

AN ORDINANCE 2008-11-20-1040

AUTHORIZING THE SUBMISSION AND ACCEPTANCE OF FUNDS UPON AWARD OF AN ENTITLEMENT GRANT APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP); AND AMENDING THE HUD ANNUAL ACTION PLAN TO INCLUDE THE STRATEGIES PROPOSED IN THE NSP APPLICATION.

* * * * *

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) through the Housing and Economic Recovery Act of 2008 (HERA) is accepting applications for an entitlement grant to support the City's Neighborhood Stabilization Program; and

WHEREAS, it is the desire of the City to use the grant funds to target five (5) areas within the city with a high concentration of foreclosed and abandoned homes; and

WHEREAS, should such application be approved by HUD, it is necessary for the City to accept said award for a grant in an amount up to \$8,635,899.00; and

WHEREAS, it is now the desire of the City Council to authorize such application, and authorize the acceptance of said grant, if awarded; and

WHEREAS, in order to implement the NSP, it is the City's desire to create three (3) full-time equivalent (FTE) positions; and

WHEREAS, up to ten percent (10%) of the NSP allocation may be used for administrative support; and

WHEREAS, the personnel complement of the proposed FTE's will be paid from a portion of said administrative support funds; and

WHEREAS, the NSP was made available for public review and comment on November 5, 2008, and all comments received have been supportive; and

WHEREAS, it is also the desire of the City Council to amend the HUD Annual Action Plan to include the strategies proposed in the NSP Application; **NOW THEREFORE:**

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

SECTION 1. The City's application and acceptance of a U.S. Department of Housing and Urban Development (HUD) entitlement grant through the Housing and Economic Recovery Act of 2008 (HERA) for an amount up to \$8,635,899.00, is hereby authorized. In connection therewith, the City Manager, or in her stead, either the Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the Director of the Department of Grants Monitoring and Administration is hereby authorized to submit a grant application, and accept such grant on behalf of the City, if

awarded, for the period January 1, 2009 through December 30, 2014. A copy of said application is on file with the Department of Grants Monitoring and Administration.

SECTION 2. The City Manager, or in her stead, either the Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the Director of the Department of Grants Monitoring and Administration is further authorized to execute any and all related contracts and other documents necessary to implement the NSP consistent with the strategies outlined in the NSP application.

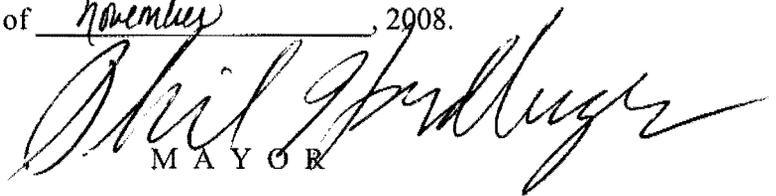
SECTION 3. The entitlement grant funding, if awarded, described in Section 1 provides for the personnel complement of the following three (3) full-time equivalent (FTE) positions: Senior Administration Assistant, Management Analyst, and Contract Coordinator. Said personnel complement is hereby approved. A copy of the personnel complement is affixed hereto and incorporated by reference herein as Attachment I.

SECTION 4. Fund Number 26054000, entitled "HUD" is hereby designated for use in the accounting for the fiscal transaction in the acceptance of this grant should funding be awarded, and the sum of up to \$8,635,899.00 from HUD will be appropriated in said Fund. A formal final budget which will include Internal Order numbers and General Ledger numbers will be submitted by the Department upon award. A department specific fund will be assigned upon award.

SECTION 5. The financial allocations, if any, in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance 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.

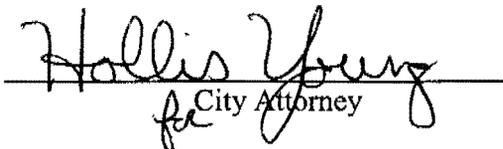
SECTION 6. This Ordinance shall be effective on and after the 30th day of November, 2008.

PASSED AND APPROVED this 20th day of November, 2008.


