



CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)



Reporting Period:
OCTOBER 1, 2009- SEPTEMBER 30, 2010

CAPER 2009
Reporting Period: October 1, 2009 to September 30, 2010

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**City of McKinney
Community Services Department**

Executive Summary - CAPER 2009

Introduction

The *CAPER (Consolidated Annual Performance and Evaluation Report)* is a performance report for grantees receiving annual Community Development Block Grant (CDBG) funding under the U.S. Department of Housing and Urban Development. Within 90 days after the close of the program year, the city reports on its Community Development and Housing activities. The reporting period for the program year began on October 1, 2009 through September 30, 2010.

In conjunction with federal requirements, the City of McKinney provides regular reporting under this grant. Before the start of the program year, review of the CDBG Annual Action Plan proposed funding for activities under the city's Housing Rehabilitation Program, Public Services Program, Grant Administration and other Community Development efforts. The FY 2009-10 CDBG allocation was in the amount of \$ 542,464.

Under this draft submission, the city reports on the use of these funds listed under the fifth and final year of the FY 2006-2010 Housing and Community Development Consolidated Plan.

Administration

The Community Services Department administers the CDBG grant. The department consists of three offices: *CDBG* (Housing Rehabilitation Program, Public Services), *Affordable Housing* (Housing Reconstruction, Affordable Homebuyer Programs) and *Neighborhood Services* (Neighborhood Revitalization Programs). This document will also report on other city Housing and Community Development efforts of the City in partnership with other departments and the community at-large.

At-A-Glance Summary

During the reporting period, the City of McKinney received CDBG funds of \$542,946. The City of McKinney reports that 100% of its CDBG funding went to benefit the priority needs identified in the FY 2006-2010 Housing and Community Development Consolidated Plan for the benefit of low to moderate income persons under the following objectives:

STRATEGIC PLAN OBJECTIVES

GOAL	PLAN STATEMENT OF STRATEGIC GOAL	NATIONAL OBJECTIVE	OUTCOME MEASURE	PERFORMANCE INDICATOR
1	Provide safe, secure housing for very low and extremely low-income homeowners and renters.	Provide Decent Housing	Provide Decent Housing with Improved/New Affordability	- Number of low/mod housing units rehabilitated
2	Provide supportive services to shelter residents.	Create Suitable Living Environments	Create Suitable Living Environment through Improved/new Availability/ Accessibility.	- Number of households who received assistance to prevent homelessness.
3	Support organizations that assist the City's special needs population.	Create Suitable Living Environments	Create Suitable Living Environment through Improved/New Accessibility/ Availability.	Number of persons assisted with access to a public service.
4	Promote community development projects.	Create Suitable Living Environments	Create Suitable Living Environment through Improved//New Accessibility/ Availability.	Number of persons assisted with access to a public service.

"At-a-glance" accomplishments from the City of McKinney in FY 2009-10:

- 19 low-to-moderate households received home repair assistance in the Housing Rehabilitation Program
- 71 McKinney seniors received weekday and evening meals.
- 24 low-income children and youth received low-cost visits to dentists for basic care.
- Approximately 1,300 individuals participated in community education meetings including UNIDOS, neighborhood revitalization and Kids Council activities.
- Over 224 child abuse victims receiving clinical counseling services
- 130 persons in a homeless shelter received assistance.
- Approximately 35,000 households received fair housing information and a newspaper readership of more than 30,000 households received access to information about their Fair Housing rights and how to file a complaint.
- Approximately 50 stakeholders attended the July 2010 Community Forum Public Hearing to participate in preparing the FY 2010-2014 Consolidated Plan and the Analysis of Impediments for Fair Housing
- Over 70 residents participated in residential surveys (Online, interviews and hard copy) voicing their opinions for the new Consolidated Plan.
- Support to 18 nonprofit agencies with leveraged resources under the Community Support Grant.

ANNUAL PERFORMANCE

A. Resources Made Available

The City of McKinney is the fastest growing city of its size, according to recent published data reports, including the Department of Commerce, U.S. Census Bureau (American Community Survey). While Census 2000 data is used primarily under the Consolidated Plan, the City's Planning Department estimated growth at 126,548 in population, as of January 1, 2010. The latest population estimates from the Census Bureau places the city population at

Under this growth, many residents largely expended income resources on housing costs. According to data, thirty percent of homeowners spent 30% or more of their household income on housing. Demographics are also changing. Overall within the county, there has been a significant increase in the number of seniors, aged 65 and older (65% increase). In McKinney, 8% of residents live in poverty with the highest poverty rates for college aged adults (18%) and school aged children under 18 (12%). When reviewing housing needs, the city evaluates residents as renters looking for a home to purchase; owners looking for another affordable home; owners seeking to lower cost-burden repairs and create efficiency of energy and those seeking affordable rentals, where there is a shortage.

In addressing the need, the City continued to leverage federal, state and local funds to assist low-to-moderate income residents with a host of housing resources including home repairs, emergency assistance, homeless prevention, and first-time homeownership.

