

AN ORDINANCE 2008-05-29-0460

**ADOPTING THE 17TH YEAR HOME INVESTMENT PARTNERSHIPS ENTITLEMENT GRANT (HOME) IN THE AMOUNT OF \$6,371,233.00 AND \$45,588.00 IN FY 2008-2009 AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI) FUNDS AS CONTAINED IN THE FY 2008-2009 CONSOLIDATED PLAN ANNUAL BUDGET; AUTHORIZING THE FY 2008-2009 HOME PROGRAM; AND AUTHORIZING THE SUBMISSION OF THE HOME GRANT TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR FY 2008-2009 CONSOLIDATED PLAN ANNUAL BUDGET, CERTIFICATION AND OTHER INFORMATION AS REQUIRED TO HUD.**

\* \* \* \* \*

**WHEREAS**, the U.S. Department of Housing and Urban Development (HUD), pursuant to the Housing and Community Development Act of 1974, as amended (Public Law 93-383), provides cities with annual grant support to enable the rehabilitation and development of affordable housing in their urban communities so as to improve conditions for low and moderate income citizens; and

**WHEREAS**, the City of San Antonio, through its HOME Entitlement Grant (HOME) Program, has administered HOME grant funds annually beginning with fiscal year 1992-1993 (Year 1) and continuing through fiscal year 2007-2008 (Year 16); and

**WHEREAS**, pending completion of all required administrative procedures required for official HUD release of funds, fiscal year 2008-2009 HOME Entitlement funds in the amount of \$6,371,233.00 and \$45,588.00 in American Dream Downpayment Initiative funds will become available to the City; and

**WHEREAS**, as required by federal regulation, the Fiscal Year 2008-2009 Consolidated Plan Annual Budget was prepared, encompassing grant funds of the 34<sup>th</sup> Year Community Development Block Grant (CDBG), 17<sup>th</sup> Year HOME, 14<sup>th</sup> Year Emergency Shelter Grant (ESG), and the 14<sup>th</sup> Year Housing Opportunities for Persons with AIDS Grant (HOPWA); and

**WHEREAS**, citizen recommendations regarding the allocation of the aforesaid grant funds have heretofore been received at neighborhood and city-wide meetings and at public hearings, notices of which were duly posted; and

**WHEREAS**, pursuant to applicable HUD regulations designed to ensure adequate citizen input, a public hearing is required in this instance; and

**WHEREAS**, the required notice having been duly published, and said public hearing having been held before City Council on May 15, 2008, it is now the desire of the City, having considered the aforesaid citizen recommendations, to approve the HOME Budget as part of the Fiscal Year 2008-2009 Consolidated Plan Annual Budget and to fund the 17<sup>th</sup> Year HOME Program on the City's books; **NOW THEREFORE:**

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

**SECTION 1.** The HOME Program Budget of the Fiscal Year 2008-2009 Consolidated Plan Annual Budget is hereby approved and adopted as set forth therein, copies of which are affixed hereto and incorporated by reference herein as Attachment I.

**SECTION 2.** The City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Director Grants Monitoring and Administration is hereby authorized to submit to the U.S. Department of Housing and Urban Development (HUD) those documents set forth herein as Attachment I, with certifications, as well as such other information as required by HUD for award of the aforesaid entitlement funds.

**SECTION 3.** Subject to and upon award of the aforesaid grant funds, the City Manager, or, in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Director of Grants Monitoring and Administration is hereby authorized to accept same and to execute any and all documents required by HUD in connection therewith.

**SECTION 4.** The Seventeenth (17<sup>th</sup>) Year HOME Entitlement Grant (HOME) Program and the American Dream Downpayment Initiative (ADDI) beginning October 1, 2008 and terminating September 30, 2009 is hereby authorized.

**SECTION 5.** Fund No. 25017000 entitled, "HOME Entitlement Grant Seventeenth (17<sup>th</sup>) Year" is hereby designated for use in accounting for the above-stated grant and the sum of \$6,371,233.00 is hereby appropriated in said fund for allocations to projects as set out in the detailed budget affixed hereto and incorporated herein for all purposes as Attachment I.

