

Date: July 17, 2023

To: Mark Israelson, City Manager

From: Shanette Eaden, Housing and Community Services Manager

Subject: 2023-24 City of Plano Action Plan

Background:

The U.S. Department of Housing and Urban Development (HUD) requires the City of Plano to submit a Consolidated Plan that proposes goals and objectives for the use of estimated HUD funds allocated to the City of Plano over the five-year consolidated plan period. Each year of the five-year Consolidated Plan period begins with the submission of an annual Action Plan to HUD using the required reporting format. The annual Action Plan report conveys the following to HUD:

- a brief summary of the most recent completed Action Plan year;
- a list of proposed activities that the City will undertake with HUD allocated funds; and,
- general activities that the City will engage in to assist low-to-moderate income residents.

Overview:

The City of Plano is currently in the 2022-2023 Action Plan Grant Year, which is year three of the five-year 2020-2024 Consolidated Plan. However, this Action Plan represents the upcoming 2023-2024 Action Plan Grant Year, which is year four of the five-year Consolidated Plan, that begins October 1, 2023. The 2023-2024 Action Plan report includes the following:

- 1) Performance outcomes from the most recently completed 2021 Grant Year that ended September 30, 2022, which is grant year two of the five-year consolidated plan;
- 2) Proposed uses for HUD funds during Grant Year 2023-24, which is grant year four of the five-year consolidated plan that begins on October 1, 2023; and,
- 3) Other actions or activities that the City of Plano will engage in to assist low-to-moderate income residents.

The Neighborhood Services Department's Community Services Division has a total of \$2,348,692 in federal funds and program income to be allocated during fiscal year 2023-24. Of these funds, \$90,756 in Home Investment Partnerships Program (HOME) funds was not allocated due to the lack of submission by a qualified Community Housing Development Organization. An additional \$134,974 in Community Development Block Grant (CDBG) and \$226,008 in HOME funds was not allocated. These funds may be allocated during fiscal year 2023-24 and 2024-25 to eligible activities.

The total breakdown of expected funding is as follows:

Funding Source	Amount
CDBG (2023)	\$ 1,479,652
Estimated CDBG Program Income (2023)	\$ 100,000
CDBG (2022)	\$ 67,000
CDBG (2021)	\$ 77,000
HOME (2023)	\$ 605,040
Estimated HOME Program Income (2023)	\$ 20,000
Total Federal Funding	\$ 2,348,692

The Community Relations Commission (CRC) has recommended the programs outlined below to receive federal funding:

City of Plano Grant Administration	\$ 356,434
City of Plano Housing Rehabilitation	\$ 1,134,546
City of Plano First Time Homebuyer	\$ 8,000
City of Plano Homelessness Prevention Program	\$ 122,000
Texas Muslim Women's Foundation	\$ 33,072
Samaritan Inn	\$ 55,120
City House	\$ 13,318
The Family Place	\$ 13,438
My Possibilities	\$ 116,026
Habitat for Humanity of Collin County	\$ 45,000
Required HUD CHDO Set-Aside	\$ 90,756

HUD funds must be used to meet the goals set forth in the City's 2020-2024 Consolidated Plan, which was approved by City Council on March 23, 2020. Annually, HUD requires the submission of an Action Plan that explains programs and activities to be undertaken within the upcoming year to meet the City's Consolidated Plan goals.

Public services can be funded through CDBG, but are limited to 15% of the total CDBG entitlement funds and the prior year's program income. Public services are defined as activities directed toward improving community services, including but not limited to: employment services, crime prevention, public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, services for senior citizens and homeless persons, welfare services and recreational services. The 2023-24 CDBG public service grant amount is budgeted at \$236,948, which is at the maximum 15%.

Likewise, activities related to providing housing for low-to-moderate income households may be funded with HOME funds. A minimum of 15%, or \$90,756, of the HOME funding allocation must be set aside for a Community Housing Development Organization (CHDO). An application for this set-aside funding was not submitted; therefore, these funds were not allocated for the 2023-24 Grant Year. These funds will be allocated during the 2024-25 grant process.

Next Steps:

If approved, the City Manager will make application for the use of HUD funds for the 2023-2024 fiscal year. The Buffington Community Services Grant (BCSG) funding recommendations will be presented at the August 17, 2023 City Council budget work session.

CC: Sam Greif, Deputy City Manager
Lori Feild Schwarz, AICP, Director of Neighborhood Services