



FY 2017 (PY 2016) Action Plan & Budget Summary

CDBG HOME HESG HOPWA

Background

The City of San Antonio is commencing the development of the FY 2017 (PY 2016) Action Plan and Budget, which is the second year plan under the PY 2015-2019 Consolidated Plan. The City anticipates receiving approximately \$23M 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 (HOME) Program, HEARTH Emergency Solutions Grant (HESG), and Housing Opportunities for Persons with AIDS (HOPWA) Program. 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 Department of Housing and Urban Development (HUD). These four grants include CDBG, HOME, HESG and HOPWA. Under the FY 2016-2020 (PY 2015-2019) 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 (PY 2015-2019) Consolidated Plan. In developing the Consolidated Plan, the City gathered information through a number of 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. The FY 2017 (PY 2016) Action Plan and Budget is the second plan year of the Consolidated Plan.

FY 2016-2020 (PY 2015-2019) 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



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- 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 2017 (PY2016) Action Plan and Budget

In the FY 2017 (PY 2016) Action Plan and Budget, the City has a total of \$23,062,833 in available funds for the period of October 1, 2016 to September 30, 2017. The following table provides a summary of the proposed FY 2017 (PY 2016) budget across the four grant programs. The detailed budget schedules can be found in Attachment A. On April 20, 2016 the Housing Committee supported the FY 2017 (PY 2016) Action Plan and Budget funding strategy as follows:



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Formula Grant	FY 2017 Actual*
Community Development Block Grant	\$13,247,418
Home Investment Partnership Grant	7,523,862
HEARTH Emergency Solutions Grant	1,047,124
Housing Opportunities for Persons w/ AIDS	1,244,429
Total	\$23,062,833

*Includes Entitlement, Reprogramming Funds, and Estimated Program Income

The approach for developing the proposed FY 2017 (PY 2016) Action Plan and Budget involved convening workgroups with City subject matter experts to identify the proposed projects. Furthermore, staff proposes administrative improvements to ensure the delivery function of the proposed FY 2017 programs. The administrative budget across the four grants is \$3,183,559 (14%) and provides for efficient grant administration while ensuring resources remain available to manage the performance of community development programs.

On April 20, 2016 the Housing Committee supported the FY 2017 (PY 2016) Action Plan and Budget funding strategy as follows:

Community Development Block Grant

Housing Delivery (Citywide)

\$547,800

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)

\$192,784

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's program is part of the Family Assistance Division of the Department of Human Services and 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. An estimated 90% of the services provided by the program will benefit low to moderate income citizens in San Antonio neighborhoods with the least access or recourse to professional housing counseling services.

Green and Healthy Homes Grant Match (Citywide)

\$510,000

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



Minor Repair Projects (Citywide)

\$300,000

CDBG funds will be used to assist low to moderate income families with minor home repairs that are frequently required in conjunction with lead and other environmental abatement efforts that are not eligible through the Lead Hazard Reduction Demonstration grant.

Façade Improvement Program (REnewSA Target Areas)

\$269,829

CDBG funds will support facade improvement initiatives seeking to reverse the deterioration of commercial structures in REnewSA target areas (D1, D2, D3, D4, D5, D6, & D7) and stimulate new private investment and economic growth. This program will provide funding for exterior improvements to commercial buildings in the REnewSA areas.

Code Enforcement Activities (REnewSA Target Area)

\$187,749

CDBG funds will be used to support three (3) Code Enforcement positions that provide proactive code enforcement in the REnewSA target areas (D1, D2, D3, D4, D5, D6, & D7). The City is allocating additional local resources in support of REnewSA efforts, including other code enforcement costs that are not CDBG eligible. This budget does not provide for the cost of correcting code violations.