**SECTION 6.** All projects in HOME Entitlement Program Funds for the 16<sup>th</sup> year with completed scopes of work are hereby closed and unexpended grant monies and program income in said funds are hereby authorized to be retained by the City in the Unallocated Contingency account for future reprogramming action.

**SECTION 7.** The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the Director of Grants Monitoring and Administration is hereby authorized and directed to carry out the administration of the Seventeenth (17<sup>th</sup>) Year HOME Program. Such administration shall include, but not be limited to, the execution of any and all contracts and other documents necessary in connection with the 17<sup>th</sup> Year HOME Program and the reaffirmation of any and all assurances required of the City by HUD.

**SECTION 8.** The Director of Grants Monitoring and Administration is hereby designated the Program Manager for the HOME Program. Further program responsibilities shall be as follows:

- (a) The Department of Grants Monitoring and Administration shall administer and monitor all HOME program and fiscal activities and requests;
- (b) The Human Resources Department shall monitor all projects and sub-agencies as necessary for compliance with all equal employment opportunity rules, regulations, policies and laws;

- (c) The Department of Economic Development shall monitor all projects and sub-agencies as necessary for compliance with local, state and federal MBE-WBE rules, regulations, policies and laws;
- (d) The Community Initiatives Department shall monitor, where applicable, fair housing compliance and shall administer the handling and resolution of complaints related thereto;
- (e) The Office of the City Auditor shall accomplish fiscal and program compliance audits of the sub-grantee agencies in the HOME program in compliance with OMB A-133, and in coordination with the City's annual independent audit; and
- (f) The City Attorney's Office shall provide legal services including, but not limited to, contract and loan development and review and the preparation of legal opinions to resolve questions of regulatory application associated with the development and administration of HUD programs administered by the City's Department of Grants Monitoring and Administration.

**SECTION 9.** The personnel classifications and pay ranges set forth in Attachment II affixed hereto and incorporated herein for all purposes are hereby authorized for carrying out aspects of the approved 17<sup>th</sup> Year HOME Program.

**SECTION 10.** The Finance Department is hereby authorized and directed in its payments to other agencies to follow drawdown procedures established by both the City of San Antonio and HUD, whereby HOME funds shall be drawn down prior to other funds in the case of multi-funded projects where not in conflict with other federal requirements. The Finance Department is further directed to ensure that prior to processing any and all fiscal requests related to Fund Number 25017000 HOME accounts, each such request has received prior compliance review and approval by the Director of Grants Monitoring and Administration, or his designated representative, and such review and approval has been indicated by their signatures or initials affixed to said fiscal requests.

**SECTION 11.** The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the Director of Grants Monitoring and Administration is hereby directed to monitor all HOME-funded project activities so as to assure compliance with goals and objectives adopted by City Council; substantial fiscal or programmatic changes thereto shall in all cases be approved by City Council.

**SECTION 12.** The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager, or the Director of Grants Monitoring and Administration is hereby given authority to approve the 17<sup>th</sup> Year HOME Program Administrative budget for the City's Department of Grants Monitoring and Administration with a total budget not to exceed that set forth pursuant to Attachment I affixed hereto.

**SECTION 13.** The San Antonio Neighborhood Housing Services (NHS) [CHDO] is hereby authorized to establish the HOME Revolving Loan Fund for its HOME-funded housing programs, and loan repayments and interest, designated as program income, are hereby authorized to be

deposited in 2008-2009 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the NHS HOME housing programs, as incorporated in the HOME Policy Guide and as approved by the City. San Antonio NHS shall report program income revenues and expenditures to be received by the Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25017000, and to appropriate said amounts to HOME Project entitled "NHS Revolving Loan Account."

