

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
DEPARTMENT OF COMMUNITY INITIATIVES**

CONSENT AGENDA

ITEM NO. 15

TO: Mayor and City Council

FROM: Dennis J. Campa, Director, Department of Community Initiatives

THROUGH: Terry M. Brechtel, City Manager

COPIES: Frances A. Gonzalez, Assistant City Manager; Office of Management and Budget; Finance Department; City Attorney's Office; File

SUBJECT: Ordinance authorizing a Grant Agreement for the 2003 Supportive Housing Program with the U.S. Department of Housing and Urban Development (HUD)

DATE: August 5, 2004

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the execution of a Grant Agreement with the U. S. Department of Housing and Urban Development (HUD) in connection with the 2003 Supportive Housing Program (SHP), allocates \$423,457 of the grant to the city's Child Care Delivery System (CCDS) to provide childcare services to homeless children and approves a budget adjustment to the 2003 Supportive Housing Program budget to reflect the allocation of these funds.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

The Salvation Army was conditionally funded through the 2003 Supportive Housing Program (SHP) to continue providing childcare services through its Hope Child Development Center. After being notified of the conditional funding, however, The Salvation Army decided that they no longer desired to serve as the project sponsor for this program and notified the city, by letter, of that decision. Because the city's Child Care Delivery System (CCDS) is already a HUD approved project sponsor for these childcare services, funding for these services will now be allocated to CCDS to ensure that there is no interruption of services. CCDS will provide these childcare services to homeless children from September 1, 2004 to August 31, 2005. The childcare will be provided for homeless children who reside in shelters and will enable their parents to pursue employment, training and educational opportunities. The Mayor's Task Force on Hunger and Homelessness has identified childcare services for homeless families as a critical issue. Both HUD and The Salvation Army are in agreement with this action.

POLICY ANALYSIS

This ordinance addresses the core issue of providing Safety Net services and continues existing city policy of providing services to homeless individuals and families in San Antonio and Bexar County through the Department of Community Initiatives' Supportive Housing Program. These funds will enable CCDS to serve an average of 87 children daily during the 12-month period.

FISCAL IMPACT


This ordinance authorizes the allocation of \$423,457 in SHP grant funds to the city's Child Care Delivery System to provide childcare services. In order to utilize the SHP funds, the grant requires a 20% local match for these supportive services. For every \$1 in general fund expenditures an additional \$4 in SHP federal funds are drawn down. The local match has been identified in the Child Care Services General Fund Grant Transfer account. This grant transfer account is normally utilized to match additional federal CCDF (Child Care Development Funds) match when made available in the Child Care Delivery System (CCDS) program. Current year funds have been identified as available for other match and no negative impact is anticipated by this action. No additional General Fund commitment is required by this action.

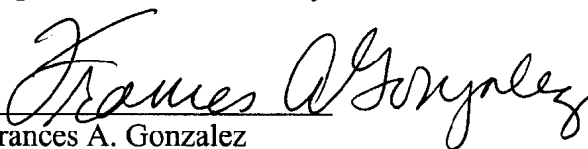
COORDINATION

Coordination has occurred with the City Attorney's Office, Office of Management and Budget, Finance Department, and the U. S. Department of Housing and Urban Development.


SUPPLEMENTARY COMMENTS

Provisions of the Ethics Ordinance do not apply.


Dennis J. Campa, Director
Department of Community Initiatives


Frances A. Gonzalez
Assistant City Manager

Approved:


Terry M. Brechtel
City Manager

2003 SUPPORTIVE HOUSING PROGRAM

RENEWAL GRANT AGREEMENT

This Grant Agreement is made by and between the United States Department of Housing and Urban Development (HUD) and the City of San Antonio, the Recipient, whose Tax ID number is 74-6002070 for Project Number **TX59 B300 012R**/Project Identifier Number **TX55036** to be located at 1222 N. Main, Ste 400, San Antonio, Texas 78212.

The assistance which is the subject of this Grant Agreement is authorized by the McKinney-Vento Homeless Assistance Act 42 U.S.C. 11381 (hereafter "the Act"). The term "grant" or "grant funds" means the assistance provided under this Agreement. This grant agreement will be governed by the Act, the Supportive Housing rule codified at 24 CFR 583, as amended by 68 FR 56396 on September 30, 2003, both of which are attached hereto and made a part hereof as Attachment A, and the Notice of Fund Availability (NOFA) published April 25, 2003 at 68 FR 21581. The term "Application" means the original and renewal application submissions on the basis of which a Grant was approved by HUD, including the certifications and assurances and any information or documentation required to meet any grant award conditions. The Application is incorporated herein as part of this Agreement, however, in the event of conflict between the provisions of those documents and any provision contained herein, this Renewal Grant Agreement shall control. The Secretary agrees, subject to the terms of the Grant Agreement, to provide the grant funds in the amount specified below for the approved project described in the Application.