MAYOR

ATTEST:


City Clerk

APPROVED AS TO FORM: 
for City Attorney

ATTACHMENT I

Neighborhood Stabilization Program Personnel Complement

Job Class	Position Title	12-month Assessment				
		Annual	7.65%	0.180%	13.04%	8500
0042	Sr. Administration Assistant	31,824.00	2,434.54	57.28	4,149.85	8,500.00
0046	Management Analyst	38,500.80	2,945.31	69.30	5,020.50	8,500.00
0156	Contract Coordinator	46,571.20	3,562.70	83.83	6,072.88	8,500.00

12-Month Salaries and Benefits - NSP Personnel Complement
3- Year assessment of Salaries and Benefits

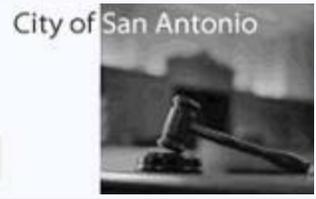
Job Class	Position Title	6-Month Assessment				
		Annual	7.65%	0.180%	13.04%	8500
0042	Sr. Administration Assistant	15,912.00	1,217.27	28.64	2,074.92	8,500.00
0046	Management Analyst	19,250.40	1,472.66	34.65	2,510.25	8,500.00
0156	Contract Coordinator	23,285.60	1,781.35	41.91	3,036.44	8,500.00