**SECTION 14.** The San Antonio Alternative Housing Corporation (SAAHC) is hereby authorized to establish the HOME Revolving Loan Fund for its HOME-funded housing programs, and loan repayments and interest, designated as program income, are hereby authorized to be deposited in 2008-2009 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the SAAHC HOME housing programs, as incorporated in the HOME Policy Guide and as approved by the City. The San Antonio Alternative Housing Corporation shall report program income revenues and expenditures to be received by the Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25017000, and to appropriate said amounts to HOME Project entitled "SAAHC Revolving Loan Account."

**SECTION 15.** The Housing and Neighborhood Services Department is hereby authorized to establish a HOME Revolving Loan Fund for its HOME-funded Owner-Occupied Rehabilitation and Reconstruction, Home Ownership Incentive Program (HIP), and Rental Rehabilitation Programs, and loan repayments and interest, designated as program income, are hereby authorized to be deposited in 2008-2009 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the Housing and Neighborhood Services Department housing programs, as incorporated in the HOME Policy Guide and as approved by the City. The Housing and Neighborhood Services Department shall report program income revenues and expenditures to be received to the Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25017000 and to appropriate said amounts to HOME Project entitled "Housing and Neighborhood Services Revolving Loan Account."

**SECTION 16.** The U.U. Housing Assistance Corporation (UUHAC) [CHDO] is hereby authorized to establish the HOME Revolving Loan Fund for its HOME-funded housing programs, and loan repayments and interest, designated as program income, are hereby authorized to be deposited in 2008-2009 in said Revolving Loan Fund. Funds therein shall be used for additional loans in compliance with the UUHAC HOME housing programs, as incorporated in the HOME Policy Guide and as approved by the City. UUHAC shall report program income revenues and expenditures to be received by the Grants Monitoring and Administration staff on or before the tenth (10th) calendar day of each month. In compliance with HUD regulations, the Finance Department, upon receipt of the revenue and expenditure reports, is hereby authorized to incorporate the program income in Fund Number 25017000, and to appropriate said amounts to HOME Project, entitled "UUHAC Revolving Loan Account."

**SECTION 17.** The Grants Monitoring and Administration Director is hereby authorized to execute any and all agreements with sub-recipients and/or City departments for each project delineated in Attachment I. Further, the Director of the Housing and Neighborhood Services Department is hereby authorized to execute any and all loan documents in connection with the Homeownership Incentive Program, Owner-Occupied Housing Rehabilitation, Rental Rehabilitation and Housing Revitalization projects delineated in Attachment I. Sub-recipient contracts and project loan documents are hereby required to contain acceptable detailed performance indicators for each project and the information for such contracts and loan documents must be finalized by no later than November 1, 2008 in order to facilitate their execution. The Directors of the Grants Monitoring and Administration and Finance Departments are hereby authorized to cancel and move the full budget allocation provided to any project for which acceptable required loan document information or performance indicators are not provided, or for which information for contract/loan document execution has not been received by the appropriate City department by November 1, 2008, to the HOME Contingency Account in preparation for timely reprogramming to other eligible activities. Additionally, the Grants Monitoring and Administration Director is hereby authorized to cancel any project activity set-up in the HUD IDIS system for which no activity is evidenced for a forty-five (45) day period.

**SECTION 18.** The Director of Grants Monitoring and Administration is hereby authorized to cancel and reprogram any and all budget allocations provided to any project, in the event any sub-recipient contract and/or interdepartmental agreement is not executed by January 1, 2009.

**SECTION 19.** All Assistant City Managers, Assistants to the City Manager, and the Director of Grants Monitoring and Administration are hereby designated and authorized as representatives of the City Manager for the purpose of HOME program administration and communication with HUD.

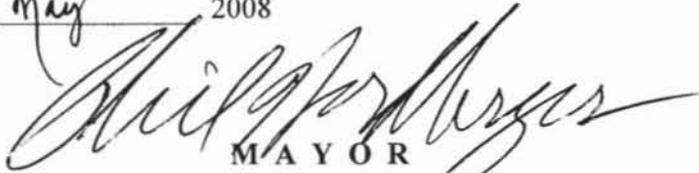
**SECTION 20.** The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Director of Grants Monitoring and Administration is hereby authorized to approve budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated.

