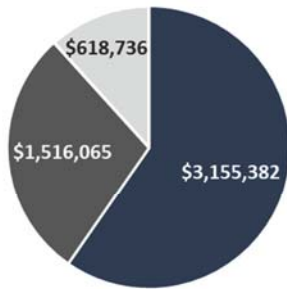


2020-2022 CONSOLIDATED PLAN & 2020 ACTION PLAN

... for housing and community development

SUBSTANTIAL AMENDMENT #1 TO 2021 ACTION PLAN

EXPECTED 3-YEAR FUNDING AMOUNT 2020-2022



■ CDBG
■ HOME
■ CBDG-CV



-  Affordable Housing
-  No Hunger
-  Good Health and Well-being
-  Family Stability
-  Special Needs
-  Making Homelessness Rare, Brief, and Nonrecurring
-  Transportation Access
-  Economic Security

STRATEGIC & ACTION PLAN PRIORITIES

| HOUSEHOLDS | PRIORITY |
|------------|--|
| 123 | AFFORDABLE HOUSING |
| 7,560 | MAKING HOMELESSNESS RARE, BRIEF, & NONRECURRING |
| 4,500 | PUBLIC SERVICES |
| 24,000 | PUBLIC FACILITIES, IMPROVEMENTS & INFRASTRUCTURE |
| | PLANNING & ADMINISTRATION |

A REPORT FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Community Development Block Grant (CDBG) Program
HOME Investment Partnerships (HOME)

EXECUTIVE SUMMARY

This document serves as the City of Denton's 2021 Substantial Amendment #1 for the 2021 Action Plan for Housing and Community Development.

In the allocation of HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds for the 2021-22 program year, a total of eight (8) grant applications were received from eligible non-profit organizations and city departments totaling \$1,892,848.

Based on eligible uses, the grant applications, the applicant presentations, and funding priorities, the previous Community Development Advisory Committee (CDAC) made funding recommendations on March 19, 2021. On June 22, 2021, City Council awarded HOME and CDBG grant funds for the 2021 program year as part of the *City of Denton 2021 Action Plan for Housing and Community Development* (Exhibit 2)

CDBG Grant

Included in the CDBG projects, \$402,327 was approved for the Grace Like Rain (GLR) Love First Housing Project for pre-development costs. Staff met with GLR to discuss the project contract provisions. Discussions included the organization's current fundraising efforts for the construction costs seeking assurance that funding is committed as needed for construction. After these meetings with GLR staff and executive board members, GLR notified the City on October 29, 2021 that the organization will cancel the 2021-22 GLR Housing Project for pre-development costs for the Love First Housing Project. GLR shared that the organization will first concentrate on fundraising activities for the construction of the project and will reapply for CDBG assistance for the pre-development costs for the project later.

The City now has \$402,327 in unprogrammed CDBG funds available for reallocation through a substantial amendment to an eligible project. Staff sought direction from the Community Services Advisory Committee (CSAC) regarding the unprogrammed funds from the canceled GLR project.

The CSAC recommend to City Council the allocation of funds from the canceled GLR project be allocated to the DCFOF Family Justice Center Project through a substantial amendment to the 2021 Action Plan.

HOME Grant

Included in the HOME projects, \$100,000 was approved for the Denton Affordable Housing Corporation (DAHC) to acquire newly constructed rental units. DAHC's rental units are rented to low and moderate-income renters. DAHC is a certified Community Housing Development Organization (CHDO), a private nonprofit, community-based organization with staff capacity to develop affordable housing for the community it serves. To qualify for designation as a CHDO, DAHC must meet specific requirements about its legal status, organizational structure, and capacity and experience. On an annual basis, the City of Denton is required under the HOME rules to allocate a minimum of fifteen percent (15%) of the City's HOME allocation to a designated CHDO for various affordable housing programs.

Due to the continued increase in housing costs, DAHC has not been able to purchase newly constructed rental units under the HOME maximum limits. According to the HOME Investment Partnership Program (HOME), the maximum purchase price for existing homes in Denton is \$261,000 and \$272,000 for a newly constructed home. The homes that DAHC was considering purchasing were above the HOME maximum limits and not eligible for HOME funding.

DAHC submitted a request on January 20, 2022, to change the use of the 2021 HOME funds of \$100,000 from the acquisition of newly constructed rental units to the rehabilitation of existing rental units. DAHC and the City of Denton have inspected, and prepared costs estimates for at least two rental properties ready for rehabilitation with the 2021 HOME funds.

The CSAC recommend to City Council the change of use for the 2021 HOME funds for DAHC from newly constructed rental units to the rehabilitation of rental units through a substantial amendment to the 2021 Action Plan.