EastPoint Neighborhood Infrastructure Improvements (D2)

\$1,700,000

CDBG funds will be utilized for public improvements to EastPoint (previously known as the Eastside Choice Neighborhood Transformation or Wheatley Choice Neighborhood). In 2013, the City pledged approximately \$19.4 million in various resources over a five year period to leverage another \$88.5 million in public and private funds including a \$30 million HUD Choice Neighborhood Initiative grant, for this transformational project. Through FY 2016, the City and related entities (SAWS, CPS and Inner City TIRZ) have awarded \$10.6 million to EastPoint or 54% of the pledge. The City and related entities are expecting to award an additional \$6.4 million during FY 2017, bringing the City's cumulative investment to \$17 million or 87% of the multi-year pledge.

Red Berry Infrastructure Improvements (D2)

\$1,480,931

CDBG funds will be utilized for the construction of the streets and utilities in support of the Red Berry Redevelopment Project and the associated Salado Creek Improvements.

REnewSA Catalytic Investment (REnewSA Target Areas)

\$450,000

CDBG funds will be utilized for public improvements to promote connectivity between residents and commercial corridors, and neighborhood facilities in an effort to transform lower income REnewSA neighborhoods (D1, D2, D3, D4, D5, D6, & D7) into sustainable communities.

Summer Youth Program (D1, D2, D3, D4, D5, D6 & D7)

\$208,282

The COSA Parks and Recreation Summer Youth Recreation Program is an eight-week, structured, supervised program offered at 20 Community Centers located in D1, D2, D3, D4, D5, D6 & D7, which features recreation-themed activities, active games, sports and more. A weekly enrichment program will also instruct participants with advanced art projects and science experiments along with a fitness and wellness component. Participants are grouped according to age and staff conducts age-appropriate recreation activities. CDBG funds will be used for staff salaries and other administrative expenses.



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Community Center Extended Hours (D1, D2, D3, D4, D5, D6 & D7)	\$64,140
CDBG funds will be used to support staff salaries at 20 community centers in D1, D2, D3, D4, D5, D6 & D7 during extended hours of operation from 5:30 p.m. to 9:00 p.m. Monday through Thursday and Saturday 10:00 a.m. - 4:00 p.m. during the summer months.	
Financial Education Program (Citywide)	\$200,000
The City currently supports a financial counseling program that provides free basic financial literacy to area residents.	
HUD 108 Loan Repayment (Citywide)	\$4,794,419
In FY 2006, the City of San Antonio received a \$57 million HUD 108 Capital Improvement Loan for the benefit of low to moderate income persons. Each year approximately \$4.8 million of the CDBG entitlement is set aside for debt service to the Section 108 Guaranteed loan which becomes due on August 1, 2025.	
<u>Home Investment Partnerships Program</u>	
Single Family Rehabilitation & Reconstruction (Citywide)	\$1,500,000
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.	
Multi-family Rental Housing Set Aside (Citywide)	\$1,250,000
The City provides HOME funds as a set-aside to support multi-family rental development activities awarded through the State Tax Credit Program or have leveraged significant private investment. The program provides gap financing for both new construction and rehabilitation of affordable rental housing units for low income families.	
EastPoint (Wheatley Courts) Rental Development (D2)	\$2,500,000
The City will provide HOME funds to support multi-family rental development activities for the third phase of the Wheatley Courts Affordable Rental Housing Project. This project will develop new affordable housing units for low income families.	
CHDO Single Family New Construction (Citywide)	\$1,220,000
The HOME program requires the City to set aside funds for Community Housing Development Organizations (CHDOs) to develop affordable housing units.	
Homebuyer Incentive Program (Citywide)	\$301,476
The City provides HOME funds for low-to-moderate income homebuyers seeking to purchase decent, safe affordable housing. Specifically, the program will provide down payment and closing cost assistance to ensure homes are both affordable and sustainable to the homebuyer.	



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HEARTH Emergency Solutions Grant

Emergency Shelter

\$212,747

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, financial assistance, and support services to the homeless population.

