



## AGENDA INFORMATION SHEET

**DEPARTMENT:** Community Services

**CM/ DCM/ ACM:** Frank Dixon, Assistant City Manager

**DATE:** May 2, 2023

### **SUBJECT**

Receive a report, hold a discussion, and give staff direction regarding funding recommendations from the Community Services Advisory Committee (CSAC) for the proposed activities to be included in the 2023-2027 Consolidated Plan for Housing and Community Development and 2023 Action Plan.

### **STRATEGIC ALIGNMENT**

This action supports Key Focus Area: Strengthen Community and Quality of Life.

### **BACKGROUND**

As a recipient of Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) program funds, the City of Denton is required to submit a three or five-year Consolidated Plan for Housing and Community Development (ConPlan) and an annual Action Plan to the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan measures community need, identifies goals for meeting those needs and develops strategies for meeting those goals.

Annual Action Plans are developed based on the strategies outlined in the Consolidated Plan and provide a description of how the funds will be allocated each program year. The annual Action Plan is reviewed and approved by City Council and then submitted to HUD.

The Community Services Advisory Committee (CSAC) advises the City Council on programs, services, and use of public resources to address complex social problems such as economic instability, housing, homelessness, and meeting community service needs. The CSAC reviews applications for the Community Development Grant Program and makes funding recommendations to Denton City Council which includes distribution of local (General Fund) and federal (CDBG and HOME) sources of funding.

### **DISCUSSION**

#### **2023-2027 CONSOLIDATED PLAN**

Community Services is currently finishing the 2023-27 ConPlan and today's presentation provides federal funding recommendations for 1<sup>st</sup> year of the plan. The draft 2023 Action Plan for the Program Year from October 1, 2023 through September 30, 2024, represents the first in the City's five-year strategy.

#### **ELIGIBLE ACTIVITIES**

Eligible activities include housing development, rehabilitation and preservation; improving community facilities and neighborhood infrastructure; public services; economic development; planning; and program administration. Activities highlighted in the table below indicate activities prioritized in the City's ConPlan and Action Plan: Public Facilities and Improvements, Social (Human) Services, Affordable Rental Housing and Homeownership Assistance.

CDBG	HOME
<ul style="list-style-type: none"> <li>■ Acquisition</li> <li>■ Public Facilities and Improvements</li> <li>■ Demolition and Clearance</li> <li>■ Social Services (15% cap)</li> <li>■ Housing Programs</li> <li>■ Economic Development</li> <li>■ Historic Preservation</li> <li>■ Code Enforcement</li> <li>■ Removal of Architectural Barriers</li> </ul>	<ul style="list-style-type: none"> <li>■ Affordable Rental Housing</li> <li>■ Homeownership Assistance</li> <li>■ Tenant Based Rental Assistance</li> <li>■ Land Acquisition</li> <li>■ New Housing Construction</li> </ul>

## 2023-24 ACTION PLAN & 2023-2027 CONSOLIDATED PLAN TIMELINE

DATE	ACTIVITY
October - December 2022	Funding Priority Survey
October 27, 2022	Public Hearing #1 (virtual)
January 12, 2023	Public Hearing #2 (in-person)
January 3, 2023	2023-2024 Community Development Grant Program Funding Applications Released
January 31, 2023	2023-2024 Community Development Grant Program Funding Applications Due
January - March 2023	Consolidated Plan Strategy Survey
April 21, 2023	CSAC Make Funding Recommendations for 2023 Action Plan
May 2, 2023	Work Session: Action Plan Funding Recommendations & Consolidated Plan Update
May 12, 2023	CSAC Review Consolidated Plan
May 15, 2023	Draft Action Plan & Consolidated Plan Available on City's Website
May 15, 2023 - June 16, 2023	Consolidated Plan & Action Plan Comment Period
June 6, 2023	Public Hearing for Consolidated Plan & Action Plan at City Council
July 18, 2023	Council Consider Approval of 2023-2027 Consolidated Plan & 2023 Action Plan
August 1, 2023	Submit Consolidated Plan & Action Plan to HUD
September 15, 2023	HUD Approval of Consolidated Plan & Action Plan (Est. 45 days from submission)
September 27, 2023	City Council consider General Fund Ordinances & Project Agreements for Approval
October 17, 2023	City Council consider CDBG & HOME Ordinances & Project Agreements for Approval

## CITIZEN PARTICIPATION

The City's Consolidated Plan is developed in collaboration with local citizens, coalitions and collaboratives, nonprofit organizations, educational community, elected leaders, council appointed citizen advisory committees, and other community stakeholders. This engagement helps prioritize community development actions and the process allows for more effective planning for Denton's CDBG and HOME program activities.

