
*Substantial Amendment #3 to the FY 2020 HUD Action Plan and Budget
(CDBG-CV, CDBG, HOME and HOPWA)*

BACKGROUND

On August 8, 2019, through Ordinance 2019-08-08-0598, City Council approved the FY 2020 Action Plan and Budget (Action Plan) for the four federal grant programs funded by the U.S. Department of Housing and Urban Development (HUD). On April 2, 2020 the City of San Antonio (the City) received award letters for \$7,707,015 in CDBG-CV and \$297,456 in HOPWA funding authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

As a federal entitlement municipality, adjusting the adopted action plan budget by 10% or more, requires a substantial amendment process that includes a public notice, a 30-day public comment period and a public hearing prior to any City Council action. However, the CARES Act reduced the public comment period to not less than 5 days and allows for virtual public hearings when necessary for public health reasons and is applicable for current year funding, CARES Act funding, and next year's entitlement funding. Staff has notified HUD of the City's intent to amend the Citizen Participation Plan to reflect these changes.

PROPOSED ACTION

In an effort to assist vulnerable populations at risk of homelessness during COVID-19, staff recommends approval of \$12,716,783 in CDBG and CDBG-CV funding for the COVID-19 Emergency Housing Assistance Program with \$7,707,015 from CARES Act (CDBG-CV) and \$5,009,768 that has been redirected from existing FY2020 CDBG awards, canceled activities and program income. This program is delivered by Neighborhood and Housing Services Department. It should be noted that CARES Act funding will not be deployed until the City receives this funding from HUD.

- CDBG and CDBG-CV funding will be utilized to assist households whose incomes are at or below 80% Area Median Income for the general purpose of preventing homelessness. **Emergency rent or mortgage assistance and or utility assistance for up to three consecutive months** will be provided at one-time.
- An **estimated 3,250 households** will be served with a maximum assistance of up to \$3,000 per household.
- **Program delivery costs** are 15% of the allocation.
- NHSD procured software to process the applications more quickly and streamlined the application process.
- Staff is currently working to ensure an **equitable approach** to programmatic implementation.

The City also identified HOME funding in the amount of \$3,506,840 that has been redirected from existing FY2020 HOME awards, canceled activities and program income for the following activities previously funded with CDBG:

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Alazan Lofts | NRP Group | Council District 5

An \$18 million, 88-unit rental housing development, called Alazan Lofts, located on El Paso St. and S. Colorado St., in Council District 5. Staff proposes awarding \$1,319,000 in HOME funding as gap financing. This development will consist of 72 units restricted to households at 60% or below of area median income (AMI), 8 units restricted to households at 30% or below of AMI and 8 will be unrestricted.

Legacy at Piedmont | Atlantic Pacific Company | Council District 3

An \$14.6 million, 49-unit rental housing development, called Legacy at Piedmont, located at 826 E. Highland Blvd., in Council District 3. Staff proposes awarding \$650,000 in HOME funding as gap financing. This development will consist of 39 units restricted to households at 60% or below of AMI and 10 units restricted to households at 30% or below of AMI.

Owner Occupied Rehabilitation and Reconstruction Program | NHSD | City-wide

The City will utilize \$1,537,840 of HOME funds to assist approximately 14 low to moderate income homeowners in need of rehabilitating or reconstructing their homes. Funds available may assist with all aspects of rehabilitation and construction including weatherization, lead based paint abatement, and clearance activities.

To prevent, prepare and respond to the coronavirus pandemic among eligible individuals and families and to mitigate the impacts of COVID-19, this action programs the available HOPWA funding in the amount of \$297,456 allocated from the CARES Act to the provide tenant based rental assistance.

CITIZEN PARTICIPATION

A public notice was published in the San Antonio Express News in both English and Spanish on April 17, 2020 announcing a virtual public hearing to be held on April 22, 2020 at 2 p.m. and initiating a public comment period from April 17 – April 22, 2020.

A summary of the proposed action will be available for public review and comment from April 17, 2020 through April 22, 2020 on the City's website at www.sanantonio.gov/gmainaction. 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.

Citizens may provide comments to the City's Neighborhood and Housing Services Department via email at communitydevelopment@sanantonio.gov or in writing to:

City of San Antonio
Neighborhood and Housing Services Department
Division of Grants Monitoring and Administration
Attn: Grants Administrator
1400 S. Flores
San Antonio, TX 78204

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For more information, visit www.sanantonio.gov/gmainaction or call (210) 207-6600.

TIMELINE

- April 17, 2020 – Initiate Public Comment Period/ Public Notice published in the San Antonio Express News and on the City’s website
- April 22, 2020 – Virtual Public Hearing and end of Public Comment Period
- April 23, 2020 – City Council Consideration, 9:00 am, City Council Chambers