAP).

SUMMARY:

This ordinance accepts \$3,368,356.96 in reallocated funds from ERA-2 and appropriates the funds to expand Right to Counsel (RTC), Resident Relocation Assistance Programs (RRAP), and the Housing Assistance Program (HAP). The ordinance also authorizes staff to execute or amend any contracts necessary to provide these services. The breakout of the funding is below.

- \$466,791.57 is ERA-2 Housing Stability Services funds from Texas Department of Housing and Community Affairs (TDHCA) for the expansion of RTC and RRAP.
- \$2,901,565.39 is ERA-2 funds for Rental and Utility Assistance from the U.S. Department of the Treasury. Funds will be used to expand capacity to the HAP.

BACKGROUND INFORMATION:

Reallocated ERA-2 Housing Stability Services Funds

On April 14, 2022, City Council approved \$6,729,404.00 in ERA-2 grant funds from TDHCA for Housing Stability Services through the expansion of RTC and RRAP. The grant period is from

April 2022 through March 2024 and serves households earning up to 80% of the area median income.

The City established the RRAP in 2019 and it is administered by the Neighborhood & Housing Services Department (NHSD). RRAP provides support to households facing housing instability or eviction. Through the HSS grant, RRAP has assisted approximately 264 eligible families to date.

In March 2020, the City established RTC as a pilot program designed to provide legal assistance to renters facing eviction. The RTC was expanded in June 2020 using federal CARES Act funding in order to provide further protection for renters facing evictions. The RTC program provides legal aid to renters at or below 80% area median income who are facing landlord/tenant issues such as eviction and is currently administered by Texas RioGrande Legal Aid, Inc. (TRLA). Through the program, tenants receive legal advice and representation, and bilingual 'Know Your Rights' trainings. Since October 2022, the RTC program has provided 394 households with counseling services.

Reallocated ERA-2 for Rental and Utility Assistance

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. Neighborhood and Housing Services Department (NHSD) administered the EHAP, which provided eligible applicants rental, mortgage, and utility assistance.

The City approved approximately \$206 million in assistance to nearly 66,000 households before closing the EHAP application portal in March 2022. EHAP was intended as a temporary emergency program aimed at providing emergency assistance to families facing eviction due to financial hardships resulting from the COVID-19 pandemic. In May of 2022, the City launched the Housing Assistance Program (HAP), which is designed to provide rental and utilities assistance to eligible low-income households facing COVID-19 related financial hardships.

Since its launch, the HAP has processed over 16,000 applications. The City has approved 6,000 eligible households with over \$15.6 million in housing assistance. The HAP application closed on October 17, 2023 and reopened from February 1 – February 16, 2023 to provide additional rental assistance to residents in need. During the period from February 1 through February 16, 2023, the program received nearly 6,000 applications and is expected to help approximately 2,000 families seeking rental assistance.

ISSUE:

Housing Stability Services Funds

The TDHCA is awarding \$466,791.57 in ERA-2 reallocated funding for housing stability services. The additional grant funds would bring the total Housing Stability Services (HSS) budget up to \$7,196,195.57 to be used to provide additional relocation assistance and legal aid services to eligible families.

Up to \$266,000.00 of the ERA-2 Housing Stability Services (HSS) reallocated funds will be appropriated to further expand the existing RTC program. The remaining \$200,791.57 will be appropriated to supplement and expand the RRAP, which will provide individual counseling to families facing evictions as well as expand housing stabilization services including apartment navigation to support families relocating to affordable and accessible housing.

Reallocated Funds (Round 2) for Rental and Utility Assistance

The U.S. Department of the Treasury is awarding \$2,901,565.39 in Emergency Rental Assistance (ERA-2) Reallocated Funds (Round 2) to provide rental assistance under the City's HAP to support at-risk households.

The total Fiscal Year 2023 budget for housing assistance is approximately \$10.4 million, which includes a variety of allocations including U.S. Department of Housing and Urban Development, U.S. Department of the Treasury, Bexar County, and the City's General Fund. The funds accepted under this ordinance will provide an additional \$2,901,565.39 to the HAP for a total budget of \$13.3 million for Fiscal Year 2023.

ALTERNATIVES:

If this Ordinance is not approved, the federal funds will be distributed to other ERA-2 recipients and the funding for the RTC, RRAP, and HAP will remain consistent with the Fiscal Year 2023 budget.

FISCAL IMPACT:

This Ordinance accepts and allocates a grant in the amount of \$466,791.57 in ERA-2 Housing Stability Services reallocated funds from TDHCA. This Ordinance also accepts and allocates funds in the amount of \$2,901,565.39 in ERA-2 reallocated funds from the U.S. Department of Treasury. There is no fiscal impact to the General Fund.

RECOMMENDATION:

Staff recommends the acceptance of the ERA-2 reallocated funds. These funds will allow the city to expand existing housing programs that support those tenants faced with housing instability or eviction.