CITIZEN PARTICIPATION

The 2020-23 Citizen Participation Plan was followed on the 2021 Action Plan Substantial Amendment #1. A notice on the Substantial Amendment #1 was posted in the Denton Record Chronicle on Sunday, February 27, 2022. The affidavit of publication is included in Attachment 1. The notice provided a summary of the amendment and a 30-day comment period from February 28, 2022 through March 29, 2022. A summary of the amendment was posted on the Community Development webpage. A notice was sent out through Constant Contact to interested citizens, previous clients, committee members, local churches, participating lenders and realtors, neighborhood associations, and social services agencies. Staff also worked with Public Affairs to post information on the amendment on social media. One comment was received during the 30-day comment period that was accepted by the City of Denton. Below is the comment received:

"I was very interested to read the amendment and to explore Community Services' website and educate myself about what the city is doing in the areas of affordable housing and homelessness. The amendment(s) seem perfectly reasonable and should be approved. The CDBG one simply moves money from one organization to another organization to do the same thing: work toward providing 78 emergency shelter units and 10 transitional housing units. And Friends of the Family is certainly well equipped to take on this project. The HOME funding shift also seems reasonable in light of the surge in housing prices in the city. Thanks for the opportunity to contribute my opinion."

AP-20 Annual Goals and Objectives

Goals Summary Information

| Sort | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | CDBG/HOME Funding | Goal Outcome Indicator |
|------|---|------------|----------|--------------------|--------------------|---|-------------------|---|
| 1 | Affordable Housing | 2020 | 2022 | Affordable Housing | Denton City Limits | Affordable Housing | HOME: \$100,000 | Rental units Rehabilitated: 2 Household Housing Unit |
| | Making Homelessness Rare, Brief, and Nonrecurring | 2020 | 2022 | Homeless | Denton City Limits | Making Homelessness Rare, Brief, and Nonrecurring | CDBG: \$402,327 | 78 Emergency Shelter Units 10 Transitional Housing Units |

Table 60 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|---|
| 1 | Goal Name | Affordable Housing |
| | Goal Description | Support the provision of quality housing by increasing the availability/accessibility of affordable housing. The City will address the priority need by funding activities including: Home Repair Programs; Homebuyer Assistance Programs; new construction of affordable housing; homelessness prevention (non-HOME rental assistance); rapid re-housing; and supportive services. |
| 2 | Goal Name | Making Homelessness Rare, Brief and Nonrecurring |
| | Goal Description | <p>The City is providing support for the community’s Collective Impact Project, the Denton County Homelessness Leadership Team that seeks to:</p> <ol style="list-style-type: none"> 1. Increase leadership, collaboration, and engagement, with a focus on providing and promoting collaborative leadership at all levels of government and across all sectors 2. Strengthen the housing crisis response system’s capacity to implement and successful interventions to make Homelessness Rare, Brief and Nonrecurring. 3. Increase access to housing, by providing emergency, affordable housing and permanent supportive housing. 4. Increase economic security, by improving access to education and increasing meaningful and sustainable employment and improving access to mainstream programs and services to reduce financial vulnerability to homelessness. |

Projects

The City of Denton completed a substantial amendment to the 2021 Action Plan for Housing and Community Development. The amendment reallocated \$402,327 in Community Development Block Grant (CDBG) funds from the Grace Like Rain Love First Housing Project. Grace Like Rain canceled this project. The \$402,327 in CDBG funds will be reallocated to the Denton County Friends of the Family Justice Center for assistance with pre-development costs. Denton County Friends of the Family (DCFOF) is developing a Family Justice Center with emergency shelter, transitional housing, and supportive services to assist those impacted by rape, sexual abuse, and domestic violence. The DCFOF project is consistent with the City's Consolidated Plan for housing and Community Development goal for Making Homelessness Rare, Brief, and Nonrecurring for an identified special population impacted by rape, sexual abuse, and domestic violence. Additional information on the Denton County Friends of the Family Justice Center project is included below.

The substantial amendment also changed the use of \$100,000 in HOME funds. In 2021, \$100,000 in HOME Investment Partnership Grant (HOME) funds was allocated to the Denton Affordable Housing Corporation (DAHC) to acquire newly constructed rental units. However, due to increasing housing costs, the \$100,000 in HOME funds will change to rehabilitate DAHC rental units. The DAHC project is consistent with the City's Consolidated Plan for Housing and Community Development goal for the preservation of affordable housing. Additional information on the DAHC Rental Rehabilitation Program is included below.

