



22-0713

TITLE: Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving the 2022-2023 CDBG Annual Action Plan

COUNCIL GOAL: Enhance the Quality of Life in McKinney

MEETING DATE: August 2, 2022

DEPARTMENT: Housing and Community Development

CONTACT: Shirletta Best, Community Services Administrator
Janay Tieken, Housing & Community Development Director

RECOMMENDED CITY COUNCIL ACTION:

- Conduct Public Hearing and approve Resolution for the Annual Plan.

ITEM SUMMARY:

- The City of McKinney receives Community Development Block Grant funding from the U.S. Department of Housing and Urban Development (HUD) to principally benefit low-to-moderate income households and persons. The city has participated as a HUD Entitlement Community since FY 2003; activities and programs can be held city-wide to eligible beneficiaries, with emphasis of participation within census tracts 309, 308, 307 or 306.
- The city anticipates receiving an allocation of \$ 913,742 for the reporting period that begins October 1, 2022 to September 30, 2023. The city is required to complete an Action Plan for each year under the Consolidated Plan.
- The Action plan is developed with city programs and accordance under the Community Grants Advisory Commission (CGAC), which conducts public hearings and prepares funding recommendations to city council.

BACKGROUND INFORMATION:

- The Consolidated Plan, a planning document for the city, is a five-year plan, completed with public input support to help identify priority eligible housing and community development needs toward the use of CDBG funding. Annually, an Annual Action Plan for each year is created, consisting of a summary of eligible

programs and activities, with specific federal and non-federal funding resources, requirements and amendments, as such, to address those needs. HUD determines access and overall funding for the distribution of new funding for eligible communities.

- Activities for priority needs include:
Preservation of existing affordable housing through rehabilitation; expansion of affordability in housing; support for persons experiencing or at-risk of homelessness; needs related to COVID-19 and non-housing community development needs, including public services. Preparation under the Action Plan began February 2022 with the announcement of potential CDBG funds for use in October 2022 and steps for eligible agencies to apply for funds and start of city program budget preparations.
- The Consolidated Grants application process began with a non-mandatory information meeting for the public and interested applicants in February 2022, to share process requirements. Application and technical assistance support were available until March 31 and applications were due April 1, 2022. The Community Grants Advisory Commission conducted public hearings of public service agency requests and city programs on May 4 and May 5, 2022. Commissioners met May 25 to determine recommendations. HUD announced allocations nationally for all communities and the city begin preparations for public comment. The public comment period of July 3 to August 5 provides the public to participate in any additional comments until the city submits to HUD for review and final approval in August. All comments received will be included in the draft plan to HUD. The Action Plan is a part of the city's overall budget and included under the city's overall process before the new fiscal begins October 1, 2022.
- At the completion of the program year, the city will report to the public and city council the performance of how funds were used.

FINANCIAL SUMMARY:

- The primary resource to fulfill the Annual Action Plan is CDBG funding. The city will receive an FY 2022-23 allocation of \$913,742, of which only 15% of funds can be used for public services, 20% used for grant administration and the remaining distribution for housing and community development activities, including the city's housing rehabilitation program. Also, the city anticipates the use of previous approved grant funds available upon completion of the current year, that may carryover into the program year to complete housing and community development activities.

BOARD OR COMMISSION RECOMMENDATION:

- The Community Grants Advisory Commission met May 25, 2022, to determine funding recommendations to provide to the city council and the public. Funding recommendations under the action plan are within the overall city's budget and included for approval in September for the start of the city's fiscal year.

SUPPORTING MATERIALS:

[Resolution](#)

[Action Plan](#)