



17-825

TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving the 2017-2018 Community Development Block Grant (CDBG) Annual Action Plan

COUNCIL GOAL: Enhance the Quality of Life in McKinney

MEETING DATE: August 15, 2017

DEPARTMENT: Housing & Community Development Department

CONTACT: Shirletta Best, Community Services Administrator

RECOMMENDED CITY COUNCIL ACTION:

- Conduct a public hearing to approve the 2017-2018 Annual Action Plan for CDBG funding and approve the resolution.

ITEM SUMMARY:

- The City of McKinney receives funding from the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) for Housing and Community Development activities. The Consolidated Plan is designed to help local jurisdictions assess their affordable housing and community development needs and make investment quality of life impact through that funding. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding.
- The Consolidated Plan is carried out through Annual Action Plans, which provide a summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. At the end of the program year, the City reports on accomplishments and progress toward Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report (CAPER).
- The 2017-2018 Action plan is under year three of the five year 2015-2019 Consolidated Plan, a participatory process with the public. The Plan will be

submitted to HUD after August 15 for review and final approval. The program period begins October 1, 2017 to September 30, 2018.

BACKGROUND INFORMATION:

- The City of McKinney has participated as a HUD Entitlement Community recipient since PY 2003. CDBG funded programs must provide community reinvestments through activities that provide and impact quality housing, viable community development, and expand economic opportunities, principally to benefit low-to-moderate income families and households.
- Pre-application meetings and technical assistance sessions to agencies were conducted in April, 2017 prior to public hearing presentations. On May 11 and 12, 2017, the Community Grants Advisory Commission conducted public hearings to consider requests for funding from agencies and to hear proposed funding under City programs. Funding requests were reviewed and considered by the Commission in accordance with the Strategic Plan goals expressed under the Consolidated Plan; federal statutory and program requirements; service impacts to the community; past performance, as applicable; risk assessments, duplication of exact services from other agencies; other sources of agency funding, and presentation critique, as applicable.
- Citizen participation of public stakeholders under the Annual Action process includes one-to-one meetings, public hearings, P.R.I.D.E. (*Promoting Resident Involvement, Development and Enthusiasm*) community meetings, a special 14-day public comment period per HUD requirements, telephone conversations, and other forms of communication. The McKinney City Council will hold a public hearing to hear public comments under the Plan. All comments from the comment period and public hearing received will be submitted with the Annual Action Plan after August 15 to HUD for review. HUD will determine final approval of the Plan for the program period that begins October 1, 2017 - September 30, 2018.
- For all activities and programs undertaken in 2017-2018, the City will report performance to the public in December, 2018. The public has the opportunity to participate in activities and receive updates during the program year through periodic updates, community meetings, and direct interaction.

FINANCIAL SUMMARY:

- The City anticipates receiving an estimated allocation of \$667,906 for the program year. Federal regulation requires no more than 15% of the grant be used for public services funding, and a statutory cap of 20% of the grant be allocated for grant administration and planning. The balance of the funding is used for housing, community development and CDBG economic development activities.
- Under the statutory requirements, the public services grant program will have a

total allocation of \$100,111 in available funding for agencies. The total grant administration budget is \$133,481 and non-public services accounts for the remaining balance of \$433,817 to fund Housing and Community Development activities.

- The City anticipates approximately up to \$500,000 from carryover reallocated CDBG funds previously awarded to be used for Housing Rehabilitation and Community Development activities. The Annual Action Plan also considers use of other community development resources: Leverage of non-federal city and state resources, the City's Community Support Grant, and the use of HOME Investment Partnerships funding from the Texas Department of Housing and Community Affairs (TDHCA).

BOARD OR COMMISSION RECOMMENDATION:

- The Community Grants Advisory Commission met on June 21, 2017, to determine funding recommendations for the 2017-2018 program year.

SUPPORTING MATERIALS:

[Resolution](#)
[Substantial Amendments to the Consolidated Plan](#)
[2017-18 Annual Action Plan](#)