AP-38 Project Summary

Project 1 Summary Information

| | | |
|----------|--|---|
| 1 | Project Name | DAHC Rental Rehabilitation Program |
| | Target Area | Denton City Limits |
| | Goals Supported | Affordable Housing |
| | Needs Addressed | Affordable Housing |
| | Funding | HOME \$100,000 |
| | Description | Rehabilitation of DAHC rental units. DAHC's rental units are rented to low and moderate-income renters. |
| | Target Date | 07/01/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | <u>2 housing units</u> |
| | Location Description | City Wide |
| | Planned Activities | HOME funds will be used to rehabilitate rental units. |

Project 2 Summary Information

| | | |
|----------|--|--|
| 2 | Project Name | Denton County Friends of the Family Justice Center |
| | Target Area | Denton City Limits |
| | Goals Supported | Making Homelessness Rare, Brief and Nonrecurring |
| | Needs Addressed | Homeless |
| | Funding | CDBG \$402,327 |
| | Description | Assistance with pre-development costs for construction of the Justice Center that will include emergency shelter, transitional housing, and supportive services to assist those impacted by rape, sexual abuse, and domestic violence Project to be carried out by Denton County Friends of the Family, a local nonprofit. |
| | Target Date | 06/01/2022 |
| | Estimate the number and type of families that will benefit from the proposed activities | 78 emergency shelter (non-congregate) units 10 transitional housing units |
| | Location Description | City Wide |
| | Planned Activities | Assistance with pre-development costs that include civil engineering construction plans, architectural schematic design, platting documents, roadway impact fees, park fees, and water and sewer impact fees. |

Attachment 1: Citizen Participation Supporting Documents

1. Denton Record Chronicle Public Notice



PUBLIC NOTICE

SUBSTANTIAL AMENDMENT TO 2021 ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

The City of Denton completed a substantial amendment to the 2021 Action Plan for Housing and Community Development. The amendment reallocated \$402,327 in CDBG funds from the Grace Like Rain Love First Housing Project. Grace Like Rain canceled this project. \$402,327 in CDBG funds will be reallocated to the Denton County Friends of the Family Justice Center for assistance with pre-development costs.

The substantial amendment will also change the use of \$100,000 in HOME funds. In 2021, \$100,000 in HOME funds was allocated to the Denton Affordable Housing Corporation (DAHC) to acquire newly constructed rental units. However, due to increasing housing costs, the \$100,000 in HOME funds will change to rehabilitate DAHC rental units.

The City of Denton will follow the 2020 Citizen Participation Plan for the substantial amendment that requires publication of the plan, a 30-day comment period, and City Council approval.

**The City of Denton will be accepting comments from
Feb. 28 to Mar. 29
on the substantial amendment to the 2021 Action Plan.
Citizens may review the report online at
www.cityofdenton.com/communitydevelopment.**

Any comments regarding the amendment may be submitted in writing to the Community Services by faxing (940) 349-7753, by emailing CommunityDevelopment@cityofdenton.com or by calling (940) 349-7726.

ADA/EOA/ADEA | TDD (800) 735-2989 | Pub 02/2022
www.cityofdenton.com



2. Social Media

A blue rectangular graphic with a white speech bubble at the top center containing the text "WE NEED YOUR INPUT" in red. Below the speech bubble, white text provides information about proposed changes to the 2021 Action Plan for housing and community development. The graphic is decorated with small white and red triangles scattered across the blue background. At the bottom, there is a black bar with white text providing contact information and the date 02/22.

WE NEED YOUR INPUT

The City of Denton's Community Services division is proposing changes to the 2021 Action Plan for housing and community development and we need your input.

To view the proposed changes and provide comment, visit www.cityofdenton.com/communitydevelopment.

Comments will be accepted from February 28 through March 29.



City of Denton | ADA/EOA/ADEA | TDD (800) 735-2989 | www.cityofdenton.com | 02/22

A blue rectangular graphic with a white speech bubble at the top center containing the text "WE NEED YOUR INPUT" in red. Below the speech bubble, white text provides information about proposed changes to the 2021 Action Plan for housing and community development. The graphic is decorated with small red triangles scattered across the blue background. At the bottom, there is a black bar with white text providing contact information and the date 02/22.

WE NEED YOUR INPUT

The City of Denton's Community Services division is proposing changes to the 2021 Action Plan for housing and community development and we need your input.

To view the proposed changes and provide comment, visit www.cityofdenton.com/communitydevelopment.

Comments will be accepted from February 28 through March 29.



City of Denton | ADA/EOA/ADEA | TDD (800) 735-2989 | www.cityofdenton.com | 02/22