6-Month Salaries and Benefits - NSP Personnel Complement

3 & 1/2 Year Assessment Salaries and Benefits



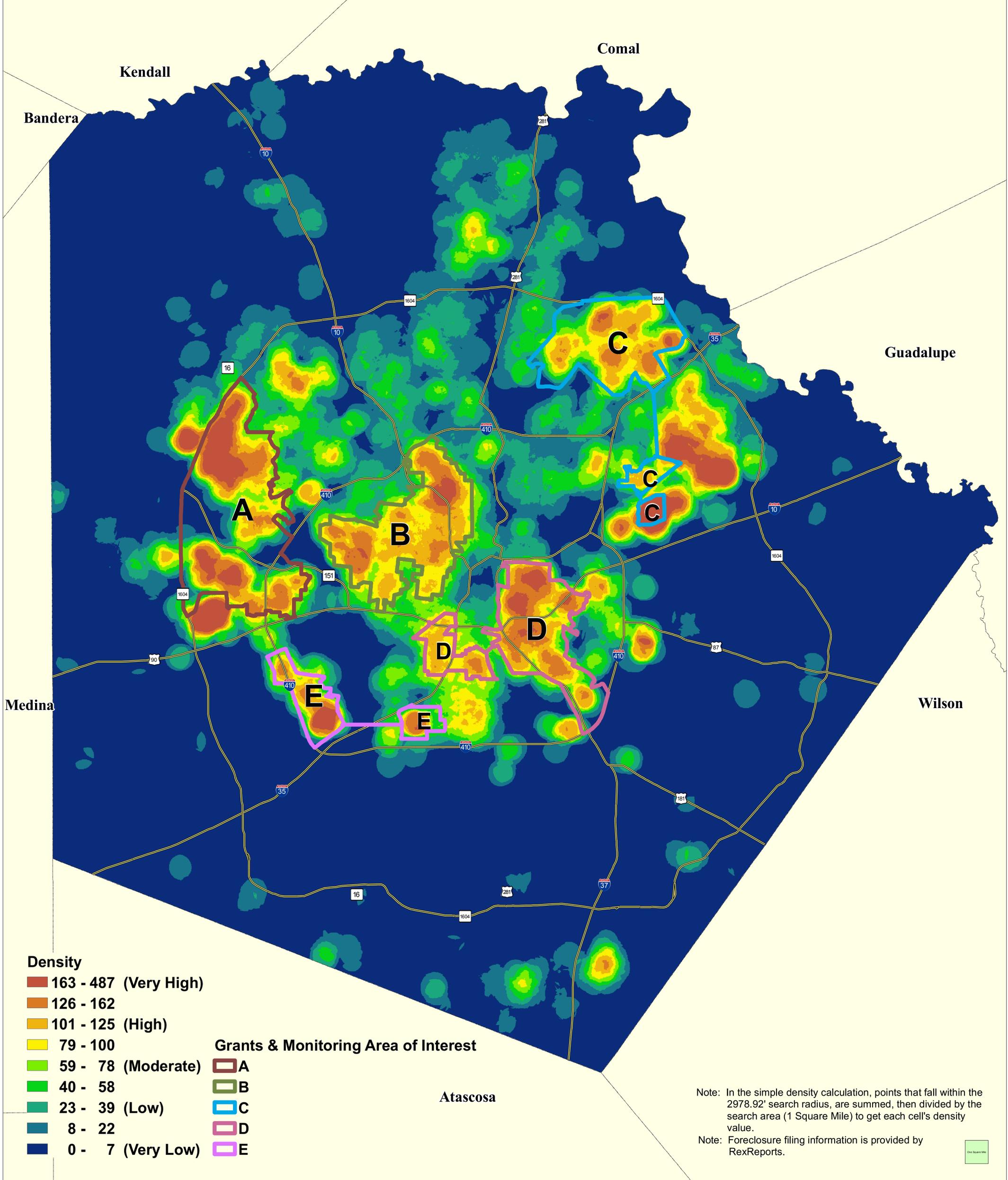
Request for
**COUNCIL
ACTION**



Agenda Voting Results - 28

Name:	9, 10, 11, 12, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30A, 30B, 30C, 30D, 30E, 30F, 30G, 30H, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47
Date:	11/20/2008
Time:	06:00:00 PM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the submission and acceptance of funds upon award of an entitlement grant application to the U.S. Department of Housing and Urban Development (HUD) for the Neighborhood Stabilization Program (NSP); and amending the HUD Annual Action Plan to include the strategies proposed in the NSP Application. [Frances A. Gonzalez, Assistant City Manager; Andrew Cameron, Director, Grants Monitoring and Administration]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x				
Sheila D. McNeil	District 2		x				
Jennifer V. Ramos	District 3	x					
Philip A. Cortez	District 4	x					
Lourdes Galvan	District 5		x				x
Delicia Herrera	District 6		x			x	
Justin Rodriguez	District 7	x					
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9		x				
John G. Clamp	District 10		x				

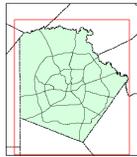


- Density**
- 163 - 487 (Very High)
 - 126 - 162
 - 101 - 125 (High)
 - 79 - 100
 - 59 - 78 (Moderate)
 - 40 - 58
 - 23 - 39 (Low)
 - 8 - 22
 - 0 - 7 (Very Low)

- Grants & Monitoring Area of Interest**
- A
 - B
 - C
 - D
 - E

Note: In the simple density calculation, points that fall within the 2978.92' search radius, are summed, then divided by the search area (1 Square Mile) to get each cell's density value.

Note: Foreclosure filing information is provided by RexReports.



Foreclosure Filing Density September 2003 to November 2008



Data Source: City of San Antonio Enterprise GIS, Bexar Metro 911, Bexar Appraisal District
The geographic information system products provided by the City of San Antonio are provided as an official map of the City of San Antonio and are not intended to be used for any purpose other than the intended use of the City of San Antonio. The City of San Antonio does not warrant, guarantee, or make any representation regarding the use, or the results of the use, of the information provided by the City of San Antonio in terms of completeness, accuracy, reliability, timeliness or otherwise. The user assumes the responsibility for any information obtained from the City of San Antonio is hereby assumed by the user.
Please contact the responsible City of San Antonio Department for specific determinations.
Map created by: Kristin Egan
Map location: H:\Community Development\Projects\Current\Projects\GIS\MapLocation\NeighborhoodStabilization\Map\ForeclosureFilingDensityMonitoringAreaofInterest_081103.mxd
Map Last Edited: 3 November 2008
PDF: F:\ForeclosureFilingDensityMonitoringAreaofInterest_081103.pdf



CITY OF SAN ANTONIO Request for Council Action

Agenda Item # 28
Council Meeting Date: 11/20/2008
RFCA Tracking No: R-4080

DEPARTMENT: Grants Monitoring and Administration

DEPARTMENT HEAD: Andrew Cameron

COUNCIL DISTRICT(S) IMPACTED:
City Wide

SUBJECT:
Neighborhood Stabilization Program

SUMMARY:

An ordinance authorizing the following:

1. Submission of an application to the Department of Housing and Urban Development (HUD) for the Neighborhood Stabilization Program (NSP);
2. Acceptance of grant funds from HUD upon approval of the application; and,
3. Amending the HUD Annual Action Plan to include the strategies proposed in the NSP Application.

BACKGROUND INFORMATION:

The federal government, through the Housing and Economic Recovery Act of 2008 (HERA) allocated funding to support the Neighborhood Stabilization Program (NSP). The HERA awarded just over \$3.92 billion to the NSP to be distributed by formula to entitlement cities, counties and to states. The distribution formula is based on need which is measured by the amount of foreclosures and abandoned properties within the jurisdiction.