**SECTION 21.** The City Manager, or in her stead, a Deputy City Manager, an Assistant City Manager, an Assistant to the City Manager or the Director of Grants Monitoring and Administration Director is hereby authorized to complete all documents required by HUD to officially close projects and program financial records following completion of the contracted scope-of-work.

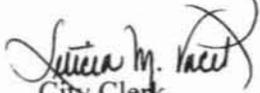
**SECTION 22.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, SAP GL Account Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 23. This Ordinance shall be effective on and after the 8<sup>th</sup> day of June, 2008.

PASSED AND APPROVED this 29<sup>th</sup> day of May 2008

  
MAYOR  
PHIL HARDBERGER

ATTEST:

  
City Clerk

APPROVED AS TO FORM Hollis Young  
for City Attorney

CITY OF SAN ANTONIO  
 GRANTS MONITORING AND ADMINISTRATION  
 FY 2008-2009 CONSOLIDATED ANNUAL PLAN/BUDGET  
 HOME BUDGET SUMMARY

ATTACHMENT I.

*HOME Revenues*

FY 2008-2009 HOME Investment Partnerships (HOME) Entitlement	6,371,233.00
FY 2008-2009 American Dream Downpayment Initiative (ADDI)	<u>45,588.00</u>
<b>Total FY 2008-2009 HOME Revenues</b>	<b>\$6,416,821.00</b>

*Proposed HOME Budget Category Allocations*

American Dream Downpayment Initiative	45,588.00
CHDO Set-Aside (21%)	1,325,000.00
HOME Program Administration (10%)	637,091.00
Housing & Related Activities	<u>4,409,142.00</u>
<b>Total FY 2008-2009 HOME Allocations</b>	<b>\$6,416,821.00</b>

*Proposed HOME Projects*

*Proposed Allocation*

*Program Administration*

Grants Monitoring & Administration Program Monitoring and Oversight	<u>637,091.00</u>
<b>Total HOME Administration</b>	<b>\$637,091.00</b>

*American Dream Downpayment Initiative (ADDI)*

Housing & Neighborhood Services Homeownership Incentive Program (HIP)	<u>45,588.00</u>
<b>Total ADDI</b>	<b>\$45,588.00</b>

*Downpayment Assistance*

Housing & Neighborhood Services Homeownership Incentive Program (HIP)	<u>500,000.00</u>
<b>Total Downpayment Assistance</b>	<b>\$500,000.00</b>

*First-Time Homebuyer Program (CHDO Set-aside)*

Habitat for Humanity - Palo Alto Phase IV	925,000.00
San Antonio Alternative Housing Corp. (People Helping People)	<u>400,000.00</u>
<b>Total First-Time Homebuyer</b>	<b>\$1,325,000.00</b>

*Rehabilitation/Reconstruction Program*

Housing & Neighborhood Services CHDO Lead Assessment Program	450,000.00
Housing & Neighborhood Services/Merced Housing Rehabilitation Partnership	710,321.00
Neighborhood Housing Services Rehabilitation for the Disabled	<u>448,821.00</u>
<b>Total Rehabilitation/Reconstruction</b>	<b>\$1,609,142.00</b>

*New Construction*

Mirabella Apartments	1,100,000.00
San Antonio Housing Authority Durango Midrise	<u>1,200,000.00</u>
<b>Total New Construction</b>	<b>\$2,300,000.00</b>

**Total HOME Allocations** **\$6,416,821.00**

## ATTACHMENT II

### CDBG FUNDED PERSONNEL CLASSIFICATIONS & PAY RANGES

#### MONITORING & OVERSIGHT *Housing & Community Development*

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0040	Administrative Assistant I	1	3100
0046	Management Analyst	9	3100
0156	Contract Coordinator	5	3100
0178	Contract Manager	1	3100
0826	Fiscal Planning Manger	1	3100
0909	Customer Services Representative	1	3100
0937	Community Development Coordinator	1	3100
1020	Grants Monitoring & Admin Director	1	3100
1076	Executive Secretary	1	3100
2063	Administrative Associate	1	3100

