

Background

The City of San Antonio has commenced the development of the FY 2021 Action Plan and Budget, which is the sixth- year plan under the FY 2016-2020 Consolidated Plan. Due to the COVID-19 pandemic, the City has opted to delay submission of the next Five-Year Consolidated Plan until August 16, 2021. The FY 2021 Action Plan and Budget has been developed according to the priorities and goals outlined in the FY2016-2020 Consolidated Plan. The City anticipates receiving approximately \$21.7M in federal entitlements awarded through the U.S. Department of Housing and Urban Development (HUD). These grants include the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA) Program, and the HEARTH Emergency Solutions Grant (HESG). These funds are designed to meet the needs of persons who are of low and moderate income and for preserving and developing low-income communities.

Consolidated Plan

The City of San Antonio receives four (4) federal entitlement grants awarded through the U.S. Department of Housing and Urban Development (HUD). These four grants include CDBG, HOME, HOPWA and HESG. Under the FY 2016-2020 Consolidated Plan, the City anticipates \$89.9 million in federal resources to be available through the four formula grants.

In order to determine the most pressing needs and develop effective, place-based market-driven strategies to meet these needs, HUD required the development of a FY 2016-2020 Consolidated Plan. In developing the Consolidated Plan, the City gathered information through several methods, including a facilitated engagement session with 42 local stakeholders, four public meetings, a community survey (over 1,650 responses received), and a review of available census and HUD data. This process formed the basis of the strategic plan element of the Consolidated Plan.

Annually, the City coordinates an Action Plan and Budget development process to identify and implement community development and affordable housing activities to advance the goals of the Consolidated Plan.

FY 2016-2020 Consolidated Plan Priorities and Goals

The City established an interdepartmental Steering Committee comprised of representatives from various City departments to assist in reviewing community needs, identifying other City resources, and setting initial funding priorities based on results of the community engagement. The priorities of the Strategic Plan are as follows:

Priority 1: Provide Decent, Safe Affordable Housing

The City shall utilize HUD funds to address a host of affordable housing issues. The goals are:

- A. Rehabilitate existing housing stock to preserve neighborhoods by addressing aging, low performing, and substandard housing
- B. Build new affordable single-family housing to re-establish strong communities
- C. Provide homebuyer assistance to make homes affordable and sustainable
- D. Develop new affordable rental housing to expand the amount of available affordable rental housing
- E. Further fair housing opportunities

Priority 2: Provide Neighborhood Revitalization Efforts

Neighborhood revitalization at its fundamental core transforms lower income neighborhoods into sustainable communities with mixed-income housing, safe streets, and economic opportunity. The goals of this priority are:

- A. Integrate housing, land use, transit, and safety to create mixed-use/mixed-income neighborhoods
- B. Improve neighborhood connectivity between jobs, housing, and commercial areas
- C. Improve public infrastructure including streets, streetscapes, sidewalks, drainage, and utilities
- D. Eliminate environmental hazards and conditions of blight

Priority 3: Provide for Special Needs Populations

The City will utilize HOPWA funds to provide rental assistance, counseling, healthcare, life skills, short-term housing, supportive services and transportation services to clients. The City will also provide case management, financial assistance and support services. The goal is:

- A. Provide housing and services for persons with HIV/AIDS

Priority 4: Provide Housing and Supportive Services for Homeless Population

Emergency shelter funds are used to provide essential services and operations in emergency shelters. The services provided will improve housing stability, reduce barriers to finding safe and affordable housing, and positively impact client's ability to remain in stable housing. The goals are:

- A. Provide services & housing for the homeless
- B. Provide services to prevent at-risk persons from becoming homeless

Priority 5: Provide Economic Development

Financial literacy for low-income families is about education with respect to reducing overall household cost in relation to household income. For basic needs, the impact of financial decisions made today directly impact the future ability to manage debt and save money. The goal is:

- A. Provide financial literacy training

FY 2021 Action Plan and Budget

In the FY 2021 Action Plan and Budget, the City has a total of \$22,350,369 in available funds for the period of October 1, 2020 to September 30, 2021. The following table provides a summary of the proposed FY 2021 budget across the four grant programs.

