



FY20 CDBG & HOME FUNDING REQUESTS &  
FY19 SUBSTANTIAL AMENDMENT TO ANNUAL  
ACTION PLAN

PH-19-025

August 6, 2019

# Community Development Grant Programs (CDBG& HOME) Funding FY 20

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|                                       |               |
|---------------------------------------|---------------|
| □ CDBG grant                          | \$ 944,218.00 |
| □ Reprogrammed funds & program income | \$ 13,350.08  |
| □ Total funding available             | \$ 957,568.08 |

|                                       |               |
|---------------------------------------|---------------|
| □ HOME grant                          | \$ 410,861.00 |
| □ Reprogrammed funds & program income | \$ 49,821.73  |
| □ Total funding available             | \$ 460,682.73 |

# Community Development Block Grant - public service funding requests = 15% of grant allowed

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| Agency  | Project Description  | Amount Requested | CDAC Recommendation |
|---|--|------------------|---------------------|
| Bring Everyone in the Zone                      | Resource Program -partial salary assistance & operations                     | \$35,000.67      | \$12,862.70         |
| Heritage House of Central Texas                 | Empowerment Program-partial salary assistance                                | \$10,000.00      | \$ 5,000.00         |
| Communities in Schools of Greater Central Texas | Connections Program (Maud Moore Wood Elementary) – partial salary assistance | \$21,000.00      | \$21,000.00         |
| Families in Crisis                              | Homeless Shelter Case Manager – partial salary assistance                    | \$ 32,926.28     | \$20,000.00         |

# Community Development Block Grant – public service funding requests = 15% of grant allowed

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| Agency                                    | Project Description   | Amount Requested | CDAC Recommendation |
|---|---|------------------|---------------------|
| Hill Country Community Action Association | Killeen Elderly Meals Program-<br>partial salary assistance for<br>meal delivery driver                       | \$ 9,770.00      | \$ 9,770.00         |
| Greater Killeen Free Clinic               | Clinical Program Assistance –<br>partial salary assistance  | \$ 26,430.98     | \$ 23,000.00        |
| City of Killeen-Community Development     | Elderly Transportation Program-<br>provides assistance with<br>transportation to eligible (62+<br>age) riders | \$ 50,000.00     | \$ 50,000.00        |
| Totals=15% of grant<br>amount allowed     |   | \$185,127.93     | \$141,632.70        |

# Community Development Block Grant –housing, public facilities & improvements funding requests

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| Agency                                | Project Description   | Amount Requested | CDAC Recommendation |
|---------------------------------------|---|------------------|---------------------|
| Central Texas 4C, Inc.                | Head Start Expansion Phase II-<br>building for classrooms         | \$140,700.00     | \$100,000.00        |
| Clements Boys and Girls<br>Club       | North Killeen Bigham Unit Gym<br>and Teen Center-new construction | \$523,000.00     | \$100,000.00        |
| Monarch Education                     | Monarch Prep @ KU-acquisition<br>of land for athletic programs    | \$326,700.00     | \$0.00              |
| City of Killeen Community<br>Services | Bob Gilmore Senior Center –<br>new construction                   | \$900,000.00     | \$152,091.78        |

# Community Development Block Grant –housing, public facilities & improvements funding requests

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| Agency  | Project Description   | Amount Requested | CDAC Recommendation |
|---|---|------------------|---------------------|
| City of Killeen – Public Works, Street Operations | Gilmer Street Reconstruction – partial cost of reconstruction of street   | \$357,629.50     | \$175,000.00        |
| City of Killeen –Community Development            | Housing Rehabilitation Program – anticipate 4 housing units to be completed, with lead based paint abatement on each unit | \$100,000.00     | \$100,000.00        |
| Totals =65% of grant amount allowed               |   | \$2,348,029.50   | \$627,091.78        |

# Community Development Block Grant -administration funding request

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| Agency                                 | Project Description | Amount Requested | CDAC Recommendation |
|--|---------------------|------------------|---------------------|
| City of Killeen –Community Development | CDBG administration | \$188,843.60     | \$188,843.60        |
| Totals =20% of grant amount allowed    |                     | \$188,843.60     | \$188,843.60        |

# HOME Program - affordable housing program funding requests

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| Agency                                  | Project Description  | Amount Requested | CDAC Recommendation |
|---|--|------------------|---------------------|
| Bring Everyone in the Zone              | Client Housing Assistance-security deposits for veterans, their families & surviving spouses   | \$ 23,200.00     | \$ 23,200.00        |
| Families in Crisis                      | Housing Program – monthly rental assistance for clients on Section 8 waiting list  | \$129,791.40     | \$100,000.00        |
| City of Killeen – Community Development | Homebuyer Assistance Program – Rehabilitation – 6 units of housing to assist 1 <sup>st</sup> time homebuyers with needed building code related repairs | \$100,000.00     | \$100,000.00        |



# HOME Program – affordable housing program funding requests

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| Agency                                  | Project Description   | Amount Requested | CDAC Recommendation |
|---|---|------------------|---------------------|
| City of Killeen-Community Development   | North Killeen Housing Redevelopment Program- construction or rehabilitation of housing units in the North Killeen Revitalization Program area | \$300,000.00     | \$129,785.31        |
| CHDO Set aside                          | Minimum 15%of grant must be set aside–no applications received  | \$ 61,629.15     | \$ 61,629.15        |
| City of Killeen – Community Development | Program Administration=10% of grant & 10% of program income   | \$ 46,068.27     | \$ 46,068.27        |
| Totals                                  |   | \$660,688.82     | \$460,682.73        |

# Monarch Education proposed location – Old Florence Road (4 acres out of a 9.774 acre tract)

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# CDAC Recommendations –Monarch Education

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- Monarch Education – application request is to purchase 2.5 of 4 acres of land for \$326,700 on Old Florence Road to construct athletic fields =\$130,680 per acre
  - ▣ Price seems high for the location with no improvements on site
  - ▣ Financial information presented in application was conflicting and inconsistent related to funding committed for project
  - ▣ Number of projected youth to be served was low compared to the investment of CDBG funding requested – of the 125 projected to be served, 65% are projected to be low moderate clientele =81 persons

# Staff Comments – Monarch Education

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- ❑ The financial information presented in application does not support the long term financial stability for this proposed project
- ❑ Bell County Appraisal District current market value for the 9.774 acres is \$104,163, current zoning is B-3
- ❑ City of Killeen athletic fields are available nearby for this use
- ❑ Monarch Education owns no property; current operations include leased space at 4205 Old Florence Road
- ❑ Agency has no track record with any federal, state or local grant funding
- ❑ Agency seems to be expanding their mission from education to athletic programming

# Summary & Recommendation

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- ❑ Monarch Education does not appear to have the financial commitment to sustain the project long term as required by CDBG regulations
- ❑ If project moves forward and agency cannot complete project, City potentially would be required to repay HUD any CDBG money spent on the acquisition
- ❑ If council desires to fund this agency, a certified letter of credit would be advisable before grant agreement is executed
- ❑ Staff recommends to approve the CDAC recommendations of CDBG & HOME allocations for FY 19-20