



AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

CM/ DCM/ ACM: Christine Taylor, ACM

DATE: May 2, 2025

SUBJECT

Consider approval of recommendations to City Council regarding the 2025-26 Community Development Grant Program.

BACKGROUND

The Community Development Grant funds are awarded through the Community Services Advisory Committee (CSAC) review process that includes an application followed by recommendations to City Council from the committee. A total of twenty-nine (29) eligible grant applications were received by the application deadline on January 17, 2025, and chose to complete the application process, from eligible non-profit organizations and city departments totaling \$2,741,236.00 for the 2025-2026 program year. A breakdown of applications received by application type is included below:

- Human Services – 24 applications totaling \$1,548,643.00
- Housing Projects – 3 applications totaling \$924,590.00
- Public Facility Projects – 2 applications totaling \$268,003.00

North Texas Solutions for Recovery notified staff that the organization will stop providing services at the end of April 2025. Their request has been removed from the meeting details.

Based on the Community Development Grant applications and funding priorities, the CSAC will give staff direction regarding the development of funding recommendations for the use of Community Development Block Grant (CDBG) funds, HOME Investment Partnerships Program (HOME) funds and General Fund (GF) dollars.

CDBG funds can be awarded to fund a wide range of community development activities such as acquisition of real property, relocation and demolition, rehabilitation of residential and non-residential structures, construction of public facilities, and economic development activities. Each activity must meet one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development urgent needs for which other funding is not available.

The CDBG funding for public (social) services is capped by federal guidelines at 15% of the total CDBG allocation. This is estimated to be \$152,257.00 of the total allocation in Program Year 2025-2026. GF dollars are used to support human services activities that are not funded through CDBG. This is estimated to be \$377,955.00 in GF to be awarded to social service programs providing needed services to City of Denton residents.

HOME funds can be awarded to fund a wide range of housing activities, including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. The HOME grant requires that at least fifteen (15) percent of the HOME funds must be undertaken by a special type of non-profit called a Community Housing Development Organization (CHDO). The application from Denton Affordable Housing Corporation is for CHDO funding, and the minimum amount that must be provided is 141,597.70 for two years since CHDO funds were not allocated last year for the 2024-2025 grant allocation. The amount is based on the estimated 2024-2025 grant allocation.

The total CDBG, HOME and General dollars available for applications is \$2,426,043.09 for the 2025-2026 funding year.

Source	Estimated Amount*
Community Development Block Grant Funds	\$919,616.26
HOME Investment Partnerships Program	\$1,128,471.83
General Funds	\$377,955.00
TOTAL	\$2,426,043.09

**CDBG and HOME funding amounts are estimates based on previous year funding from the U.S Department of Housing and Urban Development (HUD). Notifications of FY25 CDBG and HOME allocations from HUD are expected by May 15, 2025. General Fund allocations are subject to final consideration and approval of City Council.*

RECOMMENDATIONS

In the previous agenda item, the committee discussed the funding recommendations based on committee priorities. The CDBG, HOME and General Fund funding recommendations will be included in the City's annual Action Plan for Housing and Community Development that will be provided to City Council in June 2025. Upon approval from City Council, the annual Action Plan for Housing and Community Development will be submitted to the U.S. Department of Housing and Urban Development (HUD) in August 2025.

The committee will proceed with funding recommendations according to their regular schedule. As with every year, approval of committee funding recommendations will be contingent on funding allocations from the U.S. Department of Housing and Urban Development (HUD) and City Council approval. Funding updates will be provided to applicants and committee members as they are available.

Staff are seeking the committee's approval of a recommendation to the City Council regarding the Community Development Grant Program funding for the FY 2025-2026.

ESTIMATED SCHEDULE OF PROJECT

2025-2026 Community Development Grant Program Application Timeline

Proposed Activity	Date
Applications Due	January 17, 2025
CSAC Funding Hearings	March 14, 2025
CSAC Funding Recommendations	May 2, 2025

Development of Action Plan	May 2025
30-day Comment Period on Action Plan	June 2025
City Council and Public Hearing	June 17, 2025
City Council considers approval of Action Plan	July 22, 2025
Submission of Action Plan to HUD	August 15, 2025
Start of 2025-2026 Grant Contracts	October 1, 2025

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 – Grant Application Summary Details

Respectfully submitted:
Courtney Douangdara
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Prepared by:
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