



AGENDA INFORMATION SHEET

DEPARTMENT: Community Services

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

DATE: June 6, 2023

SUBJECT

Hold a public hearing inviting citizens to comment on the 2023-2027 Consolidated Plan and the 2023 Action Plan.

STRATEGIC ALIGNMENT

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

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 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. These federal funds are received annually to support the Consolidated Plan (Con Plan) and the activities outlined in the City's annual Action Plan. City of Denton is currently drafting the 2023-2027 Consolidated Plan for program years (PY) including PY2023-24, PY2024-25, PY2025-26, PY2026-27, and PY2027-28.

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 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.

DISCUSSION

2023-2027 CONSOLIDATED PLAN

The City's Consolidated Plan and annual Action Plan activities are 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. This Con Plan consists of the following sections:

- **Executive Summary** – Provides a brief introduction and summaries evaluating past performance, citizen participation process and consultation process, and planning.
- **Process** – Communicates the consultation and citizen participation process undertaken to collect information from residents and stakeholders on community needs.
- **Needs Assessment** – Analyzes demographics, needs related to affordable housing, special needs housing, community development and homelessness

- **Housing Market Analysis** – Examines the supply of affordable housing units, the regional housing market, conditions that impact community needs and the programs that address those needs.
- **Strategic Plan** – Identifies specific goals for Denton based on the highest priority needs informed by the Needs Assessment, Market Analysis, and extensive consultation with citizens and community groups.
- **Action Plan** – Describes the planned investment of resources allocated to implement specific programs that meet the year's strategic goals.

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

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 ¹	5,000.00		
Administration ²		180,668.00	
Reallocated Funds ³	35,546.74		
CDBG ⁴	1,005,077.74	180,668.00	824,409.74
Funding Allocation	513,327.00		
Program Income ¹	68,355.93		
Administration ²		51,332.00	
Reallocated Funds ³	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
TOTAL	3,987,398.82	2,212,638.15	1,774,760.67

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

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

³The reallocated funds are residual balances from completed projects.

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

COMMITTEE AND CITY COUNCIL RECOMMENDATIONS

On [April 21, 2023](#), the Community Services Advisory Committee (CSAC) finalized their funding recommendations to City Council for the 2023-2024 Action Plan. The recommendations for funding from the CSAC were presented to City Council on May 2, 2023 during the Council Work Session. All activities to be approved by HUD under the 2023 Action Plan are funded through CDBG, HOME, unprogrammed funds, and estimated program income from the use of these funds. In addition to federal funds, the City Council allocates General Fund dollars to provide for public service grants awarded to social service agencies.

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 FUNDS³		\$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
UNPROGRAM MED FUNDS	-\$881,251.57	\$0	\$0	\$0	\$0	\$0

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 – Draft 2023-2027 Consolidated Plan and 2023-2024 Action Plan

Exhibit 5 – Presentation

Respectfully submitted:

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