DF/bh
04/16/2015
Item #20

AN ORDINANCE 2015-04-16-0317

AUTHORIZING THE REPROGRAMMING OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FUNDS IN THE AMOUNT OF $1,425,274.72 AVAILABLE FROM FY 2009-2015 FROM CITY-WIDE PROJECT COMPLETIONS AND CANCELLED ACTIVITIES TO PALO ALTO APARTMENTS PROJECT IN THE AMOUNT OF $600,000.00, PEDESTRIAN SAFETY IMPROVEMENTS IN THE AMOUNT OF $500,000.00, GREEN AND HEALTHY HOMES INITIATIVE IN THE AMOUNT OF $200,274.72 AND HABITAT FOR HUMANITY IN THE AMOUNT OF $125,000.00; SUBSTANTIALLY AMENDING THE FY 2015 ANNUAL ACTION PLAN/BUDGET; AUTHORIZING THE CLOSE-OUT AND CANCELLATION OF THE AFFECTED PROJECTS AND THE CREATION OF NEW PROJECT BUDGETS; AUTHORIZING THE EXECUTION AND SUBMISSION OF CONTRACTS AND OTHER DOCUMENTS AS NECESSARY; AND ESTABLISHING A REVOLVING FUND FOR THE EXISTING NEIGHBORHOOD STABILIZATION PROGRAM (NSP) LAND BANK SALE PROCEEDS.

* * * * *

WHEREAS, Community Development Block Grant (CDBG) funds available in previously-appropriated projects may, pursuant to regulations of the U.S. Department of Housing and Urban Development (HUD), be retained by grantees for reprogramming to provide supplementation to existing projects and/or funding in support of new programs; and

WHEREAS, the City of San Antonio ("City") is a CDBG fund grantee; and

WHEREAS, in connection with the current CDBG Program, the sum of $1,425,274.72 is currently available in CDBG funds for said reprogramming and allocation; and

WHEREAS, it is the desire of the City to use said funds for eligible housing and community development activities consistent with the Five Year Consolidated Plan and the Strategic Plan for Community Development ; and

WHEREAS, it is necessary to authorize a substantial amendment to the City's FY 2015 Consolidated Annual Action Plan and Budget to reprogram funds in said budgets; and

WHEREAS, pursuant to applicable HUD regulations, statutory requirements, and/or City Council policy designed to ensure adequate citizen input, a public hearing is required prior to any reprogramming of or modification to funds and projects, respectively, and prior to the adoption of activities under the City's Community Development Program; and

WHEREAS, the required notice having been duly published, and said public hearing having been held before City Council on April 16, 2015, it is now the desire of the City to formally resolve the issues of allocating reprogrammable CDBG funds; and

WHEREAS, it is necessary to establish a Revolving Fund to utilize revenues generated from the sale of residential properties acquired through the Neighborhood Stabilization Program (NSP) funded Land Bank, in order to acquire additional foreclosed and abandoned properties; **NOW THEREFORE:**

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

SECTION 1. Revisions to the Community Development Block Grant (CDBG) projects and the modifications to the budgets and reprogramming in support thereof in an amount not to exceed $1,425,274.72 available from FY 2009-2015 City-wide project completions and cancelled activities to Palo Alto Apartments project in the amount of $600,000.00, Pedestrian Safety Improvements in the amount of $500,000.00, Green and Healthy Homes Initiative in the amount of $200,274.72 and Habitat for Humanity in the amount of $125,000.00, are hereby authorized in accordance with the budget revision schedule affixed hereto and incorporated by reference herein for all purposes as **Attachment I.** Said funds are hereby authorized to be reprogrammed to cover existing project shortfalls, modifications, and/or the creation of new CDBG projects in accordance with **Attachment I** and the allocation and appropriation of funds consistent with **Attachment I** are hereby authorized.

SECTION 2. The establishment of a Neighborhood Stabilization Program (NSP) Revolving Fund to utilize revenues generated from the sale of residential properties acquired through the NSP funded Land Bank, in order to acquire additional foreclosed and abandoned properties is hereby authorized.

SECTION 3. Budget adjustments within project allocations to conform with actual expenditures if line item cost overruns occur or are anticipated is hereby authorized. The close-out and cancellation of affected projects and the creation of new projects and project budgets in accordance with **Attachment I** is hereby authorized.