#### HOUSING SERVICES ADMINISTRATION *Housing & Neighborhood Services*

0040	Administrative Assistant I	1		6100
0041	Administrative Assistant II		2	6100
0161	Sr. Planner	1		6100
0555	Sr. Construction Inspector		1	6100
0558	Construction Specialists I	6		6100
0559	Construction Specialists II	2		6100
0561	Construction Supervisor	4		6100
0892	Fiscal Officer	1		6100
0910	Sr. Customer Service Representative	3		6100
0978	Housing Loan Officer	4		6100
0979	Housing Loan Coordinator		1	6100
2063	Administrative Associate	1		6100

#### CODE COMPLIANCE *Housing & Neighborhood Services*

0506	Code Enforcement Investigators	4		6100
0507	Code Compliance Supervisor	1		6100

#### CDBG FAIR HOUSING ADMINISTRATION *Community Initiatives*

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0017	Secretary I	1	3800
0918	Program Manager	1	3800
0971	Community Services Specialist	2.5	3800

## ATTACHMENT II

### COMMUNITY DEVELOPMENT SERVICES

#### *Planning & Community Development*

0125	Real Estate Specialist	1	5000
0146	Sr. GIS Analyst	1	5000
0870	Special Projects Coordinator	1	5000
0937	Community Development Coordinator	1	5000
1069	Assistant Planning Director	1	5000

### CDBG /HOME GRANTS ACCOUNTING

#### *Finance*

0927	Financial Accountant	1	0700
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### EMPOWERMENT ZONE OUTREACH AND TECHNICAL ASSISTANCE

#### *Economic Development*

0923	Sr. Economic Development Specialist	1	1600
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### NEIGHBORHOOD COMMERCIAL REVITALIZATION ADMINISTRATION

#### *Housing & Neighborhood Services*

0040	Administrative Assistant I	1	6100
0161	Sr. Planner	1	6100
0923	Sr. Economic Development Specialist	1	6100

### LEGAL ADMINISTRATION

#### *City Attorney's Office*

0015	Paralegal	1	0600
0063	Assistant City Attorney II	1	0600
0065	Assistant City Attorney III	1	0600
0093	Legal Secretary	2	0600

ATTACHMENT II

HOME FUNDED PERSONNEL CLASSIFICATIONS  
&  
PAY RANGES

<u>Job Class</u>	<u>Job Title</u>	<u>#of Positions</u>	<u>Business Area</u>
0046	Management Analyst	4	3100
2063	Administrative Associate	1	3100

ESG/ HOPWA ADMINISTRATION  
*DCI, Community Action Division*

0046	Management Analyst	1	3800
0961	Caseworker I	1	3800
0971	Caseworker II	2	3800



## Agenda Voting Results - 39B

<b>Name:</b>	39A, 39B, 39C, 39D						
<b>Date:</b>	05/29/2008						
<b>Time:</b>	12:03:32 PM						
<b>Vote Type:</b>	Motion to Appr w Cond						
<b>Description:</b>	An Ordinance adopting the 17th year Home Partnership Entitlement Grant (HOME) in the amount of \$6,371,233.00 and \$45,588.00 in FY 2008-2009 American Dream Downpayment Initiative (ADDI) funds as contained in the FY 2008-2009 Consolidated Plan Annual Budget; authorizing the FY 2008-2009 HOME program; and authorizing the submission of the HOME Grant to the U.S. Department of Housing and Urban Development (HUD) for FY 2008-2009 Consolidated Plan Annual Budget, certification and other information as required to HUD.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1				x		
Sheila D. McNeil	District 2		x				
Jennifer V. Ramos	District 3		x			x	
Philip A. Cortez	District 4		x				
Lourdes Galvan	District 5		x				x
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x				
Louis E. Rowe	District 9		x				
John G. Clamp	District 10		x				



