

City of McKinney
Annual Action Plan
FY 2026-2027 (PY2026) Program Year
CDBG/HOME Funding

The Consolidated Plan Annual Action Plan is a required, one-year document under the U.S. Department of Housing and Urban Development (HUD). It outlines how local governments will use funds to address affordable housing, public services, and community development needs. The Action Plan determines how funds received under the Community Development Block Grant (CDBG) and the HOME Investment Partnership Program will be utilized for the upcoming program year. It is the intent to describe programs and activities and estimate how many residents may benefit, based on priority needs under the 2nd year of the 2025-2029 McKinney Consolidated Plan, as amended. The program year begins October 1, 2026 – September 30, 2027.

The objective of the programs primarily benefits low-to-moderate income people and households. The priority activity categories include, but are not limited to Housing Services, Housing Rehabilitation, Public Services and Community Development activities eligible under CDBG. The city also receives federal funds under the HOME Partnership Program to be used to expand housing affordability. McKinney will use its funding for the Tenant Based Rental Assistance Program.

Past Performance Evaluation

Past activities have been successfully implemented under the Consolidated Plan and the prior year plan. The program also provided fair housing training for code enforcement and building inspections staff and outreach webinars for the public on tenants' rights and fair housing. This training will resume on FY26-27.

- Within the recent FY25-26 year, the public also had access to information on public services through information referrals, community partnerships and homeownership and financial literacy community day. The city's largest success was hosting a county-wide affordable housing summit for the first time that reached more than 300 attendees, including developers, government, service providers, concerned citizens and other non-governmental organizations.
- To date, seven home rehabilitation repairs have been completed. McKinney developed a home repairs citizen outreach campaign to encourage residents to participate in the housing program and resumed the Have a Heart, Give Smart reminded residents of the city's resource guide to help unhoused persons or those at-risk.
- The city assisted 10 households with Tenant Based Rental Assistance.
- The city has supported and expanded support of service providers to strengthen action steps toward homelessness and homeless prevention under the McKinney Homeless Coalition.
- Addressed fair housing or tenant rights concerns through citizen inquiries and referred information to service providers, code services or centers.

- Provided public services for residents through 5 subrecipients, serving over 600 McKinney households and persons.
- Expanded citizen engagement to over 200 residents and partners, through public education opportunities including Volunteer McKinney, Faith Based Organizations, NAREB, and other organizations with support from Neighborhood Services division on housing, homeownership, homeless prevention and program information.
- The McKinney's Housing and Community Development Department evaluated programs and adjusted program requirements to expand housing services to include subrecipients; developed additional steps and actions to draw down funds faster; and sought new partnerships for in-fill projects, acquisition and community economic development. Proposed unfulfilled opportunities are anticipated to develop in the next program year and the city will continue to work with HUD
- The city supported the McKinney Housing Authority in efforts to promote open voucher enrollment opportunities, fair housing resources and city partnerships to support expansion of affordable housing through their efforts, which aligned with the 2025-2029 Consolidated Plan.
- McKinney participated in and led its Point-Time-Count in January 2026 with support from service providers, volunteers, and city departmental support, to count over 200 unhoused people within the Collin County and Dallas report under the Continuum of Care agency, Housing Forward of Texas.
- The city developed a mobile outreach program, called SOAR (Street Outreach Assistance and Resources) led by members of the McKinney Homeless Coalition, intended to provide resources for unsheltered residents seeking assistance, and for the public to request support for unsheltered individuals they encounter in the community. Service providers provide on the ground support and there is a hotline that concerned citizens or those experiencing homeless may use to speak to a provider about support and housing needs.
- The city engaged the public on the impact on homelessness through the launch of the Better Together Initiative. The Better Together Initiative recognizes that no single group or organization can address complex social challenges alone. In fostering collaboration across public, private, and nonprofit partners, this city-led initiative hopes to build coordinated, long-term strategies that enhance community well-being and resilience. [Better Together](#)