To gain public input to draft the 2023-24 Action Plan and the 2023-2027 Consolidated Plan, staff held a virtual funding priority workshop on October 27, 2022, and collected citizen input regarding the use of CDBG and HOME funds through an online survey from October 13, 2022, through December 2, 2022. The survey collected feedback regarding the City's goals and strategies in the Consolidated Plan: Affordable Housing; Making Homelessness Rare, Brief and Nonrecurring; Public Services; and Public Facilities, Public Improvements and Infrastructure. The survey aimed to obtain community feedback regarding evaluation and prioritization of these goals for the City of Denton's 2023-2027 Consolidated Plan. Results from this survey are included in **Exhibit 4**.

The City will hold a public hearing to gain input from citizens on June 6, 2023. Strategies deployed to gain input from the public are outlined below.

1. Public Hearing for Consolidated Plan & Action Plan at City Council
2. Information is sent via email to residents, previous clients, committee members, local faith-based groups, participating lenders and realtors, neighborhood associations and social services agencies.
3. Print advertisements are placed in the Denton Record Chronicle.
4. Friday Report updates are provided to City Council members and City employees.
5. Information is included on DTV news segments.
6. Information is shared through the City's social media accounts.

## AVAILABLE FUNDING

The City of Denton's Action Plan reflects local (General Fund), federal (CDBG and HOME), and American Rescue Plan Act's State and Local Fiscal Recovery Funds (ARP-SLFRF) funding. Today's presentation reviews the CSAC's 2023-24 Community Development Grant Program funding recommendations. The City's general fund allocations and ARP-SLFRF are included in the Action Plan to reflect the City's investment leveraged with federal funds. However, the General Fund recommendations will be considered by City Council during the normal budgeting cycle for FY2023/24.

The total amount of funding is \$1,774,760.67:

FUNDING DESCRIPTION	2023-24 AMOUNT	2023-24 SET-ASIDES	2023-24 ALLOCATION
Funding Allocation	964,531.00		
Estimated Program Income <sup>1</sup>	5,000.00		
Administration <sup>2</sup>		180,668.00	
Reallocated Funds <sup>3</sup>	35,546.74		
CDBG <sup>4</sup>	1,005,077.74	180,668.00	824,409.74
Funding Allocation	513,327.00		
Program Income <sup>1</sup>	68,355.93		
Administration <sup>2</sup>		51,332.00	
Reallocated Funds <sup>3</sup>	0.00		
HOME	581,682.93	51,332.00	530,350.93
General Funds	2,350,638.15		
General Funds – Administration		932,188.15	
General Funds – Homeless Initiatives		703,450.00	
General Funds – Rental Repair Program		100,000.00	
General Funds – Mentor Denton		20,000.00	
General Funds – Development Fee Grant		225,000.00	
GF	2,350,638.15	1,980,638.15	370,000.00
ARP - SLFRF	50,000.00		50,000.00
ARP - SLFRF	50,000.00	0.00	50,000.00
<b>TOTAL</b>	<b>3,987,398.82</b>	<b>2,212,638.15</b>	<b>1,774,760.67</b>

<sup>1</sup>Based on HUD's recommendation the actual 2022/22 HOME Program Income will be allocated in the 2023 Action Plan.

<sup>2</sup>HUD allows a maximum percentage of the grant for administration (CDBG 20%/HOME 10%). Set-aside is based on costs for 2 FTE.

<sup>3</sup>The reallocated funds are residual balances from completed projects.

<sup>4</sup>HUD allows a maximum of 15% of the CDBG grant allocation to be utilized for public services activities. Final amount \$144,679.

## 2023-24 APPLICATIONS RECEIVED

A total of twenty-four (24) funding requests were submitted for the 2023-24 Community Development Grant Program totaling \$2,656,012.24 of requests. Four (4) applications were submitted for Housing Projects, one (1) application was submitted for Public Facility projects, and nineteen (19) applications were submitted for Human Services projects. A table outlining applications received is included below.