Housing Resources

During the reporting period, \$327,603 in Community Development Block Grant (CDBG) funds were made available for the City's Housing Rehabilitation Program. Under the program, 19 households received assistance with emergency, small repairs or major rehabilitation. Resources committed to the home repair program and other varied housing activities during the period of this report are detailed below:

CDBG	\$	327,603
HOME Funds	\$	156,000
General Fund for Homeownership	\$	60,000
Section 8	\$	<u>2,435,929</u>

Explanations of the results shown in the above table are as follows:

CDBG funds are received through an entitlement grant. The amount committed to housing activities included the total portion of the city's allocation for housing rehabilitation (\$327,603); lot acquisition activities for affordable housing development under Habitat for Humanity of North Collin County (\$25,000) and

three homeless and homeless prevention activity (\$xxx total), under the public services program.

The City of McKinney is committed to providing affordable housing for its citizens. A total of \$156,000 was committed, the remaining part of the \$312,000* (two-year) HOME grant under the Texas Department of Housing and Community Affairs (TDHCA.) With leveraged commitment of \$60,000 in general funds from the City, this year - 30 families received assistance during the reporting period, in the form of down payment and closing cost grants. In addition, incentives were provided to affordable single-family builders, both nonprofit and for-profit, thereby increasing capacity of benefit to additional single-family homeowners.

Section 8 funds are those provided by the U.S. Department of Housing and Urban Development (HUD) as rent subsidies to Section 8 tenants. In McKinney, the Housing Authority (MHA) has 345 units of Section 8 housing. The Public Housing subsidy supports the shortfall between rents charged to public housing residents and operating expenses. The MHA had 203 units of Public Housing available during the reporting period.

Other Resources

Additional funding sources have been limited, thus at times preventing McKinney from expanding some sources in the Community Services Department.

However, one key success is that of the City's Community Support Grant Program defines a process for evaluating requests from non-profit agencies for direct funding assistance. During the reporting period, 18 agencies received funding with the total pool in the amount of \$ 126,000. Of this amount, \$34,100 in CSG funds directly leveraged CDBG resources among five agencies.

Funding priorities under this grant include:

- Disaster Aid
- Basic Needs (food, clothing)
- Housing (non-financial assistance),
- Health and Medical (including mental health)
- Housing (financial assistance)
- Transportation and Recreation and athletics/sports.

The City has support all efforts through the Grants Administrator position, whereby allowing departments, including Community Services to review probable resources that benefit the planning strategies of our growing city and its residents.

Currently, the City of McKinney does not receive federal Emergency Shelter Grants (ESG) or Housing Opportunities for Persons with AIDS (HOPWA) funds. However, the City does receive federal funds known as HOME Investment Partnership, through the Texas Department of Housing and Community Affairs as a sub-recipient of the State of Texas entitlement grant, instead of the City of McKinney acting as a Private Jurisdiction (PJ).

B. Investment of Available Resources/Meeting Priority Needs

Strategies to Address Priority Housing Needs

Provide safe, secure housing for very low and extremely low-income homeowners and renters.

Housing Rehabilitation Activities.

Using CDBG funds, the City of McKinney continues its emphasis on housing rehabilitation activities. The housing rehabilitation program is citywide, with focused efforts primarily in low-to-mod communities east of Highway 5 in east McKinney. Repairs included emergency repairs, small and major rehabilitation.

During the reporting period, \$327,603 in CDBG funds were made available for the city's housing rehabilitation program. The program is fully staffed and assisted 19 households during the reporting period. It is important to note the city does not displace any homeowner through the CDBG funded rehabilitation program. The rehabilitation projects completed during the reported period the overall goal of the City's consolidated plan. Of the 16 units, 12 female households were assisted and four (4) units received Lead Based Paint corrections.

Staff provided information to residents about the home repair program through community neighborhood meetings, referrals, social service providers and other marketing opportunities.

Lead-Based Paint Compliance. The City continued to meet its compliance of Lead Based Paint (LBP) under the Safe Housing Rule. Under federal guidelines, homes built prior to 1978 must be tested for lead-based paint. Through the housing rehabilitation program, all houses built prior to 1978 are inspected for lead hazards prior to rehabilitation, and if hazards exist, treatment is included in the home rehabilitation work at no additional charge to the homeowner. During the reporting period, two homes met these guidelines and were inspected for lead and received LBP corrections.

The City's Housing Rehabilitation Specialist maintained his Risk Assessor license from the State of Texas and attended several LBP and Green Building trainings, including the recent *HUD Healthy Homes National Conference*, to expand knowledge toward the benefit of participants in the Housing Rehabilitation Program.

Affordable Housing. Under the Affordable Housing Office, the City continued to leverage general fund dollars into the first-time homebuyer program. During the reporting period, the city invested \$ 60,000 in general funds as a match to the HOME funds from the Texas Department of Housing and Community Affairs (TDHCA), to help the City gain 30 new homeowners, who received homeowner education, down payment and closing cost assistance. Overall, the geographic distribution of these programs was citywide in scope, although the majority of affordable homes purchased were east of Highway U.S. 75.

The City of McKinney continues to seek and apply for other grant funding for affordable housing.

To continue sustainability of a successful affordable housing program, the City established a Housing Partners Program. With continuous outreach, there are approximately 45 participants in this partnership program. Local entities include builders, banks, non-profit agencies; mortgage lenders, title and insurance companies; home maintenance groups, and home repair companies. In partnership, all entities work in cooperation with the City of McKinney, for the purpose of developing more informed and prepared first time homeowners. Each partner is required to enter a formal agreement with the City of McKinney, agreeing to fully support efforts in providing safe and decent housing to citizens and interested persons.