San Antonio can receive up to \$8,635,899.00 and the State of Texas can receive up to \$101,996,848.00. The funds are awarded as an entitlement which means the jurisdiction must apply for the funds and, may apply for funding. The NSP funds can be used to:

- Establish financing mechanisms for the purchase and redevelopment of foreclosed upon homes, and residential properties including but not limited to soft second loans, loan loss reserves, and shred-equity loans for low- and moderate-homebuyers.
- Purchase and rehabilitate residential properties that have been abandoned or foreclosed upon in order to sell as is, rent, or redevelop such properties for sale to eligible homebuyers.
- Establish "HOUSE BANKS" of structures that have been abandoned or foreclosed upon for the purpose of resale to eligible families or land banks for new construction.
- Demolish blighted structures as part of an NSP Revitalization Program effort.

- To redevelop demolished or vacant properties to be sold to eligible families.

The income limits for the NSP program exceeds the 80% limit established for HOME and CDBG. NSP serves a population up to 120% of the median for the area.

Up to 10% of the NSP allocation can be used for administrative support. The City may also use up to 10% of any NSP program income generated for additional administrative funding. In addition to the \$8.6 million entitlement allocation, the City may also apply to the State for funding from its \$101 million allocation and use up to 10% of the amount received as administrative support.

Once the program is approved by HUD, the City has eighteen (18) months to commit all NSP funds and four (4) years to expend all NSP funds and program income. Any balance of entitlement or program income funds available after 4 years will be recaptured by HUD.

The potential target areas of operation are defined by the allowable use of the NSP funds. Programs can be administered in areas with high concentration of foreclosed upon homes and/or areas with concentrations of abandoned homes.

Proposed Programs

Staff has developed an NSP application which targets five areas within the city for implementation (see Map I). The target areas were selected based on the concentration of foreclosed upon properties in San Antonio. The implementation strategies are as follows:

- Acquisition and rehabilitation of foreclosed upon properties for resale;
- Acquisition and rehabilitation of foreclosed upon properties for lease;
- Acquisition and rehabilitation of foreclosed upon properties for temporary housing;
- Down payment assistance;
- Soft second mortgage loans; and,
- Acquisition of abandoned lots for the purpose of new construction or title transfer.

Staff has presented this item to the Quality of Life Council Committee on October 22, 2008 and will provide an update during the November 18, 2008 meeting. The proposed program was made available for public review and comment on November 5, 2008. All comments received have been supportive. Staff also conducted two stakeholder meetings and received supportive comments from local mortgage lenders and local non-profit housing providers. On November 18, 2008, staff will present the proposed NSP application to the Quality of Life Committee.

ISSUE:

The funds are awarded as an entitlement which means the jurisdiction must apply for the funding. The application must be received by HUD on or before December 1, 2008. If a municipality fails to submit an application before the deadline, their entitlement award will be redirected to the State. If a state fails to meet the deadline, its entitlement will be redirected to the state with the most need (as identified by the formula).

ALTERNATIVES:

The City has the option to reject the program and not apply for the NSP funds. Doing so forfeits the \$8,635,899.00 and prevents the City from applying to the State for a portion of the \$101,996,848.00 that is also available.

FISCAL IMPACT:

Up to 10% of the NSP allocation can be used for administrative support. The program does not require matching funds; therefore, it will not impact any of the City's budgets.

RECOMMENDATION:

Staff recommends the following:

- Authorize to submit the NSP application;
- Acceptance of the NSP funding upon HUD approval of the application; and,
- Authorization for the City Manager and/or her designee to sign any and all documents necessary to implement the NSP consistent with the strategies outlined in the approved document.

ATTACHMENT(S):

File Description	File Name
Attachment I - NSP Map	NSP_Map.pdf
Personnel Complement	NSP Personnel Complement.pdf
Voting Results	
Original Vote Slip	Original Vote Slip.pdf
Ordinance/Supplemental Documents	200811201040.pdf

DEPARTMENT HEAD AUTHORIZATIONS:

Andrew Cameron Director Grants Monitoring and Administration

APPROVED FOR COUNCIL CONSIDERATION:

Frances A. Gonzalez Assistant City Manager