



# CITY OF MCKINNEY, TEXAS

## Legislation Text

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**File #:** 18-672, **Version:** 1

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Conduct a Public Hearing to Consider/Discuss/Act on a Resolution Approving the 2018-2019 Community Development Block Grant (CDBG) Annual Action Plan

**COUNCIL GOAL:** Enhance the Quality of Life in McKinney  
(5E) Develop sustainable quality of life improvements within the City of McKinney

**MEETING DATE:** August 6, 2018

**DEPARTMENT:** Housing & Community Development Department

**CONTACT:** Shirletta Best, Community Services Administrator

**RECOMMENDED CITY COUNCIL ACTION:**

- Conduct a public hearing to approve the 2018-2019 Annual Action Plan resolution for the use of CDBG funding effective October 1, 2018 - September 30, 2019.

**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, to provide decent housing, suitable living environments or expanding economic opportunities, principally for low- and moderate-income persons. 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. The 2018 allocation is \$ 758,765.
- 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 2018 -2019 Action plan is under year four of the five year 2015-2019 Consolidated Plan, a participatory process with the public. 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 Plan will be submitted to HUD for review and final approval. The program period begins October 1, 2018 to September 30, 2019.

**BACKGROUND INFORMATION:**

- The City of McKinney has participated as a HUD Entitlement Community recipient since program year (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 the months of March - April, 2018 prior to public hearing presentations. The Community Grants Advisory Commission, a 7-member volunteer group appointed by City Council, conducted public hearings on May 9 and 10th to consider funding requests from agencies and to hear proposed funding under City programs. Consideration is in accordance with 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.
- In addition to citizen participation, under the Commission, 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 30-day public comment period per HUD requirements, and an additional public hearing on July 12, 2018 to receive comments and to receive updates on the process. McKinney City Council will hold a final public hearing on the last day of the comment period. Any written comments received will be submitted with the Annual Action Plan to HUD for review. HUD will determine final approval of the Plan for the program period that begins October 1, 2018 - September 30, 2019.
- The public has the opportunity to participate in activities and receive updates during the program year through periodic updates, community meetings, and direct interaction. All activities and programs undertaken will be reported under the Consolidated Annual Performance and Evaluation Report (CAPER) in December, 2019.

#### **FINANCIAL SUMMARY:**

- The U.S. Department of Housing and Urban Development confirmed the 2018 allocation in the amount of \$758,765 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 \$113,814 in available funding for agencies under the public services statutory cap. The total grant administration budget is \$151,753 and total non-public service remaining balance is \$493,198 to fund city-funded Housing Rehabilitation 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 deliberated on May 31, 2018, to determine funding recommendations for presentation to City Council. All funds are under the city's 2018-2019 budget to be confirmed in September.