Formula Grant	FY 2021 Actual*
Community Development Block Grant	\$13,351,216
HOME Investment Partnerships Program	5,823,415
Housing Opportunities for Persons w/ AIDS	2,043,971
HEARTH Emergency Solutions Grant	1,131,767
Total	\$22,350,369

*Includes Entitlement and Anticipated Program Income of \$600,000

The proposed FY 2021 Action Plan and Budget includes a total of \$12.6 million in CDBG and HOME funding set aside for affordable housing activities that further Priority 1 (Provide Decent Safe Affordable Housing) of the Consolidated Plan. The following are staff recommended program allocations for FY 2021.

Community Development Block Grant

Housing Delivery (Citywide) \$551,990

CDBG funds will be utilized to support the delivery of the City’s Green and Healthy Homes Initiative and to support other rehabilitation program efforts.

Fair Housing Activities (Citywide) \$350,000

The City’s Fair Housing Program will continue to advocate for and promote equal treatment of all residents of the community under the Federal Fair Housing Act. The City will promote activities on asset retention by addressing unique problems of predatory lending practices by unscrupulous lenders. The program will provide information and education, especially to the disabled and elderly community, through outreach presentations and classes. The program will also continue to assist in natural disaster situations by providing housing placement referrals for displaced families in an effort to avoid housing discrimination. On an individual level, Fair Housing staff will provide predatory lending counseling.

Green and Healthy Homes Grant Match (Citywide) \$350,000

CDBG funds will be used as a match for the Lead Hazard Reduction Demonstration (LHRD) grant funds to assist low to moderate income families address health and environmental safety issues across San Antonio.

Support Affordable Housing Development – Rental Housing (Citywide) \$3,250,000

In an effort to create and preserve affordable housing, the City will utilize CDBG funds to support affordable housing development through acquisition, rehabilitation, clearance, site improvements and neighborhood infrastructure. This funding will supplement rental housing development through the HOME Program.

Support Affordable Housing Development – Homeownership Housing (Citywide) \$1,625,000

In an effort to create and preserve affordable housing, the City will utilize CDBG funds to support affordable housing development through acquisition, rehabilitation, clearance, site improvements and neighborhood infrastructure. This funding will supplement homeownership housing development through the HOME Program.

Single-Family Rehabilitation & Reconstruction (Citywide) \$1,799,226

In an effort to preserve our inner-city neighborhoods, the City will utilize CDBG funds to assist low to moderate income homeowners that are in need of rehabilitating or reconstructing homes. Funds available may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

Minor Repair Activities (Citywide) \$500,000

In an effort to preserve our inner-city neighborhoods, the City will utilize CDBG funds to assist low to moderate income homeowners with minor home repairs. Funds available may assist with all aspects of rehabilitation, lead based paint abatement, and clearance activities. These programs will be administered either through the Neighborhood and Housing Services Department or a qualified CDBG sub-recipient.

Public Service – Housing Supportive Services (Citywide) \$400,000

CDBG funding will be utilized for public service – housing supportive service activities that will benefit low to moderate income persons. These programs will be administered by the Department of Human Services or a qualified CDBG sub-recipient.

Public Service – COVID-19 Emergency Housing Assistance Program (Citywide) \$1,000,000

In an effort to assist vulnerable populations at risk of homelessness during or as a result of COVID-19, CDBG funding will be utilized for emergency rent or mortgage assistance and or utility assistance for up to three consecutive months will be provided at one-time. Eligible households must have incomes that are at or below 80% Area Median Income.

Financial Education Program (Citywide) \$200,000

The City currently supports a financial counseling program that provides free basic financial literacy to area residents. The program aims to provide services to a least 400 individuals with either the City’s program or the City’s sub-recipient, Family Services Association.

Code Enforcement Activities (Citywide) \$125,000

CDBG funds will be used to support two (2) Code Enforcement positions that provide proactive code enforcement in CDBG-eligible census tracts. The City is allocating additional local resources in support of revitalization efforts, including other code enforcement costs that are not CDBG eligible. This budget does not provide for the cost of correcting code violations.