Applicant Organization	Application Type	2023-2024 Request
Boys & Girls Clubs of Greater Tarrant County	Human Services	\$51,118.00
CASA of Denton County Inc.	Human Services	\$42,000.00
Children's Advocacy Center for North Texas Inc <sup>1</sup>	Human Services	\$100,000.00
Chisholm Trail RSVP, Inc	Human Services	\$10,000.00
City of Denton Parks and Recreation (Summer Camp)	Human Services	\$67,042.50
Communities in Schools of North Texas, Inc.	Human Services	\$36,000.00
Denton Christian Preschool, Inc	Human Services	\$35,000.00
Denton City County Day School	Human Services	\$55,000.00
Denton County Friends of the Family, Inc.	Human Services	\$70,000.00
Denton County MHMR Center <sup>2</sup>	Human Services	\$49,920.00
Fred Moore Day Nursery School	Human Services	\$10,000.00
Grace Like Rain Inc. DBA Giving Grace <sup>3</sup>	Human Services	\$153,321.74
Health Services of North Texas, Inc.	Human Services	\$75,000.00
North Texas Solutions for Recovery, Inc. <sup>4</sup>	Human Services	\$256,020.00
Opening Doors International Services, Inc.	Human Services	\$30,000.00
Our Daily Bread, Inc. <sup>5</sup>	Human Services	\$90,000.00
PediPlace	Human Services	\$50,000.00
SPAN, Inc.	Human Services	\$27,000.00
The Salvation Army, a G.A. Corp. - Denton	Human Services	\$65,000.00
City of Denton (Minor Repair Program)	Housing Project	\$400,500.00
Denton Affordable Housing Corporation (DAHC)	Housing Project	\$200,000.00
Grace Like Rain Inc dba Giving Grace	Housing Project	\$227,090.00
Habitat for Humanity of Denton County, Inc.	Housing Project	\$260,000.00
City of Denton (Fred More Park Upgrades)	Public Facilities	\$296,000.00
<b>TOTAL REQUESTED</b>		<b>\$2,656,012.24</b>
<b>GENERAL FUNDS AVAILABLE</b>	<b>\$370,000.00</b>	
<b>CDBG FUNDS AVAILABLE</b>	<b>\$824,409.74</b>	
<b>HOME FUNDS AVAILABLE</b>	<b>\$530,350.93</b>	
<b>ARP - SLFRF FUNDS AVAILABLE</b>	<b>\$50,000.00</b>	
<b>TOTAL FUNDS AVAILABLE</b>	<b>1,774,760.67</b>	<b>1,774,760.67</b>
<b>UNFUNDED BALANCE</b>		<b>-\$881,251.57</b>

## COMMITTEE RECOMMENDATIONS

On [April 21, 2023](#), the CSAC approved their recommendations to City Council.

A summary of funding recommendations, including project descriptions, is included in **Exhibit 2**. Below is a summary of total funding requests and recommendations by funding source.

2023/24 COMMUNITY DEVELOPMENT GRANT PROGRAM FUNDING RECOMMENDATIONS ALL SOURCES						
	2023-2024		Recommendations by Source			
	Request	Recommendation	General Fund	CDBG	HOME	ARP
TOTAL	\$2,656,012.24	\$1,774,760.67	\$370,000.00	\$824,409.74	\$530,350.93	\$50,000.00
CDBG FUNDS		824,409.74		\$824,409.74		
HOME FUNDS		\$530,350.93			\$530,350.93	
GENERAL FUNDS		\$370,000.00	\$370,000.00			
ARPA FUNDS <sup>3</sup>		\$50,000.00				\$50,000.00
TOTAL FUNDS	1,774,760.67	\$1,774,760.67	\$370,000.00	\$824,409.74	\$530,350.93	\$50,000.00
UNPROGRAMMED FUNDS	-\$881,251.57	\$0	\$0	\$0	\$0	\$0

## OPTIONS

1. Direct staff to proceed with the proposed CSAC CDBG and HOME recommendations as presented to be included in the 2023-24 Action Plan; OR
2. Provide other direction to staff regarding the funding recommendations for the 2023-24 Action Plan.

## RECOMMENDATION

Direct staff to proceed with the proposed CSAC CDBG and HOME recommendations as presented to be included in the 2023-24 Action Plan

## FISCAL INFORMATION

All projects and programs approved under the 2023-24 Action Plan are funded with CDBG, HOME, and program income from the use of these funds. General fund will be considered during the normal budgeting cycle by City Council for FY2023-24.

## EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – 2023-24 CSAC Funding Recommendations

Exhibit 3 – 2023-24 Project Descriptions

Exhibit 4 – 2023-2027 City of Denton Consolidated Plan Strategy Survey Results

Exhibit 5 – Presentation

Respectfully submitted:  
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