SECTION 4. The City Manager or her designee, the Director of the Department of Planning and Community Development or the Grants Administrator of the Division 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; authorizing the close-out and cancellation of affected projects and the creation of new projects and project budgets, and authorizing the execution and submission of contracts and other documents as necessary.

SECTION 5. The appropriations, reallocations, expenditures, encumbrances, and budget revisions necessitated and scheduled pursuant to the aforesaid **Attachment I** are hereby authorized for entry into the City's accounting system.

SECTION 6. The Director of the City's Finance Department is hereby authorized to effect on the books of the City the cancellations, revisions, and reprogramming in support thereof, set forth in **Attachment I.** The City Manager or her designee, the Director of the Department of Planning and Community Development or the Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all contracts and other documents as necessary for: (a) implementation of the reductions, revisions, and reprogramming set forth in **Attachment I**; and (b) compliance 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.

SECTION 7. A substantial amendment to the City's FY 2015 Consolidated Annual Action Plan and Budget to reprogram funds in the CDBG budget is hereby authorized. The Grants Administrator of the Division of Grants Monitoring and Administration is hereby authorized to execute any and all documents in connection with said amendment.

SECTION 8. 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, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 9. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 16th day of April, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

for Martha G. Sepeda, Acting City Attorney

Agenda Item:	**20**
Date:	04/16/2015
Time:	11:08:42 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the reprogramming of Community Development Block Grant program funds in the amount of $1,425,274.72 available from FY 2009-2015 from city-wide project completions and cancelled activities to the Palo Alto Apartments project in the amount of $600,000.00, Pedestrian Safety Improvements in the amount of $500,000.00, Green and Healthy Homes Initiative in the amount of $200,274.72 and Habitat for Humanity in the amount of $125,000.00; substantially amending the FY 2015 Annual Action Plan/Budget; and establishing a Revolving Fund with the Neighborhood Stabilization Program Land Bank sale proceeds. [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Trevino	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				x
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7	x					
Ron Nirenberg	District 8		x			x	
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

ATTACHMENT I

FY 2015 Action Plan Substantial Amendment

April 16, 2015 Reprogramming Sources

Fiscal Year	HUD Program	Activity Name	I/O	SAP Approved Budget	Expenses To Date	Reprogramming Variance
2009	CDBG	Legal Administration	131000001602	341,838.00	296,709.42	45,128.58
2010	CDBG	D1 Capital Improvement Fund - Sidewalks (Fund)	131000001747	171,543.93	152,931.97	18,611.96
2012	CDBG	Southside Rev (Steve Sidewalks)	131000002051	161,000.00	115,337.24	45,662.76
2012	CDBG	Eastside Rev (Iowa St.)	131000002052	78,959.00	64,634.06	14,324.94
2011	CDBG	Legal Administration	131000002056	259,156.00	243,088.56	16,067.44
2012	CDBG	Historic Gardens Neighborhood Project (Omaha/Kansas)	131000002107	561,224.00	472,967.65	88,256.35
2012	CDBG	Eastside Rev (Carver Branch Library)	131000002121	425,000.00	420,097.67	4,902.33
2011	CDBG	Cornell Avenue Sidewalk	131000002147	114,898.32	30,792.95	84,105.37
2013	CDBG	DPCD Neighborhood Operation Facelift (Admin)	131000002169	200,000.00	91,473.59	108,526.41
2013	CDBG	PCD Program Delivery	131000002178	907,236.00	879,028.03	28,207.97
2013	CDBG	GMA Administration	131000002184	979,319.65	973,696.40	5,623.25
2013	CDBG	Camada Reconstruction	131000002204	372,094.00	319,733.55	52,360.45
2013	CDBG	Tampa Ave Reconstruction	131000002205	517,550.00	340,335.57	177,214.43
2013	CDBG	Amor Lane Reconstruction	131000002207	387,237.00	261,538.27	125,698.73
2011	CDBG	Catalytic - Hays Street Sidewalks	131000002218	160,000.00	109,978.63	50,021.37
2014	CDBG	D1 Railroad South Quiet Zone	131000002223	93,000.00	36,161.05	56,838.95
2014	CDBG	CDBG Legal Administration	131000002240	138,850.00	137,950.51	899.49
2014	CDBG	Targeted Code Enforcement	131000002243	62,583.00	47,817.02	14,765.98
2014	CDBG	Boys and Girls Club	131000002248	375,203.00	375,167.69	35.31
2014	CDBG	Communities in Schools Stay in School Program	131000002250	142,500.00	139,212.50	3,287.50
2014	CDBG	Code Enforcement - Public Services	131000002254	125,166.00	78,094.85	47,071.15
2014	CDBG	Green and Healthy Homes Initiative (Respite)	131000002288	60,000.00	-	60,000.00
2015	CDBG	Habitat for Humanity Alamo Brush Up Program	150000000047	344,000.00	-	344,000.00
2015	CDBG PI	Estimated Program Income Balance	N/A			33,664.00
				6,978,357.90	**5,586,747.18**	**1,425,274.72**