Rapid Re-housing

\$488,465

The City will work with external partners to provide assistance to the homeless population 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 Prevention

\$222,621

The City will work with external partners to provide financial assistance and services to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized. These funds are intended to target individuals and families who would be homeless but for this assistance.

Outreach

\$70,935

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

Housing Opportunities for Persons with AIDS

Housing and Supportive Services

\$1,207,096

The City will provide tenant based rental assistance, transitional housing, and other housing assistance for persons with HIV/AIDS as well as funding nursing operations, transportation, case management, food and nutrition programs.

Public Hearing and Comment Period

A public hearing will take place beginning at 6 p.m. on **Wednesday, June 1, 2016** in the City Council Chamber, Municipal Plaza Building. This is the first of two U.S. Department of Housing and Urban Development required city-wide public hearings for the City's PY 2015-2019 Consolidated Plan and FY 2017 (PY 2016) Action Plan and Budget for the four grant programs. City Council consideration for the adoption of the FY 2017 (PY 2016) Action Plan and Budget will take place on **Thursday August 4, 2016** in the City Council Chamber, Municipal Plaza Building.

A copy of the proposed FY 2017 (PY 2016) Action Plan and Budget is currently available for review and comment on the City's website www.sanantonio.gov/gma. Comments shall be accepted until **Wednesday, August 3, 2016**. This information will also be available for review and comment at the Department of Planning and Community Development located at 1400 S. Flores, Unit 3, San Antonio, Texas 78204. The notice shall be placed on the bulletin board located on the First Floor of City Hall, 100 Military Plaza, San Antonio, TX 78205.

Community Development Block Grant (CDBG)

	FY 2016 Budget		FY 2017 Proposed		Variance
Revenue					
CDBG Entitlement	\$ 11,632,129	98%	\$ 11,457,418	86%	\$ (174,711)
Reprogramming Funds	-		1,540,000	12%	1,540,000
Estimated Program Income	220,000	2%	250,000	2%	30,000
Total Sources	\$ 11,852,129	100%	\$ 13,247,418	100%	\$ 1,395,289
Uses					
<i>Administration and Planning</i>					
Legal Administration	139,789		139,789		-
Grant Administration	2,057,255		2,201,695		144,440
Total Administration and Planning	2,197,044	19%	2,341,484	18%	\$ 144,440
<i>Priority #1: Decent Safe Affordable Housing</i>					
Housing Delivery	504,000		547,800		43,800
Fair Housing Activities	192,784		192,784		-
Green and Healthy Homes Grant Match	-		510,000		510,000
Minor Repair Activities	250,000		300,000		50,000
Total Housing Activities	946,784	8%	1,550,584	12%	\$ 603,800
<i>Priority #2: Neighborhood Revitalization</i>					
Façade Improvement Program	269,829		269,829		-
Code Enforcement Activities	187,749		187,749		-
Brownfield Remediation Activities	100,000		-		-
Eastpoint Neighborhood Infrastructure Improvements	1,700,000		1,700,000		-
Red Berry Infrastructure Improvements	-		1,480,931		1,480,931
REnewSA Catalytic Reinvestment	1,200,000		450,000		(750,000)
Total Targeted Neighborhood Revitalization	3,457,578	29%	4,088,509	31%	\$ 630,931
<i>Priority #4: Provide for Special Needs Populations</i>					
COSA Parks and Recreation - Summer Youth Program	208,282		208,282		-
COSA Parks and Recreation - Community Ext. Hours	64,140		64,140		-
Total Other Non-Housing Community Development	272,422	2%	272,422	2%	\$ -
<i>Priority #5: Economic Development</i>					
Financial Education Program	200,000		200,000		-
Total Economic Development	200,000	2%	200,000	2%	\$ -
<i>Debt Service</i>					
HUD 108 Repayment	4,778,301		4,794,419		16,118
Total Section 108 Loan Repayment	4,778,301	40%	4,794,419	36%	\$ 16,118
Total Uses	\$ 11,852,129	100%	\$ 13,247,418	100%	\$ 1,395,289

