



**23-0990**

**TITLE:** Conduct a Public Hearing to Consider/Discuss on an Update of the Community Development Block Grant (CDBG) Consolidated Annual Performance Evaluation Report (CAPER), Program Year 2022-23

**COUNCIL GOAL:** Enhancing the Quality of Life in McKinney

**MEETING DATE:** December 5, 2023

**DEPARTMENT:** Housing and Community Development

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

**RECOMMENDED CITY COUNCIL ACTION:**

- Conduct a Public Hearing to Consider/Discuss the City's performance report of the Community Development Block Grant (CDBG) prior to submittal to the U.S. Department of Housing and Urban Development (HUD) for final approval.

**ITEM SUMMARY:**

- The city's fiscal year and reporting period begins October 1 - September 30. CDBG regulations require grantees to submit a year-end report known as the Consolidated Annual Performance Evaluation Report (CAPER) to evaluate performance within program requirements. The report includes the following information into HUD systems:
  - The assessment of program goals, objectives, and funding activities.
  - Discussion of city actions and activities on affirmatively furthering fair housing.
  - Continuum of Care actions under the city and the Collin County area on homelessness and prevention; Public Services and Housing activities
  - Public Housing initiatives and activities that support affordable housing from other agencies; Examples of compliance with program and planning requirements; and
  - Self-evaluation of performance and citizen participation

**BACKGROUND INFORMATION:**

- The City is required to submit an Annual Action Plan for acceptance of CDBG

funds to determine and state how funds will be used. City Council approved the plan in August 2022 and HUD accepted the plan the following month. The CAPER is a year-end report detailing performance and activities of the Annual Action Plan, during the reporting period of October 1, 2022 - September 30, 2023. reports on program grant performance.

- All activities must meet the overall requirement of using at minimum 70% or greater of all funds to benefit low-to-moderate income (LMI) persons. The CDBG program leverages community development resources to predominately benefit eligible low-to-moderate income persons and households, which is a national objective of the CDBG program.
- CDBG funding assisted McKinney 12 eligible low-to-moderate income homeowners with housing rehabilitation repairs; expanded economic development opportunities through small business, minority and women owned contractors. The Public Services portion of the CDBG program provided the following resources through nonprofit agencies: *The Samaritan Inn* - provided case management services to assist homeless shelter residents and families; *CASA of Collin County* - provided court-appointed assistance to abused and neglected children; *Communities in Schools* provided academic and life skills assistance to elementary school-aged at-risk youth at Caldwell Elementary and *Hope's Door New Beginnings* provided counseling and survivor services to domestic violence victims. One agency, Salvation Army, was not able to continue service delivery during the program year. Those funds will be amended in the future and reallocated to the housing program.
- The city affirmatively furthered fair housing through public education, outreach, and housing activities. Grant administration provides support of the CDBG overall program, including public education, monitoring, and outreach. The City published notice and held a 15-day period for public comments, ending December 6, 2023; comments received will be included in the final submittal to HUD for review.

#### **FINANCIAL SUMMARY:**

- The City of McKinney received the PY 2022 CDBG allocation of \$ 913,742; funding was used under public services, housing rehabilitation, and grant administration. Under CDBG statutory program regulations, the city cannot exceed 20% of its total allocation on grant administration (\$182,748) and no more than 15% of the allocation can be used for public services (\$137,061) The financial report reflects the city did not exceed any statutory caps. Previous years funding was used in part to support the rehabilitation program. Funds approved from previous program years were approved and reallocated back into the housing rehabilitation program.
- The city's CDBG program was charged \$1,249,413.96 and was reimbursed \$1,247,537.39 in HUD funds within the program year, a combination of the allocation and previously available funds. HUD will review financial and program performance for final compliance. The city's self-evaluation has determined it has met program requirements to benefit low-to-moderate residents of McKinney.

□ Total Expenditures Less - Total reimbursed from another source or not eligible under CDBG □ Total Eligible for HUD Reimbursement \$ 1,249,413.96 \$ 1,876.57 \$ 1,247,537.39 □

**SUPPORTING MATERIALS:**

[CAPER](#)

[Drawdown Report](#)