Prepared by Department of Planning and Community Development

FY 2015 Action Plan Substantial Amendment April 16, 2015 Reprogramming Uses per QOL Committee		
Project Name	**Grant**	**Award Amount**
Palo Alto MF New Construction	CDBG	$ 600,000.00
Pedestrian Safety Improvements	CDBG	500,000.00
Green and Healthy Homes Initiative - Minor Repair	CDBG	200,274.72
Habitat for Humanity - Hope Village (REnewSA)	CDBG	125,000.00
	CDBG Total	$ 1,425,274.72

Prepared by Department of Planning and Community Development

City Council Agenda Item #20

April 16, 2015

FY 2015 Reprogramming Action

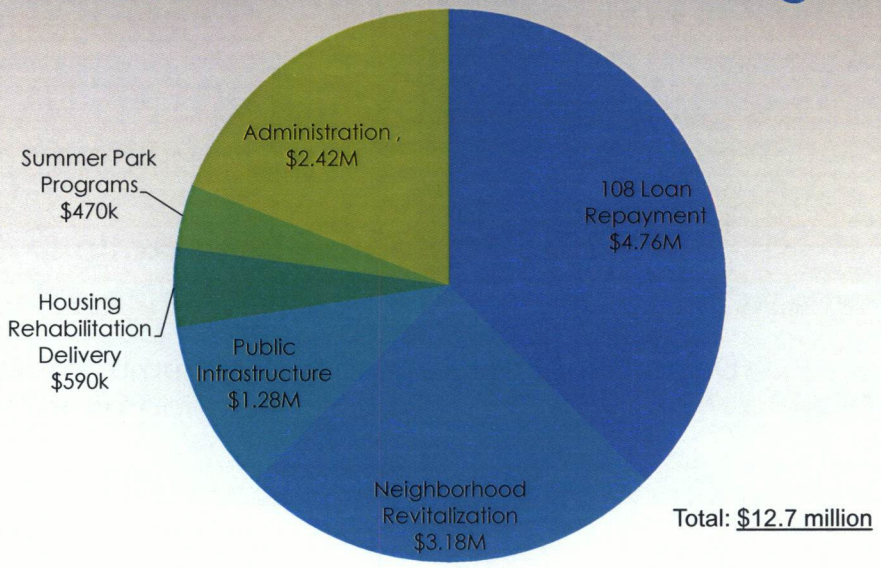
Presented by John M. Dugan
Department of Planning and Community Development

Purpose

- Reprogram $1,425,474.72 in available Community Development Block Grant (CDBG) funds available from completed/cancelled activities
- Establish a revolving fund with Neighborhood Stabilization Program (NSP) revenues to support redevelopment efforts in NSP Targeted Areas

2

Current FY 2015 CDBG Budget



Total: $12.7 million

3

Reprogramming Resources

- Funding totaling $1.4M is available from completed or canceled activities:
  - Completed public infrastructure projects
  - Cancelled housing activities
  - Prior year administration
  - Available program income

4

Reprogramming Recommendations

Project Name	Council District	Award Amount
Palo Alto Apartments (Multi Family Housing)	4	$600,000
Pedestrian Safety Improvement Plan (Public infrastructure)	Primarily 5	500,000
City's Green and Healthy Homes Initiative (Single Family Housing)	CW	200,274
Habitat for Humanity – Hope Village (Single Family Housing)	6	125,000
Total		**$1,425,474**