Citizen Participation

Interested people were able to attend in-person and virtual non-mandatory meetings to learn about the application process in February and March 2026. Additionally, applicants received access to technical grant assistance for three weeks prior to the April 3 application deadline. Public input under the process included two public hearings held April 30, and May 14, 2026. The Community Grants Advisory Commission met to determine funding recommendations for City Council on June 15. The City Council will hold their public hearing of the draft recommendations under the Action Plan for August 4 at 6:00 PM at City Council Chambers, 401 E. Virginia Street,

McKinney TX 75069. Citizens may comment on the proposed funding recommendation through August 22 and at the August 4 public hearing on the draft Action Plan recommendations. All pre- and post-comments received will be provided HUD. To date, the city has received comments from the proposed subrecipients thanking the Community Grants Advisory Commission for their service and the city for supporting funding to assist McKinney residents in need.

The city will conduct two public hearings in September for the entire city budget for FY 2026-2027, which includes federal funding. HUD will have final approval of the proposed draft Annual Action Plan. HUD will review the plan with comments and once approval has been determined, the plan will become final for next steps under the program year.

Funding Resources

The City of McKinney anticipates receiving an allocation of \$1,009,609 through the CDBG program for the program year. No program income is anticipated to be received during the program year. Funding will be distributed to public service agencies for eligible activities, 15% of the statutory cap under the grant. For grant administration, 20% of the grant under the statutory cap will be used to manage and administer the program, including support for grant administration, reporting, supplies, training, notices, citizen participation and federal cross-cutting requirements. The remaining 65% of the grant will be used for eligible program delivery and Housing Activities, including Housing Rehabilitation.

Any remaining funds from past grants, including completion of the current year estimated up to \$1,141,724 will be redesignated additional eligible Housing and Community Development Programs, including Community Economic Development, Acquisition, and Infrastructure. One public service agency was unable to fulfill its agreement in the amount of \$15,000 under the FY 25-26 program year. The year-end report from the City of McKinney will amend the FY 25-26 Annual Action Plan and reflect those funds to be incorporated within the next program year, as available.

All funds are used to impact the benefit of services to low-to-moderate income people and households within McKinney city limits. No funding is anticipated or will be used for the displacement of households. Under grant administration, the city will also continue to develop public education opportunities and outreach to share with the public information regarding its programs, Fair Housing, and other efforts to benefit LMI residents.

For the HOME Investment Partnerships Program (HOME), the city expects to receive the allocation of \$374,215.62 for the program year with Tenant Based Rental Assistance.

Proposed Program Year 2026-2027 funds to be used as follows:

<u>CDBG 26 Allocations</u>	
CASA of Collin County	\$ 29,285.71
Hope's Door New Beginnings	\$ 25,000.00
Meals on Wheels	\$ 25,063.00
The Salvation Army McKinney Corps	\$ 10,000.00
The Samaritan Inn	\$ 30,378.00
Wellness Center for Older Adults	\$ 11,000.00
Housing Rehabilitation Program	\$ 656,247.00
Grant Administration	\$ 201,921.00
Total:	1,009,609.00
Amended previous funds as available reallocated for housing and community development (NTE)	
	\$ 1,141,724.00
<u>HOME 26 Allocation</u>	
Tenant Based Rental Assistance	\$ 374,215.62

Priorities and goals under the HOME Investment Partnerships program

- The city will use the HOME funding allocation to benefit McKinney residents under its Tenant Based Rental Assistance Program (TBRA). Estimated goal of 8 persons to be served, including those that may be disabled or have special needs.

The program is under the Cranston-Gonzales National Affordable Housing Act of 1990 and may provide funding to support and expand affordable housing. A portion of the funds must be set aside for community housing development organizations (CHDOs), certified by the City of McKinney. The city is and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Priorities and goals under the city's CDBG program will include, but not limited to:

- *Preservation and expansion of safe, decent affordable housing through the Housing Rehabilitation Program of existing residential property for eligible applicants.* This will include small to reconstruction repairs, emergency repairs or weatherization. Funding support may include current program funds and available funds from previous program years, when current funds are exhausted. The program is city-wide, with a priority within census tracts 309, 308, 307 and 306. A minimum of eight (8) homeowner properties assistance during the year. Reallocated funding may include expanding or improving housing that can include acquisition, lead-based paint remediation, and repairs and other eligible CDBG funding to support housing affordability. carried over from the current year for completion in the program year.