These partnerships and programs work together to significantly improve the lives of low-income working families, senior citizens, special population groups and others who are in need and pursuit of decent, affordable housing.

Strategies to Address Priority Homeless Needs

To secure supportive service funding opportunities for the prevention of homelessness.

The Samaritan Inn, Collin County's only homeless shelter based in McKinney, received funds in the amount of \$7,210 during the 2009-10 fiscal year to assist with support of Case Management resources to assist shelter residents with employment, self-esteem and living opportunities to transition back into society. The program was completed during the reporting period with 130 persons receiving assistance.

During the reporting period, the Collin County Homeless Coalition worked in partnership with the Metro Dallas Homeless Alliance to apply Emergency Shelter funds. Although the City of McKinney does not receive direct funds, efforts are supported through participation to insure that McKinney agencies can apply and receive funds to benefit its residents. Two Collin County non-profit agencies assisted McKinney residents through the use of ESG funds during the reporting period. The agencies include Hope's Door and LifePath Systems.

The Coalition meets monthly and it is a task force created among local entitlement grantees including the cities of Plano, Allen, Frisco and McKinney, along with the private sector and local non-profit organizations). All of the fore mentioned cities adopted a formal plan to end chronic homelessness in Collin County, in the form of a resolution. In addition, each year the Coalition coordinates the county's annual homeless count, with the support of Metro Dallas Homeless Coalition, the Samaritan Inn, law enforcement, nonprofit agencies, and other entities to determine the need and data, in support of future funding opportunities.

Strategies to Address Priority Community Development Needs Community Development Objectives

The program goals covered by the FY 2006-2010 Consolidated Plan include strengthening partnerships with jurisdictions among all levels of government, along with the private sector, and non-profit organizations. The partnerships will enhance performance efforts of three goals to: Provide decent housing, Establish and maintain a suitable living environment, and Expand economic opportunities for each citizen, especially for very-low and low-income persons. Under these strategies, McKinney's places emphasis on two of the three goals:

- Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at-risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition at an affordable cost to low income persons.
- A suitable living environment includes the safety and livability of neighborhoods; increasing access to quality public and private services and facilities; reducing the isolation of income groups and the revitalization of deteriorated neighborhood; restoring and preserving the properties of special historical or architectural value.

Overall, the geographic distribution was citywide in scope in reach to low-to-moderate income residents. The City of McKinney's Consolidated Plan directly supports these goals in the long-term in the following ways:

Strategic Vision for Change and Neighborhood Revitalization

Priority 1:

To provide and support neighborhood revitalization programs and activities that supports the improvement, appearance, education and stability of low-to-moderate income neighborhoods.

The city's neighborhood revitalization program is known as P.R.I.D.E., which stands for Promoting Resident Involvement and Developing Enthusiasm. This significant program assists with this priority. There are five neighborhoods in which residents participate in monthly meeting, National Night Out activities and other events that are reflective of each neighborhood's unique character and charm. Annually, each community identifies the top five priorities for their prospective neighborhoods. Through support from the Neighborhood Services Office and other city offices, residents receive information or assistance on various concerns including, parks, planning, code enforcement, fire safety and other key issues. The program's Area Leaders, known as PALS, meets quarterly to exchange ideas, provide information, and to share resident concerns with staff. The P.R.I.D.E. participants have been instrumental in sharing their input for the City's Town Center study and other issues of interest.

Objective 1: Improve transportation availability for services throughout the city, and other including elderly activities, youth activities and child-care.

The City of McKinney continued to receive Federal Transportation Agency (FTA) funds for transportation. The city designated C-CART, a entity of the Collin County Committee on Aging, as the subrecipient of these funds and several new bus routes were added doubling the stops and runs of the buses. On a typical day, over 40 vehicles are in operation. Services include wheelchair accessibility and all service is "curb-to-curb," except where on regular hourly bus routes. There is also on call/demand service, which helps elderly or those with limited mobility to obtain transportation to medical or other appointments. The city also leveraged the FTA funds with city resources during the reporting period.

McKinney provided CDBG funding in the amount of \$ 5,315 to Big Brothers, Big Sisters of North Texas to support a Program Specialist position, responsible for coordinating community-based mentoring for at-risk McKinney youth. This support aided the agency with the implementation of positive programs with modules that included self-esteem awareness, homework assistance and personal communication.

Under this program, 32 youth received quality mentoring in McKinney. While there may not be a direct impact in economic development, there is a value-added measurement to the community; the mentoring results in the lives of these youth most likely ensure they will drop out of school, commit crimes, or become involved in drug activities.

Priority 3:

To provide outreach and awareness of social services.

The city continued to participate in the Collin County Social Service Association (CCSSA). CCSSA is designed to be a professional, networking agency for local government, non-profit organization and the community. Meetings are held monthly where information about local programs is shared. Through the city's participation in this agency, information is then available to relate to clients and citizens. The organization was also able to begin participation various community need assessments and CCSSA serves as an information resource for newcomers to the City in need of services or referrals.