**CITY OF SAN ANTONIO**  
**Request for Council Action**

Agenda Item # 39  
 Council Meeting Date: 5/29/2008  
 RFCA Tracking No: R-3308

**DEPARTMENT:** Grants Monitoring and Administration

**DEPARTMENT HEAD:** Andrew Cameron

**COUNCIL DISTRICT(S) IMPACTED:**  
 City Wide

**SUBJECT:**  
 FY 2008-2009 Consolidated Plan/Budget Adoption

**SUMMARY:**

This ordinance adopts the Fiscal Year 2008-2009 Housing and Urban Development (HUD) Consolidated Annual Action Plan/Budget which includes the following:

<b>Program</b>	<b>FY 2008-2009</b>
Community Development Block Grant (CDBG) <i>\$14,384,933.00 Less Public Services Allocation of 2,157,872.00</i>	12,227,061.00
HOME Investment Partnerships Grant (HOME)	6,371,233.00
American Dream Downpayment Initiative (ADDI)	45,588.00
Emergency Shelter Grant (ESG)	639,013.00
Emergency Shelter Grant In-Kind Match	639,013.00
Housing Opportunities for Persons With AIDS (HOPWA)	1,025,000.00
<b>Sub-Total</b>	<b>\$20,946,908.00</b>
<i>Anticipated Program Income</i>	<i>450,000.00</i>
<b>Total 2008-2009 Revenues</b>	<b>\$21,396,908.00</b>

This Ordinance also approves the following:

1. Authorizes the submission of the above listed program budgets to the U.S. Department of Housing and Urban Development (HUD) as part of the FY 2008-2009 Consolidated Annual Action Plan/Budget;
2. Designates and appropriates the 34<sup>th</sup> Year Community Development Block Grant (CDBG) Program Funds (Attachment I), establishes accounts and delineates program responsibilities for the 34<sup>th</sup> Year CDBG program;
3. Designates and appropriates Anticipated Program Income, in an amount not to exceed \$450,000.00 from the Housing and Neighborhood Services Department's Revolving Loan Fund (Attachment I), establishes accounts and delineates program responsibilities for the Anticipated Program Income;
4. Designates and appropriates the 17<sup>th</sup> Year HOME Investment Partnership (HOME) Funds

- (Attachment II), establishes accounts and delineates program responsibilities for the 17<sup>th</sup> Year HOME program;
5. Designates and appropriates the FY 2008-2009 American Dream Downpayment Initiatives (ADDI) Funds (Attachment II), establishes accounts and delineates program responsibilities for the FY 2008-2009 ADDI;
  6. Designates and appropriates the FY 2008-2009 Emergency Shelter Grants (ESG) Program Funds and In-Kind Match (Attachment III), establishes accounts and delineates program responsibilities for the FY 2008-2009 ESG Program;
  7. Designates and appropriates the FY 2008-2009 Housing Opportunities for Persons with AIDS (HOPWA) Program Funds (Attachment IV), establishes accounts and delineates program responsibilities for the FY 2008-2009 ESG Program;
  8. Authorizes personnel classifications and pay ranges (Attachment V);
  9. Establishes revolving loan accounts for Neighborhood Housing Services of San Antonio (NHS), San Antonio Alternative Housing Corp. (SAAHC), Housing and Neighborhood Services Department, and UU Housing Assistance Corporation (UUHAC);
  10. Establishes an Unallocated Contingency Account and authorizes the automatic close-out of contracts terminating on or before September 30, 2009 and transfer of unexpended project funds into said Unallocated Contingency Account;
  11. Authorizes the City Manager, or her Designee, and the Director of Grants Monitoring and Administration, or his Designee, to execute the required contracts and other related documents for these grants; and,
  12. Designates the Director of Grants Monitoring and Administration as the Certifying Official concerning NEPA and other related laws governing HUD's Environmental Review requirement.