- *Support and assistance to public service agencies, eligible under the program to serve McKinney low-to-moderate income people and households.* Overall, support will include program delivery with direct services under areas that may include, but not limited to homeless prevention, case management, senior services, childcare, services to assist homeless shelter residents, counseling and services to assist domestic violence victims, food banks and abused or neglected children with required court-appointed support. It is anticipated that funded agencies will leverage CDBG resources to assist over 500 eligible persons or households in the program year.
- Support to non-housing activities, which include completion of community development activities previously approved by city council and HUD approved in the current year and estimated for carryover for completion in the program year.
- *Educational Outreach Services.* The city continues to provide public education under fair housing and program services through community partnerships and organization of workshops, or informational fairs. Within the program year, the city will continue to provide fair housing information sessions for the public and staff training; community information fairs on public services and other areas including homeownership, emergency assistance, and fair lending; participation in annual community partnership activities and events; regional participation through partnerships to be informed of trends, changing demographic and other items that may have impact within the city and county; and also seeking and responding to public input on community needs.

CDBG Programs and Activities – PY 2026 Distribution

CASA of Collin County

Program staff support for supervision of the court-appointed volunteer advocate program to assist abused and neglected McKinney children. Citation: 24 CFR 570.201(a)208(a)(2)(A).

Hope's Door dba Hope's Door New Beginning Center

Funds used for program support to benefit McKinney domestic violence victims with counseling and life management skills. Regulatory citation 24 CFR 570.201(a)208(a)(2).

Housing Rehabilitation Program

Funding may be used for activity program delivery and direct services to support eligible owner-occupied applicants with rehabilitation, home repairs, lead-based paint remediation, weatherization, emergency repairs, or other housing services such as smoke detectors, handicapped accessibility, or other eligible activities. Locations are currently unknown and require site inspections for clearance to conduct repairs.

Citation: 24 CFR 570.202,208(a)(1)(3)570.201(f)(ii).

Meals on Wheels of Collin County

Program support in the delivery of providing weekday and weekend meal services to eligible McKinney senior citizens, 62 years and older. Regulatory Citation: 24 CFR 570.201(a)208(a)(2).

Salvation Army – McKinney Corps

Program delivery and resources to McKinney residents in their food bank at the McKinney Corps location to eligible low-income residents. Regulatory Citation: 24 CFR 570.201(a)208(a)(2).

Samaritan Inn

Support for shelter residents; services to include case manager support, financial education, career development and childcare support toward sessions to provide preparation for stability. Program delivery will be used to pay portions of staff support. Regulatory Citation: 24 CFR 570.201(a)208(a)(2).

Wellness Center for Older Adults

Funding will be used to provide program services to senior citizens in McKinney, aged 62 years and older. Regulatory citation 24 CFR 570.201(a)208(a)(2).

Grant Administration

Administration of entire CDBG program and activities, including related costs in providing support and working to ensure programs are enacted including, oversight, training, monitoring, program admin and planning, public education and outreach, fair housing activities, legal notices, supplies. Citation: 24 CFR 570.206(a)(b)(c). 20% statutory cap.

Amended Reallocated CDBG Funding

CDBG-CV Funding (CARES Act)

Separate approved eligible administration and public services under CDBG-CV not to exceed the estimated available balance carryover upon completion of the current year, distributed to prevent and respond to impacts under the Coronavirus. Eligible use for housing and public services. Not to exceed the remaining balance of \$8,417 and will be fully expended by November 10, 2026.

Housing and Community Development Activities

Funding may include the preservation or expansion of affordable housing and other eligible community development eligible citywide with program emphasis within census tracts 309, 308, 307 and 306, approved by city council and HUD in past program years. Activities will be carried out by the grantee or subrecipients and subject to required regulatory and federal cross-cutting requirements.