The City's Community Services Department partners with the Volunteer McKinney Center to expand its outreach network though monthly networking with Volunteer Directors and Program Managers of social service agencies. The Center has a direct impact to the City of McKinney by providing volunteers, information and assisting in coordination of services for relief efforts, community clean-ups and other projects. The most successful partnership is the one created with the CDBG Office and the agency for the volunteer home repair program, H.E.A.R.T.H. (*Hearts Energized and Ready to Help*). Volunteers are matched with homeowners unable to participate in the Housing Rehabilitation Program. Volunteers are able to participate in small repairs easily accomplished over a weekend or day period of time.

C. Other Actions Taken

1. *Affirmatively Furthering Fair Housing*

Most importantly, the city updated its Analysis of Impediments during the period of the Consolidated Plan. As a part of the certification to affirmatively further fair housing, the city outlined impediments and strategies to take action to overcome effects. The plan was last updated in 2005. Under regular activities, undertaken during the reporting year highlights include:

- Fair housing brochures were placed in utility bill mailers during the year, including National Fair Housing Month. *Reach: Approximately 35,000 households.*
- Compliance with ongoing monitoring and reporting, including MBE and WBE reporting, Section 3 Summary Report. Reviewing and updating of policies and procedures and making revisions to eliminate discriminatory effect.
- Fielding resident inquiries about requirements of their landlord under Section 504 and handicapped accessibility relative to apartments.
- Strengthening the city's compliance under Section 3 by re-assessing and updating policy and procedure, including insertion into our rehabilitation contracts and encouraging contactors and subcontractors and developing partnerships with agencies when possible. Where the city did not have a Section 3 contactor at all under the last CAPER, we now have one.
- The Equal Housing Opportunity logo is displayed on all materials sent to persons participating in the city's various housing programs.
- Providing fair housing information at PRIDE meetings and community sponsored events, including the Juneteenth Community Celebration, and other community efforts. *Reach: Approximately 200 persons total.*
- The City of McKinney website provided Fair Housing information on the main visitor page and links through the Community Services Department, which includes frequently asked questions regarding how to report a violation, what to do in the event of potential foreclosure and other topics
- Posters about Fair Housing were also displayed in English and Spanish during CDBG Week. The posters continue to be displayed in the lobbies of the Development Services division and the Community Services department.

In addition to meeting requirements of McKinney's Fair Housing Action Plan, the city takes its commitment to providing housing education seriously. During the 2009-10 CAPER Narrative

reporting period, approximately 110 people received first-time homebuyer education. Training topics included budgeting, credit, how to buy a home, predatory lending, insurance and home maintenance.

Another component of furthering fair housing includes assistance with affordable housing builders. During the reporting period, incentive waivers for permit fees were given to affordable housing builders in McKinney. With a change of policy, only nonprofits will receive full incentives. For-profit builders are reimbursed upon proof of affordability.

Components of this program are:

- Building permit fees are waived.
- Dumpster set-up and trash hauling fee waivers are provided for non-profit builders of affordable housing.
- Landfill entry fee waiver letters are provided for the for-profit builders of affordable housing at each affordable housing site.
- Engineering inspection fees are waived for subdivision/replats of 10 lots or less for non-profit builders of affordable housing.
- Initial erosion control deposit waivers for approved affordable housing subdivisions are provided.
- The Historical District application fee is waived if affordable housing is developed in the Historical District.

2. Public Policies

The City of McKinney does not consider its ordinances and standards to constitute barriers to the creation of affordable housing. The AI indicates that no actions are warranted in this area; therefore no actions have been taken.

3. Institutional Structure/Underserved Needs

Institutional Structure. The primary weakness in the institutional structure of service providers identified in the Consolidated Plan is lack of funds to provide needed services. McKinney is still a small entitlement city by comparison to other larger cities with the Dallas/Fort Worth area, limited CDBG funding is available for public services. The City of McKinney has given written support to the service agencies seeking federal, state, and foundation funds and, provides general fund support under the Community Grants Program. CDBG funding is a large component to providing or leveraging much needed services.

The City hopes to limit some weakness under increased CDBG funding, contingent upon program performance and the outcome of Census 2010 decennial data, with HUD's program formula requirements.

Underserved Needs. The City continues to support those residents who have underserved needs, through community organizations and the city program, PRIDE listed previously. The Community Services Department worked with the McKinney Police Department to establish the *UNIDOS* program, a Hispanic community outreach program to provide assistance to Spanish-speaking

residents. *UNIDOS* meetings are held and conducted entirely in Spanish. The program is hosted by the Police Department with support from other City departments. The program has quarterly meetings throughout the year. *UNIDOS* serves a critical resource to provide information on city services and other resident information including fire safety, car insurance, voter registration, crime/neighborhood watch and other varied topics of interest. This program is now self-supporting through the Police Department.



Community Services staff participate regularly in the *Collin County Homeless Coalition*. In conjunction with the *Metro Dallas Homeless Alliance*, the Coalition conducts an annual census of the homeless population in Collin County. This count within the county is conducted each January to provide a snapshot of the homeless population for one night. It does not reflect the number of unduplicated homeless people identified throughout the year. In the homeless count taken in January, locations included outdoor/abandoned buildings, emergency shelters and transitional housing.