Zarzamora Service Center Environmental Remediation (District 5) \$600,000

CDBG funds will be used for environmental remediation at the former Zarzamora Service Center located at 4503, 4531, and 4719 South Zarzamora Rd. The City closed and moved the service center to the City's new Northwest Service Center at Callaghan and W. Commerce in the summer of 2013, leaving the Zarzamora Service Center vacant and available for redevelopment. The City is requiring cleanup for historic firefighter foam impacts beyond Texas Commission on Environmental Quality (TCEQ) requirements. The total estimated cost to remediate this site is \$3.6 million. This funding is to reimburse previously allocated CDBG funds that were redirected from this project in April 2020 to respond to the COVID-19 crisis.

HOME Investment Partnerships Program

Single-Family Rehabilitation & Reconstruction (Citywide) \$2,533,415

In an effort to preserve our inner-city neighborhoods, the City will utilize HOME funds to assist low to moderate income homeowners that are in need of rehabilitating or reconstructing homes. Funds available may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

Rental Housing Development (Citywide) \$1,250,000

HOME funds will be set-aside for rental housing development activities. The program provides gap financing for both new construction and rehabilitation of affordable rental housing units for low income households.

Homeownership Housing Development (Citywide) \$1,250,000

HOME funds will be set aside for homeownership housing development activities. The program provides gap financing for both new construction and rehabilitation of affordable homeownership housing units for low income households.

CHDO Operating Expense Program (Citywide) \$300,000

This program is designed to provide operating funds to Community Housing Development Organizations based on financial need and the expectation that the organization is utilizing or will utilize the City's HOME CHDO development funding within 24 months of the award.

Housing Opportunities for Persons with AIDS

Housing and Supportive Services \$2,043,971

The City will provide tenant based rental assistance, transitional housing, transportation, case management, housing assistance, emergency financial assistance, newly empowered women program, and food/nutrition programs for persons with HIV/AIDS.

HEARTH Emergency Solutions Grant

Emergency Shelter \$361,703

Emergency shelter funds are used to provide essential services and operations to local emergency shelters. The City will work with external partners to provide case management, employment assistance and job training, and support services.

Rapid Re-housing

\$534,005

The City will work with external partners to provide assistance including rental assistance, transportation, case management services, and life skills classes to allow participants to achieve increased self-sufficiency and an improved ability to meet their basic needs.

Homeless Outreach

\$182,001

The City will provide street outreach and case management to homeless individuals, to include arranging, coordinating, and monitoring the delivery of individualized services including planning a path to permanent housing stability.

Citizen Participation

The City issued a Public Notice in the San Antonio Express-News in English and Spanish on July 12, 2020 initiating the public comment period on July 13, 2020 through August 12, 2020 and announcing two public hearings.

A summary of the proposed FY 2021 (PY 2020) Action Plan Budget is available for public review and comment on the City’s website at www.sanantonio.gov/gmainaction. Please note, due to the current public health crisis, NHSD lobby is closed to the public until further notice, therefore only the digital document is available for review. A summary of the proposed action may be mailed upon request by contacting NHSD at (210) 207-6600 or by e-mail to communitydevelopment@sanantonio.gov weekdays between 8:00 a.m. and 4:00 p.m.

Comments may be submitted at www.sanantonio.gov/gmainaction. Public comment may also be provided in writing to the Neighborhood & Housing Services Department, Division of Grants Monitoring and Administration, 1400 S. Flores, Unit 3, San Antonio, Texas 78204, Monday – Friday, 7:45 am – 4:30 pm, or by e-mail at communitydevelopment@sanantonio.gov. All comments will be accepted until August 12, 2020.

Additionally, the City is hosting two public hearings. The first virtual public hearing is scheduled for Tuesday, July 28, 2020 at 2 p.m. To register for this meeting, visit www.sanantonio.gov/GMAinAction or call (210) 207-6600. The second public hearing is scheduled for Wednesday, August 12, 2020 at City Council B Session. **City Council consideration for the adoption of the FY 2021 Action Plan and Budget and Substantial Amendment to the FY 2016-2020 Consolidated Plan will take place on Thursday, August 13, 2020. All City Council meetings will be held by videoconference. No in-person access for these meetings.**

For questions or additional information about the FY 2021 Action Plan & Budget, contact the Neighborhood & Housing Services Department at (210) 207-6600.