

CITY COUNCIL MEMORANDUM

AGENDA ITEM

FY 2016-2017 Community Development Block Grant (CDBG) and Home Investments Partnerships (HOME) Program

ORIGINATING DEPARTMENT

Community Development

BACKGROUND INFORMATION

The City of Killeen will receive \$907,931.00 from the U.S. Department of Housing and Urban Development (HUD) for FY 2016-2017 CDBG program activities. \$29,419.53 in funds from canceled or completed CDBG projects, and prior year program income is also available for use providing a total of \$937,350.53 available for FY 2016-17 CDBG activities. The City will also receive \$311,289.00 from HUD for FY 2016-2017 Home Investment Partnerships (HOME) Program activities. \$215,965.39 in reprogrammable prior year program income to the HOME program is also available for use providing a total of \$527,254.39 for FY 2016-17 HOME activities.

Applications for funding for both the CDBG and HOME programs were submitted by the deadline date of March 28, 2016 and are detailed in the attached Community Development Advisory Committee (CDAC) meeting minutes.

DISCUSSION/CONCLUSION

The CDAC met on May 4 and May 5, 2016 to review and make recommendations for proposed use of 2016-2017 CDBG and HOME Program funds on the basis of eligibility, need and priority. Projects undertaken with CDBG and HOME Program funds address goals and objectives established in the Consolidated Strategic Plan and Annual Action Plan to meet affordable housing and community development needs.

FISCAL IMPACT

HUD regulations allow for 20% of CDBG and 10% of HOME funds to be expended on administration/planning of CDBG and HOME activities. All project costs under the CDBG and HOME Program will be reimbursed to the City by the U.S. Department of Housing and Urban Development.

RECOMMENDATION

Following the first public hearing on June 14, 2016, recommend approval of the proposed 2016-2017 Annual Action Plan and the publishing of the proposed Plan to solicit citizen comments and participation. Recommend approval of the final Plan with revisions as appropriate, based on citizen comments to be reviewed during the previously held 30 day comment period and the second public hearing on July 26, 2016.