4. Intergovernmental Cooperation

Through personal relationships with individuals involved with local service providers, city staff effectively communicates and coordinates various partnerships and program activities. As mentioned, the CDBG Office participated in regular meetings with the Collin County Social Services Association (CCSSA) to effectively coordinate information with the service providers working in McKinney.

The City has a working partnership with the McKinney Housing Authority (MHA) to obtain feedback for potential activities. During the reporting period, the Community Services Department worked with the Resident Council to obtain feedback for programming ideas, input on the Consolidated Plan and other program. For the new Consolidated Plan, the Council had the largest attendance at the Community Forum in July 2010 of all P.R.I.D.E. community groups and they were recognized by City Council at the September regular meeting for their efforts. Resident members also encourage staff to participate in their health fairs, information workshops and other activities to get to know residents.

The Affordable Housing offices of the City of McKinney and City of Frisco continued their partnership to host homebuyer education workshops under alternating months to assist new homeowners. Workshops were conducted by the education department of the Consumer Credit Counseling Services agency and approximately 110 homeowners participated.

5. Public Housing Improvements

The McKinney Housing Authority is not required to prepare a Performance and Evaluation Report, and therefore no comparison of actions and plans can be made for the Authority.

6. Public Housing Authority Initiatives

The Resident Council, comprised of Section 8 and Public Housing residents, meets monthly and conducts quarterly activities. During the reporting period, the President of the Resident Council invited the CDBG office to participate activities and also in turn, participated in activities under Neighborhood Revitalization and planning of the FY 2010-2014 Consolidated Plan. The CDBG Office also provided assistance to staff on brainstorming for new programs and encouraged their participation to apply for public services funding. Given the success of the partnership, ongoing participation is anticipated in upcoming program years.

The CDBG Public Services program continued support to fund summer day camp services for McKinney Housing Authority Youth. Under this 2nd year initiative, 18 youth ages 6 through 13 participated and the activity was implemented under the YMCA of Metropolitan Dallas. Originally under the YMCA of McKinney in the Annual Action Plan, the city completed a substantial amendment, approved by HUD, to allow the Collin County Adventure Camp to complete the activity due to a program change. The youth had great success and the agency applied for funding to implement the program summer 2011.

7. Anti-Poverty Strategy

No single strategy can deal with all problems of poverty, but in its efforts, the city works with its subrecipients through its programs that set the framework of empowerment, meeting needs through resources and services, and working within problems that are associated with poverty, such as health, education, housing.

Featured strategy highlights during the reporting year again included the agency of Big Brothers, Big Sisters of North Texas, working with youth and providing leadership, life-skills training and mentoring support. The majority of the participants in this program come from extremely low-income families.

Through the housing office, 30 low to moderate-income households purchased homes through the city-funded Homebuyer Assistance Program, enabling them to begin building equity in real estate. The increase in last year's numbers from 17 to 30 was largely due in part to outreach efforts and the stimulus efforts of the Federal Homebuyer Credit Program, allowing eligible buyers to qualify credit up to \$8,000 if they were under contract to purchase a home by April 30, 2010. Homebuyer training was also provided to approximately 110 persons.

8. Program Requirements

To better assist subrecipients (CDBG awarded nonprofit agencies) with compliance requirements, the City armed interested contacts with information on program requirements prior to the full application process through attendance at its annual non-mandatory, pre-application meeting.

For the FY 2009-2010 program year, a pre-application meeting was held April 8, 2009 for interested organizations and agencies, to discuss national objectives, eligibility, performance measurement requirements, Consolidated Plan priorities and application deadlines. The CDBG Office assisted the Community Grants Advisory Commission in conducting two public hearings, whereby agencies presented their requests before the public.

After the Commission determines their recommendations, the action plan which includes public services and housing activities, are presented to the public for a 30-day review, prior to approval of the plan during a public hearing by City Council. Environmental reviews are conducted for all activities under the action plan. By August 15, the action plan is forwarded to the U.S. Department of Housing and Urban Development (HUD) for review and approval. The program year began October 1, 2009.

Successful subrecipients were required to attend annual mandatory training session on September 24, 2009 prior to the new program year (effective October 1, 2009); staff members provided instruction and training on record-keeping, compliance data, financial reimbursement procedures, monitoring, and other grant requirements. Subrecipients (agencies) were also provided with a handbook and an overview of their grant agreement that discussed contractual requirements.

For performance measurement, the City requires subrecipients to submit quarterly reports to track performance. During the reporting year, agencies reported on the project's successes and weaknesses, actual accomplishments and goals achieved, race/ethnicity data, income data and provided narratives that included public participation activities and obstacles that may have prevented them from achieving goals. This requirement will shift to monthly report in the next program year.

Requests for reimbursement must have supportive documentation for completion. Subrecipients receive monitoring visits to review recordkeeping, visual documents and other requirements. First-time agencies receiving federal funding will have "one-to-one" technical assistance visits with the CDBG Administrator through phone contact, email and personal visitation with the program and financial staff at varied times throughout the year to answer questions, in order to eliminate potential issues at year-end monitoring time.

The program year for CAPER 09 ended on September 30, 2010. This report summarizing is due 90 days after end of the program year.