Although this agreement will become effective only upon the execution hereof by both parties, upon execution, the term of this agreement shall run from the end of the Recipient's final operating year under the original Grant Agreement for a period of **one year**. Eligible costs, as defined by the Act and Attachment A, incurred between the end of Recipient's final operating year under the original Grant Agreement and the execution of this Renewal Grant Agreement may be paid with funds from the first operating year of this Renewal Grant.

HUD's total fund obligation for this project is \$423,457, allocated as follows:

- | | |
|----------------------------------|-----------|
| 1. Grant for Supportive Services | \$403,293 |
| 2. Grant for Administration | \$ 20,164 |

The Recipient must provide a 25 percent cash match for supportive services pursuant to HUD's FY 2003 Appropriations Act.

The Recipient agrees to comply with all requirements of this Grant Agreement and to accept responsibility for such compliance by any entities to which it makes grant funds available.

The Recipient agrees to participate in a local Homeless Management Information System (HMIS) when implemented.

HUD notifications to the Recipient shall be to the address of the Recipient as written above, unless HUD is otherwise advised in writing. Recipient notifications to HUD shall be to the HUD Field Office executing the Grant Agreement. No right, benefit, or advantage of the Recipient hereunder be assigned without prior written approval of HUD.

For any project funded by this grant which is also financed through the use of the Low Income Housing Tax Credit, the following applies:

HUD recognizes that the Recipient or the project sponsor will or has financed this project through the use of the Low-Income Housing Tax Credit. The Recipient or project sponsor shall be the general partner of a limited partnership formed for that purpose. If grant funds were used for acquisition, rehabilitation or construction, then, throughout a period of twenty years from the date of initial occupancy or the initial service provision, the Recipient or project sponsor shall continue as general partner and shall ensure that the project is operated in accordance with the requirements of this Grant Agreement, the applicable regulations and statutes. Further, the said limited partnership shall own the project site throughout that twenty-year period. If grant funds were not used for acquisition, rehabilitation or new construction, then the period shall not be twenty years, but shall be for the term of the grant agreement and any renewal thereof. Failure to comply with the terms of this paragraph shall constitute a default under the Grant Agreement.

A default shall consist of any use of grant funds for a purpose other than as authorized by this Grant Agreement, failure in the Recipient's duty to provide the supportive housing for the minimum term in accordance with the requirements of Attachment A, noncompliance with the Act or Attachment A provisions, any other material breach of the Grant Agreement, or misrepresentations in the application submissions which, if known by HUD, would have resulted in this grant not being provided. Upon due notice to the Recipient of the occurrence of any such default and the provision of a reasonable opportunity to respond, HUD may take one or more of the following actions:

- (a) direct the Recipient to submit progress schedules for completing approved activities; or
- (b) issue a letter of warning advising the Recipient of the default, establishing a date by which corrective actions must be completed and putting the Recipient on notice that more serious actions will be taken if the default is not corrected or is repeated; or

- (c) direct the Recipient to establish and maintain a management plan that assigns responsibilities for carrying out remedial actions; or
- (d) direct the Recipient to suspend, discontinue or not incur costs for the affected activity; or
- (e) reduce or recapture the grant; or
- (f) direct the Recipient to reimburse the program accounts for costs inappropriately charged to the program; or
- (g) continue the grant with a substitute recipient of HUD's choosing; or
- (h) other appropriate action including, but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions and any other available remedies.

No delay or omission by HUD in exercising any right or remedy available to it under this Grant Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Recipient default.

For each operating year in which funding is received, the Recipient shall file annual certifications with HUD that the supportive housing has been provided in accordance with the requirements of the Grant Agreement.

This Grant Agreement constitutes the entire agreement between the parties hereto, and may be amended only in writing executed by HUD and the Recipient. More specifically, the Recipient shall not change recipients, location, services, or population to be served nor shift more than 10 percent of funds from one approved type of activity to another, or make any other significant change, without the prior written approval of HUD.

SIGNATURES

This Grant Agreement is hereby executed as follows:

UNITED STATES OF AMERICA
Secretary of Housing and Urban Development

By:

Signature and Date

John T. Maldonado
Typed name of signatory

Director, Office of Community Planning and Development
Title

RECIPIENT

Name of Organization

By:

Authorized Signature and Date

Typed name of signatory

Title

Official Contact Person and Telephone No. and Fax No.

2003 SHP Budget Revision

To be provided immediately upon receipt