5

Palo Alto Apartments

- **$600k CDBG Gap Financing**
  - Southwest corner of Hwy 16 & Loop 410
  - 322 Unit - 100% Affordable
  - SA Housing Trust Public Facility Corp. - General Partner
    - Receiving long term cash flow
  - NRP Group – Limited Partner
    - Over 3000 units in San Antonio
  - City Committed $1.1M in HOME funds
  - Increased construction costs due to additional site access requirements
  - $39M Total Project Cost
  - Construction Begins Fall 2015

6

Pedestrian Safety Improvements

- **$500k CDBG**
  - TCI developed pedestrian safety improvement plan
  - Due to high number of pedestrian accidents & fatalities
  - Plan presented to Infrastructure and Growth Council Committee in February 2015
  - Plan totals $1 Million
  - Plan calls for sidewalk improvements, new improvements to school zone flashers and signal modifications, "Z" Crossings, and Hawk Signals and school zone flashers
  - CDBG funds address sidewalk needs in CD 5
  - Located in low to moderate income areas

7

Green and Healthy Homes Initiative (CDBG)

- **$200k in CDBG**
  - Provides funds for minor repairs
  - Addresses repairs not allowable through Lead Hazard Reduction Demonstration (LHRD) grant
  - Leverages approximately $4M remaining LHRD grant funds

8

Habitat for Humanity – Hope Village

- **$125k for Housing Infrastructure**
  - 3.8 acre vacant site in CD 6
  - 21 affordable single family unit development
  - $25,000 per unit CDBG Investment (5 Units)
  - 2.5 : 1 Leverage Ratio
  - Within Edgewood REnewSA Target Area
  - Construction Start – August 2015
  - Construction Completion - 2016

9

NSP Land Bank Program

- **Allow Existing Land Bank Program Funds to Revolve**
  - In 2012, City allocated $1.24 million in NSP funds for Land Bank
  - Redevelop foreclosed and abandoned properties
  - Properties rehabbed and sold to income eligible homebuyers
  - City working through San Antonio Affordable Housing, Inc. (SAAH)
  - Revolving Fund allows revenues generated from the sale of land banked properties on a revolving basis for additional land bank investments

10

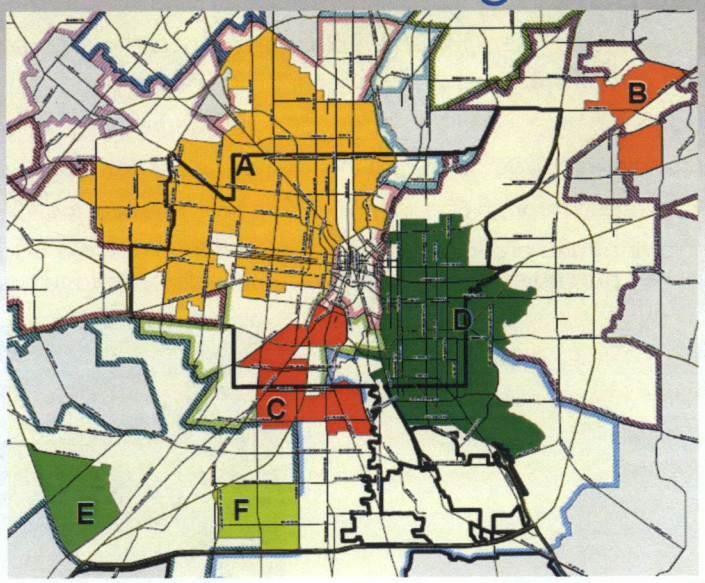
Recommendation

- Staff recommends a reprogramming of $1,425,474 in Community Development Block Grant Funds (CDBG) available from completed and cancelled projects to the Palo Alto Apartments, Pedestrian Safety Improvement Plan, Hope Village, and the Green and Healthy Homes Initiative

- Staff recommends establishing a Revolving Fund with San Antonio Affordable Housing Inc. from Neighborhood Stabilization Program (NSP) revenues to support redevelopment efforts in NSP Targeted Areas

11

NSP Land Bank Target Area



12