ASSESSMENT OF ANNUAL PERFORMANCE

The primary objective of the Community Development Block Grant program is to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low and moderate income. All CDBG projects must meet one of the national objectives: **1)** Principally benefit low and moderate income persons; **2)** Aid in the prevention or elimination of slums or blight; or **3)** Meet other urgent needs.

The City of McKinney reports that 100% of its CDBG funding went to priority needs identified in fifth and final year under the FY 2006-2010 Housing and Community Development Consolidated Plan, to benefit low to moderate income persons. During the reporting period, the CDBG Office oversaw the efforts to complete the city's new FY 2010-2014 Consolidated Plan.

The purpose of the plan is to identify a jurisdiction's' housing and community development needs, priorities, goals and strategies; and stipulate how CDBG funding and HOME Investment Partnership Program funds will be allocated to Community Development needs in the City of McKinney. The assessment included the 2010 action plan, housing market analysis; the Analysis of Impediments to Fair Housing (AI); an analysis of special needs populations; a demographic and socioeconomic analysis and the Citizen Participation Plan, Housing Analysis and the Strategic Plan. During the research process, the city worked with a consultant to assist in coordination of the project.

The CDBG Administrator engaged city departments, and spoke at multiple community meetings to educate and encourage participation in the process. From February to June, 2010 staff held meetings with P.R.I.D.E. members to also encourage support and provide updates. As a result, several members participated on the Evaluation Committee and also assisted in the resident survey round-up. Community and stakeholder meetings were held on July 8th and July 9th, 2010.

At the end, more than 70 residents completed residential surveys online or by hard copy. Spanish language review and interpretation at meetings was also available. At the meetings approximately 50 persons were in attendance, including residents. In addition, the city also utilized social media to engage public participation through the mediums of Face book and Twitter. The plan was submitted to HUD in August, 2010 and received approval in October, 2010. A summary of the outreach is attached with the CAPER.

A. Assessment of Plan Goals

Assessment under the Strategies to Address Priority Housing Needs

Provide safe, secure housing for very-low and extremely low-income homeowners and renters.

Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at-risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition at an affordable cost to low income persons. The Rehabilitation Office completed 19 home repair projects, including five emergency repairs, four small repairs, five full substantial repairs, and one volunteer project. The program, H.E.A.R.T.H (*Hearts Energized And Ready To Help*), a partnership with Volunteer McKinney, assisted two family with repairs during the reporting period utilizing city funds and volunteer labor.

Total # served, extremely low income (0-30%): 7	Total # served, very low income (31-50%): 6	Total # low/moderate income served (51%-88%): 6	Total: 19 served
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Of this total, 14 households were Female-headed. Staff continued public education resources and outreach through city departments, including Fire Department and the Office of Environmental Stewardship to engage and educate homeowners about home safety, conservation and DIY repairs and ideas to give their home additional value.

The City of McKinney's Affordable Housing Office continued the city's homeownership program through funding from the Texas Department of Housing and Community Affairs, with a \$ 60,000 match from city funds. During the reporting period, 30 LMI (low to moderate income) homeowners, formerly renters, received assistance in the purchase of their first home. The program, which includes a homeowner education component in addition to down-payment and closing cost funds, provides means for lower income renters to move into safe and secure housing and become knowledgeable, resourceful homeowners for years to come. Participants are educated about the full scope of the home buying process, including legal and financial requirements.

Strategies to Address Priority Homeless Needs

To secure supportive service funding opportunities for homeless and the prevention of homelessness.

Through the Samaritan Inn, \$5,930 was spent to provide transportation vouchers and child-care assistance. For the reporting period, 130 clients received assistance. During the reporting period, the homeless shelter saw a steep increase in the number of children residing at the shelter. Most of the children received childcare assistance through the CDBG funding

The City of McKinney assisted residents in the efforts of homeless prevention through the services the Salvation Army. The agency provided homeless prevention services through assisting clients with emergency rent or utility assistance. Through the program, 38 persons received assistance.

Previously, the City also lent support services through its planning and engineering departments, to assist the Samaritan Inn open the County's first transitional housing, located in McKinney. The North Texas Gateway Apartments consist of a 20-unit building that offers independence for former homeless

individuals and families. During the reporting period, Gateway residents continue to great success under this program as they graduate from the Samaritan Inn shelter and work full-time to qualify for one of the apartments. Residents pay below-market rents, which equals about one-quarter of their salary. This is done approximately up to 18 months and allows the residents to save their income, in order to move to a place of their own. This is the only shelter and type of apartment support in Collin County for the formerly homeless.

Addressing Priority Community Development Needs

Municipalities understand partnerships enhance multiple efforts in Community Development activities. The City's vision and grant programs housed under the Community Services Department, work in concert toward the goals to provide decent, affordable housing; establish and maintain a suitable living environment, and develop economic opportunities for each citizen, particularly very-low and low-income persons. In keeping with National Objectives under the U.S. Department of Housing and Urban Development, McKinney's vision of a suitable living environment includes the safety and livability of neighborhoods; increased access to quality public and private services and facilities; reduction of the isolation of low-to-moderate income households and the revitalization of deteriorated neighborhoods.

