



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

CM/ DCM/ ACM: Christine Taylor, Assistant City Manager

DATE: October 14, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton authorizing the City Manager to execute a funding agreement between the City of Denton and the Denton Affordable Housing Corporation; to expend HOME Investment Partnership Program funds for operating expenses; authorizing the expenditure of funds in an amount not to exceed \$46,711.59 and providing an effective date.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Foster Economic Opportunity and Affordability.

DISCUSSION

On May 2, 2025, the Community Services Advisory Committee (CSAC) finalized their recommendations to City Council for the 2025 Action Plan. All projects and programs to be approved by The Department of Housing and Urban Development (HUD) under the 2025 Action Plan are funded through Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and program income from the use of these funds. In addition to federal funds, the City Council allocates General Fund dollars to provide grants for social service agencies. The following narrative describes the recommendations from the CSAC for estimated federal and general fund dollars available for the 2025-26 program year. **(Exhibit 2)**

The Denton Affordable Housing Corporation (DAHC) is a locally certified Community Housing Development Organization (CHDO). The HOME Investment Partnership Program (HOME) requirements state that 15 percent of a participating jurisdiction's funding must be allocated to CHDO-administered programs. On an annual basis, the City of Denton allocates a minimum of 15 percent of the City's HOME allocation to DAHC for various affordable housing programs. Up to five percent of a participating jurisdiction's fiscal year HOME allocation may be used for the operating expenses of CHDOs. This amount is in addition to amounts set aside for housing projects that are owned, developed, or sponsored by CHDOs.

A portion of this year's HOME allocation will provide DAHC with \$46,711.59 of funding for operating expenses. The 2024 and 2025 HOME funds will be reimbursed to DAHC as costs are documented, reviewed, and approved by Community Development staff.

HOME Project Funding

Funding for HOME projects is included in the 2025 Action Plan for Housing and Community Development for program year October 1, 2025, through September 30, 2026. City Council approved the 2025 Action Plan for Housing and Community Development with Ordinance No. 25-193, on July 22, 2025. The U.S. Department of Housing and Urban Development (HUD) approved the Action Plan in September 2025, and funds will become available in October 2025.

Service Agreement

This Service Agreement establishes the agreement between the City and the agency regarding the total allocation of funding along with responsibilities, eligible activities, performance measures, and duration of the agreement. (**Exhibit 3**).

OPTIONS

- Approve the funding agreement
- Do not approve the funding agreement

RECOMMENDATION

- Approve the funding agreement.

ESTIMATED SCHEDULE OF PROJECT

- City Council Approves Funding Agreements – September 30, 2025
- Agency initiates and completes the scope of work, request reimbursement for eligible activities – October 1, 2025, through September 30, 2026
- Community Services staff monitors agencies for compliance through monthly reporting requirements and onsite inspection until September 2026.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – 2025-26 CSAC Funding Recommendations and Descriptions

Exhibit 3 – Agency Ordinance-Agreement

Respectfully submitted:
Jesse Kent
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