**BACKGROUND INFORMATION:**

There are five entitlement programs funded through the U. S. Department of Housing and Urban Development (HUD). These programs represent the City of San Antonio's Consolidated Plan/Budget effort with respect to HUD requirements for meeting the needs of persons of low and moderate income, to preserve and to develop our urban communities, and to improve the quality of life for disadvantaged individuals. Additionally, the City is the recipient of funds from the American Dream Downpayment Initiative (ADDI). ADDI aims to increase the homeownership rate, especially among lower income and minority households and to revitalize and stabilize communities. ADDI assists first time homebuyers with downpayment and closing costs. ADDI is administered as part of the Home Investment Partnership Program.

On January 31, 2008 the City was notified by the U. S. Department of Housing and Urban Development (HUD) of reductions to the City's 2008-2009 HUD Entitlement Allocations:

<b>Program</b>	<b>Fiscal Year 2007-2008</b>	<b>Fiscal Year 2008-2009</b>	<b>Variance</b>
CDBG	14,830,969	14,384,933	<b>(446,036)</b>
HOME	6,557,639	6,371,233	<b>(186,406)</b>
ADDI	112,715	45,588	<b>(67,127)</b>
ESG	640,253	639,013	<b>(1,240)</b>
HOPWA	972,000	1,025,000	53,000
<b>Total Entitlement Programs Allocations</b>	<b>23,113,576</b>	<b>22,465,767</b>	<b>(647,809)</b>

The staff recommendation includes the pledge of \$450,000.00 in anticipated program income to assist with project funding. Anticipated program income is projected program revenues which have historically been in excess of \$500,000.00.

Consistent with HUD regulations and City Policy, the required Citywide Public Hearing was held on May 15, 2008 to receive citizen input on funding priorities for the FY 2008-2009 Consolidated Annual Action Plan/Budget. The Public Service component of the CDBG budget will be presented by the Director of Community Initiatives in June 2008 as part of the Consolidated Human Development Funding process. Once approved, the Public Service component will be incorporated into the CDBG Budget and Consolidated Annual Action Plan.

Federal guidelines prohibit spending more than 15% of the CDBG Entitlement allocation on Public Service activities. Requests for Public Service funding were coordinated under the Consolidated Human Development Services Funding Process. Proposed Public Service projects and funding recommendations will be presented by the Department of Community Initiatives.

The City must budget a HUD Section 108 Loan Payment totaling \$4.8 million to cover the annual debt service on the \$57 million Section 108 Capital Improvement loan. Said payment is included in the CDBG proposed budget. In excess of the 15% CHDO set-aside requirement, staff is recommending 21% of the HOME budget is directed to CHDO activities. Consistent with HOME regulations, staff is recommending that 10% is allocated to Grants Monitoring and Administration for program administration.

On March 4, 2008, the department received 18 applications from the City Clerk for CDBG funding, and 13 applications for HOME funding. Requests for funding through the two Entitlement Programs totaled more than \$33,780,345.00. Applications were scored by members of the Grants Monitoring and Administration Department. The teams reviewed for eligibility, consistency with City Council goals, consistency with approved plans, budget clarity, leveraging of funds and project implementation. A standard evaluation instrument was used to score all proposals using the same criteria. Administrative funding requests for CDBG funds were reviewed and evaluated by the Office of Management and Budget.

**ISSUE:**

During the Public Hearing held on May 15, 2008, City Council directed staff to do the following:

1. Review the budget to determine if an additional \$200,000.00 is available to fully fund the SAHA request for the construction of the Durango Mid-rise; and,
2. Review the budget and other funding sources to determine if funds are available to address the Mirabella Apartment project needs.
3. District 5 Council Representative requested staff to make project recommendations on the reallocation of the District 5 Housing Rehabilitation project funds, which was awarded funding during the April 3, 2008 Reprogramming Action (Ordinance 2008-04-03-0240). Reallocating these funds requires a reprogramming action; recommendations will be brought back for City Council consideration at that time.

The combined reduction to FY 2008-2009 Entitlement programs (CDBG, HOME, ADDI, and ESG) is \$647,809.00 (3%). As mentioned previously, staff is pledging \$450,000.00 in anticipated program income to the CDBG Program budget. Staff recommendation for CDBG, HOME, ADDI, ESG and HOPWA is included as Attachments I, II and III respectively.