Under the reporting period, program goals continued to feature solid partnerships with jurisdictions and extending efforts with the private sector, non-profit organizations and other non-governmental organizations (NGOs). The City of McKinney's Consolidated Plan supported these and other community development goals under the Public Services Grant during the reporting period. Highlighted features included:

- Holy Family School received \$5,730 in funds for summer tuition for children who would have not received any instruction over the summer. Holy Family School is a state-certified pre-school and Faith-Based Organization (FBO) providing education to children up to the age of 5, and a private kindergarten program.
- Homeless Prevention is an important concern for the City under its Consolidated Plan McKinney asserted efforts under three (3) nonprofit partnerships:
 - 1) *The Salvation Army* received \$5,820 to assist 34 low to moderate households with rent or utility assistance, thus avoiding eviction within their home environments.
 - 2) Community Lifeline Center used its funding of \$ 5,240 to benefit 34 low to moderate households with rent or utility assistance, thus avoiding eviction within their home environments.
 - 3) *LifePath Systems* provided Emergency Rent and Utility Assistance to five (5) households; those with mental health concerns during the reporting period received this homeless prevention care. Due to the agency's change in the funding of services coordination in their Home and Community Based Waiver Program, LifePath further leveraged its resources to hire 11 new Service Coordinators for future impact.

- The Collin County Committee on Aging's on Wheels Program used a Public Services grant of \$ 7,680 for weekend and evening meals to benefit McKinney seniors. During the reporting period, 71 seniors received weekday or evening meals, exceeding their original goal. Providing the essential nutrition and contact with the outside world assists these seniors to continue to live independently and thrive within the community. Of the McKinney seniors, more than 65% are seventy-five or older. Meals on Wheels also provides connection to people each day, at times when seniors may feel isolation due to age, illness or the death of a loved one. Daily contact is almost important as the meals, according to the Director of Senior Services. Rising costs to food purchases impacted service delivery, but nothing as severe as loss of volunteers unable to continue service due to economic downturn impact for basic needs including conservator ship of gas.
- To continue access to services promoting a suitable living environment, the Children's Advocacy Center of Collin County (*formerly Collin County Children's Advocacy Center*) was granted \$ 6,225 to support therapy services for abused and neglected children. The grant allowed 224 McKinney child abuse victims received intense clinical therapy counseling during the reporting period.
- Community Dental Health Care provided free basic dental services to 24 extremely low income children, seniors and youth during the reporting year with grant support in the amount of \$ 6,380. They are the largest non-profit provider of low-cost quality dental care services and provide services very close to the neighborhoods and along bus routes for easy access.

***Community and Neighborhood Revitalization:
Strategies, Programs and Activities***



❖ **Neighborhood Services.** The Neighborhood Services Office is the department's liaison when addressing the service goal as the city's Residential Resource & Referral Center (RRRC). The Office regularly assists McKinney residents connect to city departments for inquiries on City services. In addition, citizens receive referral services when residents, particularly those in family crisis need assistance from non-profit groups, social service agencies, civic organizations, churches, or government offices. The Office develops community partnerships and is a supporting catalyst for Neighborhood Revitalization activities and programs.

One of its most sustainable programs for revitalization is the P.R.I.D.E. program, which stands for (*Promoting Resident Involvement and Developing Enthusiasm*). During the reporting year, the office assisted low-to-moderate neighborhoods with clean-up programs, meeting coordination and other activities through varied programs. The CDBG Office supports this effort and regularly participates in neighborhood meetings to discuss partnerships, and answer questions/concerns about housing programs and other needs.

P.R.I.D.E. Leaders (known as P.A.L.S.) were instrumental in assisting staff with Consolidated Planning efforts including services on the Evaluation Committee and generating participation for the Community Forum. Their efforts were recognized at a recent City Council regular meeting. It continues to prove that working with community resident leaders assists staff in learning more about the priorities of each distinctive neighborhood.

The P.R.I.D.E. program was originally designed to provide problem solving strategies and promote responsibility, to avoid further deterioration of property values, older neighborhoods face, while increasing the quality of life in participating communities. Its purpose impacts neighborhood sustainability, particularly those without a formal homeowner association. Each community is responsible for developing outreach teams and P.R.I.D.E. Area Leaders, known as PALS, to develop activity action plans for their prospective neighborhoods. There are approximately 5 P.R.I.D.E. neighborhood groups participating in the program, with an estimated 1,500 residents combined. Each neighborhood is charged with identifying its own set of priorities, regarding *Zoning and Traffic; Public Safety; Parks and Recreation; Infrastructure and Economic Development*.

This program will undergo transformation in the FY 2010-11 program year, resulting from staffing reduction and new assessment of community needs. However, the P.R.I.D.E. program and other Neighborhood efforts will continue to hold considerable impact in the CDBG Program.

❖ **Office of Environmental Stewardship.** The City is committed to serving citizens by fostering responsibility to sustain care for our natural resources, including land, water, air and wildlife. Activities include creating awareness through outreach, inspiring change and offering opportunities to fulfill ultimate obligation to care for the earth. The CDBG Office and the Community Services Department worked in partnership with the ES Office by participating on the Green Team Committee to receive updates, developing an ongoing partnership to inform residents at P.R.I.D.E. meetings and co-partnered in resident education activities on energy, water and repairs. Staff coordinated Texas Trash Off activities, Green Seminars and *Lights Out McKinney*, the global event creating climate awareness by asking participants to turn off non-essential lighting for one hour. In addition, the Outreach Coordinator regularly partnered with the CDBG Office with ELP requirements by providing Spanish language interpretation at P.R.I.D.E. meetings and other activities.

