

CITY COUNCIL MEMORANDUM

AGENDA ITEM

**2015-2019 Consolidated Strategic Plan and
FY 2015-2016 Community Development
Block Grant (CDBG) and Home Investments
Partnerships (HOME) Program Annual Action
Plan**

ORIGINATING DEPARTMENT

Community Development

BACKGROUND INFORMATION

The Consolidated Strategic Plan is a multi-year document required from jurisdictions participating in U.S. Department of Housing and Urban Development (HUD) grant programs, stating the City's plan to develop successful urban communities through goals established to expand access to affordable housing, foster suitable living environments, and expand economic opportunities, principally for low-and moderate-income residents. The annual action plan describes how funding will be utilized during that program year to address priorities established in the Consolidated Strategic Plan.

The City of Killeen will receive \$932,745 from the U.S. Department of Housing and Urban Development (HUD) for FY 2015-2016 CDBG program activities. Also available for use is \$49,023.05 in funds from canceled or completed CDBG projects and prior year program income, providing a total of \$981,768.05 for FY 2015-16 CDBG activities. The City will also receive \$301,726 from HUD for FY 2015-2016 Home Investment Partnerships (HOME) Program activities. Also available for use is \$156,816.19 in reprogrammable funds and prior year program income to the HOME program, providing a total of \$458,542.19 for FY 2015-16 HOME activities.

Applications for funding for both the CDBG and HOME programs were submitted by the deadline date of April 2, 2015, and are detailed in the attached Community Development Advisory Committee (CDAC) meeting minutes.

DISCUSSION/CONCLUSION

The CDAC met on May 6 and May 7, 2015, to review and make recommendations for proposed use of 2015-2016 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 9, 2015, recommend approval of the 2015-2019 Consolidated Strategic Plan summary, allocation of funds under the proposed 2015-2016 Annual Action Plan, and the publishing of the proposed plans to solicit citizen comments and participation. Recommend approval of the final plans with revisions, as appropriate, based on citizen comments to be reviewed during the second public hearing on July 14, 2015.