Additionally, this ordinance is adopting \$12,227,061.00 of the \$14,384,933.00 CDBG Entitlement because the Public Service (\$2,157,872.00) component of the CDBG budget will be presented by the Director of Community Initiatives on June 19, 2008 as part of the Consolidated Human Development Funding process. As previously mentioned, once approved, the Public Service component will be incorporated into the CDBG Budget and Consolidated Annual Action Plan.

**ALTERNATIVES:**

The combined reduction to FY 2008-2009 Entitlement programs (CDBG, HOME, ADDI, and ESG) is \$647,809.00 (3%). The staff recommendation includes the pledge of \$450,000.00 in anticipated program income to assist with CDBG project funding. An alternative action is to not pledge the anticipated program income. Opting not to pledge the anticipated program income reduces the overall available revenues which subsequently reduce the amount of funding available for the CDBG Administrative budget category. Planning and Administrative funding is restricted to 20% of the overall available revenues. If the planning and administrative budget category is not funded at the recommended level, with pledged anticipated program income, the General Fund will have to fill the funding gap or program/positions will have to be eliminated.

**FISCAL IMPACT:**

The Fiscal Year 2008-2009 Consolidated Annual Action Plan Budget proposes funding support for various projects, utilizing the entitlement grants expected to be received from HUD as follows:

<b>Program</b>	<b>FY 2008-2009</b>	<b>Variance</b>
CDBG	14,384,933	(446,036)
HOME	6,371,233	(186,406)
ADDI	45,588	(67,127)
ESG	639,013	(1,240)
HOPWA	1,025,000	53,000
<b>Sub-Total</b>	<b>22,465,767</b>	<b>(647,809)</b>
<i>Anticipated Program Income</i>	<i>450,000</i>	<i>450,000</i>
<b>Total 2008-2009 Revenues</b>	<b>22,915,767</b>	<b>(197,809)</b>

Departments that receive General Fund dollars may choose to use their General Fund or other budgets to offset proposed CDBG budget reductions.

**RECOMMENDATION:**

Staff recommends the designation and appropriation of the 34<sup>th</sup> Year Community Development Block Grant (CDBG) Program Funds, 17<sup>th</sup> Year HOME Investment Partnership (HOME) Funds, FY 2007-2008 American Dream Downpayment Initiatives (ADDI) Funds, FY 2008-2009 ESG Funds, FY 2008-2009 HOPWA Funds and the personnel classifications and pay ranges as presented by Staff in Attachments I, II, III, IV and V.

**ATTACHMENT(S):**

File Description	File Name
<a href="#">Attachment I - Proposed FY 2008-2009 CDBG Budget</a>	Proposed_FY2008.09_CDBG_Budget.pdf
<a href="#">Attachment III - Proposed FY 2008-2009 ESG Budget</a>	Proposed_FY2008.2009_ESG_Budget.pdf
<a href="#">Attachment IV - Proposed FY 2008-2009 HOPWA Budget</a>	Proposed_FY2008.2009_HOPWA_Budget.pdf
<a href="#">Attachment V - Proposed FY 2008-2009 Personnel Complement</a>	2008.2009_Pesonnel_Complement.pdf
<a href="#">Attachment II - Proposed FY 2008-2009 HOME Budget</a>	Proposed_FY2008.09_HOME_Budget.pdf
<a href="#">Voting Results</a>	
<a href="#">Ordinance/Supplemental Documents</a>	200805290459.pdf
<a href="#">Ordinance/Supplemental Documents</a>	200805290460.pdf
<a href="#">Ordinance/Supplemental Documents</a>	200805290461.pdf
<a href="#">Ordinance/Supplemental Documents</a>	200805290462.pdf

**DEPARTMENT HEAD AUTHORIZATIONS:**

Andrew Cameron Director Grants Monitoring and Administration

**APPROVED FOR COUNCIL CONSIDERATION:**

T.C. Broadnax Assistant City Manager