❖ **McKinney Town Center Study Initiative.** Residents and other leaders of P.R.I.D.E. continued to participate in the Planning Department's Town Center Study, for the purpose of developing detailed plans that address community issues and priorities deemed important for the Town Center over the next several years. This project is an extension of the City's Comprehensive Plan.

At the initial review, residents were able to view plans and give their input on plan and design process to revitalize the older sections of McKinney that include those in predominately low to moderate income areas East of Highway 5, generally bounded by Redbud Trail, US Highway 380, Eldorado Parkway and Airport Drive. These areas include the neighborhoods and commercial districts

that form the core of the City. Initiative updates are provided now through newsletters and web updates on the city's website. CDBG staff work to update residents through P.R.I.D.E. meetings and works with the Planning Department to inform newsletter readers of CDBG activities through the quarterly newsletter, *The Town Center Connection*. Most recent activity included encouraging participation for the Housing and Community Development Consolidated Plan through surveys, phone interviews and a Community forum held on July 8, 2010.

On August 11, City Staff hosted an informational stakeholders meeting to discuss the proposed utilization of an economic development tool known as Tax Increment Financing (TIF) to stimulate and sustain economic reinvestment in McKinney's Town Center area. After several months of analysis, discussion and meetings, the McKinney City Council voted unanimously on September 21, to approve the creation of a long-term economic development tool known as a Tax Increment Reinvestment Zone (TIRZ) for McKinney's historic Town Center and State Highway 5 (McDonald Street) corridor. This vote marks the beginning of a very important implementation strategy for bringing the Town Center Master Plan to reality over the coming years.

Description of Public Comment Process

The Public Comment Process is an intricate part of the Citizen Participation component of the city's Housing and Community Development Consolidated Plan. The CDBG Office prepares the draft annual report for review and approval. The Community Grants Advisory Commission held a public hearing where they approved the CAPER at the meeting on October 27, 2010. The report will be made available to the public at the CDBG office to receive public comments during a 15-day comment period beginning November 1, 2010 through November 16, 2010. City Council will hold a final public hearing at the regular meeting on November 16 and this will be the last day to receive public comments.

A notice of the availability of the report was published in the *McKinney Courier Gazette*, inviting the public to comment on the CAPER. The notice informs the public two locations where the report will be available for review, including from the Community Services Department, 314 S. Chestnut Street and the Helen Hall Memorial Library, 101 E. Hunt Street. Also the report is available online on the city's website, www.mckinneytexas.org.

Prior to the final submission to HUD, the McKinney City Council is expected to approve the CAPER at the November 16th meeting, before the City's submission to the U.S. Department of Housing and Urban Development on December 29, 2010.

Self-Evaluation

Evaluation Assessment

For the City of McKinney, grant disbursements met all the timeliness tests, per HUD criteria. Major goals were on target during the reporting period and under the Consolidated Planning cycle. In assessing the year of activities under CAPER 2009, the City did not hinder its Consolidated Plan implementation by action or willful inaction. The City of McKinney provided certifications of consistency for HUD programs in a fair and impartial manner.

The City received solid support from citizens, faith-based and community leaders, and various other resident stakeholders. In this self-evaluation, the City of McKinney concludes that the collective of housing activities expanded homeownership, improved property values, and greatly provided safer living conditions for low-to-moderate homeowners. Neighborhood revitalization and other partnership activities improved citizen participation, reduced crime and improved beautification of neighborhoods.

The reported public service activities provided a variety of services including substance abuse counseling, free dental care to children, clinical services for child abuse victims, prevention of homelessness and overall impacted the living environments and resources of many low-to-mode families in need.

The Consolidated Plan process and other surveys provided new opportunities to engage the public and gain input on community needs and challenges for the next five years.

Barriers to Performance

A key barrier to performance continues to be the aftermath and behaviors associated with the economic downturn. Last year applicants were hesitant to participate and it continues to impact the program. However, through outreach under Neighborhood Revitalization, CDBG continued to develop relationships to overcome fears and assist homeowners to reach their need.

As with other local municipalities, McKinney also suffered significant impact to expand services and maintain quality services with limited resources. This is particularly difficult for Community Services Department. The Department is understaffed with the impact of two key frozen positions, thus limiting program activity, strategic planning and participation. With the vision of the new Consolidated Plan and other impacts, this barrier is expected to be removed FY 2011-12.

Regulatory barriers were geared more toward the public service funding with the overall grant. During the program year, the Community Grants program was re-established to help leverage program resources. With regard to staff or program changes as potential barriers with nonprofit agencies, the City continues to enhance its technical assistance training at the beginning of the program year and ongoing monitoring throughout the year.

Overall, the City met compliance guidelines and met or exceeded goals while receiving successful support from the residents, community stakeholders, the non-profit sector and other non-governmental groups in the program year. The attached tables and other financial/accomplishment summaries provide additional summary details of performance.