FY 2017 Proposed Budget

Home Investment Partnerships Program (HOME)						
		FY 2016 Budget		FY 2017 Proposed		Variance
Revenue						
HOME Entitlement	\$	3,604,916	82%	\$ 3,823,862	51%	\$ 218,946
Reprogramming Funds		-	0%	2,700,000	36%	2,700,000
Estimated Program Income		780,000	18%	1,000,000	13%	220,000
Total Revenue	\$	4,384,916	100%	\$ 7,523,862	100%	\$ 3,138,946
Uses						
<i>Administration</i>						
Legal Administration		52,614	1%	55,050	1%	2,436
Grant Administration		385,877	9%	697,336	9%	311,459
Total Administration		438,491	10%	752,386	10%	313,895
<i>Priority #1: Decent Safe Affordable Housing</i>						
Single Family Rehabilitation and Reconstruction		1,446,425	33%	1,500,000	20%	53,575
Multi-family Rental Housing Set Aside		1,100,000	25%	1,250,000	17%	150,000
Eastside Choice Neighborhood Multi-Family Rental Development		-		2,500,000	33%	2,500,000
CHDO Single Family New Construction		1,000,000	23%	1,220,000	16%	220,000
CHDO Operating Expenses Set Aside		100,000	2%	-	0%	(100,000)
Homebuyer Incentive Program		300,000	7%	301,476	4%	1,476
Total Activities		3,946,425	90%	6,771,476	90%	2,825,051
Total Uses	\$	4,384,916	100%	\$ 7,523,862	100%	\$ 3,138,946

FY 2017 Proposed Budget

HEARTH Emergency Solutions Grant (HESG)

	FY 2016 Budget		FY 2017 Proposed		Variance
Revenue					
ESG Entitlement	\$ 1,025,839		\$ 1,047,124		\$ 21,285
Total Revenue	\$ 1,025,839		\$ 1,047,124		\$ 21,285
Uses					
<i>Administration</i>					
Human Services Administration	47,810	5%	52,356	5%	4,546
Total Administration and Planning	47,810	5%	52,356	5%	4,546
<i>Priority #3: Address Housing Services for Homeless Population</i>					
Emergency Shelter	208,422	20%	212,747	20%	4,325
Homeless Prevention	221,578	22%	222,621	21%	1,043
Outreach	69,493	7%	70,935	7%	1,442
Rapid Re-Housing	478,536	47%	488,465	47%	9,929
Total Program Allocation	978,029	95%	994,768	95%	16,739
Total Uses	\$ 1,025,839	100%	\$ 1,047,124	100%	\$ 21,285

FY 2017 Proposed Budget

Housing Opportunities for Persons with AIDS (HOPWA)						
		FY 2016 Budget	FY 2017 Proposed		Variance	
Revenue						
	HOPWA Entitlement	\$ 1,216,888		\$ 1,244,429		\$ 27,541
	Total Revenue	\$ 1,216,888		\$ 1,244,429		\$ 27,541
Uses						
<i>Administration</i>						
	Grant Administration	36,507	3%	37,333	3%	826
	Total Administration and Planning	36,507	3%	37,333	3%	826
<i>Priority #4: Provide for Special Needs Populations</i>						
	Tenant Based Rental Assistance	320,381	26%	327,632	26%	7,251
	Nursing Operations	292,000	24%	298,609	24%	6,609
	Transportation	174,000	14%	177,938	14%	3,938
	Transitional Housing	131,000	11%	133,965	11%	2,965
	Housing Assistance	120,000	10%	122,716	10%	2,716
	Food and Nutrition	95,000	8%	97,150	8%	2,150
	Case Management	48,000	4%	49,086	4%	1,086
	Total Neighborhood Revitalization	1,180,381	97%	1,207,096	97%	26,715
	Total Uses	\$ 1,216,888	100%	\$ 1,244,429	100%	\$ 27,541