



ANNUAL ACTION PLAN FOR CDBG & HOME
GRANT FUNDING REQUESTS -2ND PUBLIC
HEARING

PH-21-027

July 20, 2021

Background & History of Grant Programs

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- ❑ Grant funding comes direct from U.S. Department of Housing & Urban Development
- ❑ Four formula grant programs that go to States, Cities & Counties
- ❑ Community Development Block Grant (CDBG) is largest block grant
- ❑ Began in 1974 and replaced the old Urban Renewal Grant Program
- ❑ City of Killeen receives direct allocations for two of the formula grant programs – CDBG & HOME
- ❑ Neighborhood approach to improving physical, social and economic conditions within local communities

CDBG Program Priorities

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- CDBG Program Activities must meet 1 of 3 National Objectives
 - **Benefit low- and moderate-income persons**
 - **Aid in prevention/elimination of slum and blight**
 - **Meet community development needs having a particular urgency – natural disasters, pandemics, etc.**

Categories of Eligible Activities

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❑ PUBLIC SERVICES

- Funding in this category is limited to 15% of the total annual grant from HUD
- Limited to Non-Profit or Community based organizations
- The 'service' must either be new or a quantifiable increase in the level of existing service

Categories of Eligible Activities

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- ❑ Acquisition of Real Property- for a public purpose
- ❑ Disposition of Real Property – if property is acquired with CDBG funding, can pay for sale, lease, appraisals, surveys, etc.
- ❑ Interim Assistance-limited improvements to immediately stop signs of physical deterioration
- ❑ Microenterprise Assistance – stabilization of small businesses

Categories of Eligible Activities

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- ❑ Public Facilities and Public Improvements
 - ▣ Community, senior, and health centers
 - ▣ Parking, streets, sidewalks
 - ▣ Parks and playgrounds
 - ▣ Water/Sewer – main lines, facilities
 - ▣ Flood/drainage improvements

Categories of Eligible Activities

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- ❑ Clearance & Demolition of buildings and structures; unsafe, public/health hazard
- ❑ Code Enforcement salaries only to address code violations
- ❑ Housing rehabilitation of existing structures
- ❑ Special Economic Development - commercial improvements, job training, job creation
 - ▣ Carried out by grantee or nonprofit
- ❑ Program Administration limited to 20% of annual grant from HUD; planning and administration costs

CDBG Allocation from HUD FY 22

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- **CDBG FY 22 allocation = \$1,114,792.00**
 - ▣ **Public Services (15%) = \$ 167,218.00**
 - ▣ **Public Facilities/Improvements, Housing, other eligible activities (65%) = \$ 628,938.73**
 - ▣ **Program Administration (20%) = \$222,958.00**
 - ▣ **Program Income & Reprogrammed Funds=\$15,594.53**
 - ▣ **CDBG total available =\$1,130,386.53**

HOME History / Eligible Activities

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- ❑ Largest federal block grant exclusively to create affordable housing
 - ▣ **Targets low-income households**
- ❑ Eligible Activities
 - ▣ **Homeowner purchase, rehabilitation, financing**
 - ▣ **Build or rehabilitate housing for rent or ownership**
 - ▣ **Tenant Based Rental Assistance**

HOME Program Requirements

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- ❑ Affordability Period – Length of time assisted unit must remain affordable to low-income persons
 - ▣ Minimum of 5 years
- ❑ Matching funds from the community -25¢ for every dollar drawn
 - ▣ Cash, In-kind, Donation of services/materials
- ❑ Required set aside for CHDOs – nonprofit or community-based housing development organizations; 15% of annual grant from HUD

HOME Allocation from HUD

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- HOME 2022 allocation = \$ 491,222.00
 - ▣ CHDO set aside (15%) = \$ 73,684.00
 - ▣ Rental, Owner, build/rehabilitate, TBRA eligible activities (75%) + program income & reprogrammed funds = \$540,965.97
 - ▣ Program Administration (10%) = \$ 49,122.00
 - ▣ **Total available=\$663,771.97**

Application for Funding Process

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- Community Planning Meetings
 - ▣ **Feb 25 and Mar 3, 2021**
- Pre-Applications available Feb 23, 2021
 - ▣ **Applications sent to Eligible Applicants; Full application due by April 16, 2021**
- Applicant presentations to CDAC
 - ▣ **May 19-20, 2021**
- Public Hearings – June 21 and July 27, 2021
 - ▣ **CDAC recommendation of funding allocation to City Council**

Technical Workshops

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- ALL APPLICANTS WERE REQUIRED TO ATTEND ONE (1) PREAPPLICATION WORKSHOP

- ▣ Feb. 23, 2021 – 11:00 am; 3:00 pm (Live Zoom)
- ▣ Feb. 24, 2021 – 1:30 pm (Live Zoom)
- ▣ Feb. 25, 2021 – 9:00 am; 3:00 pm (Live Zoom)
- ▣ Mar. 1, 2021 – 10:00 am (Live Zoom)
- ▣ Mar. 5, 2021 – 2:00 pm – **FINAL LIVE SESSION**
for a Pre-Application Technical Workshop

Prerecorded Technical Workshops were available Mar 6 – 26, 2021; registered on SurveyMonkey link

Creating the Annual Action Plan

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- Number Expected - Resources Needed
 - ▣ How many to benefit from the funded activities?
 - ▣ How much money will it take? Where will all that money come from?
 - ▣ What organizational resources are available to address the priority needs?

Community Development Advisory Committee

Process

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- Met May 19th and 20thth to review all applications for funding
- Used a scoring criteria developed that placed emphasis on four areas:
 - ▣ Significance – extent to which project meets a national objective & identified need in Consolidated Plan Strategy
 - ▣ Feasibility – an applicant's financial or organizational capacity to carry out the proposed activity/project
 - ▣ Compliance – the applicant's ability to comply with federal rules and regulations in implementing their activity/project
 - ▣ Leveraging of Funds – does project have other possible resources directed to carry out their activity/project

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

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Agency	Project Description	Amount Requested	CDAC Recommendation
Hill Country Community Action Association	Killeen Elderly Meals Program- partial salary assistance for meal delivery driver (75% CDBG funding)	\$10,500.00	\$ 10,500.00
Heritage House of Central Texas	Empowerment Program- partial salary assistance to provide direct services to clients (66% CDBG funding)	\$10,000.00	\$ 10,000.00
Communities in Schools of Greater Central Texas	Connections Program (Killeen Elementary) – partial salary assistance for case worker (50% CDBG funding)	\$19,002.00	\$ 19,000.00
Oak Creek Academy	Killeen K.I.D.S. (Kids in Distressed Situation) Fund- tuition assistance for special needs children to attend specialized school at reduced tuition costs(75%CDBG funding)	\$69,000.00	\$ 27,600.00 for 4 families
Families in Crisis	Homeless Shelter Case Manager – partial salary assistance (26% CDBG funding)	\$ 32,790.51	\$ 10,918.80

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

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Agency	Project Description Requests	Amount Requested	CDAC Recommendation
Bring Everyone in the Zone	Resource Program -partial salary assistance & operations for Resource Manager who works with veterans and their families (16% CDBG funding)	\$11,500.00	\$ 5,450.00
Greater Killeen Free Clinic	Salary assistance for Clinic Office Manager (39% CDBG funding)	\$25,000.00	\$ 18,750.00
Unity Visitation Center	Salary assistance for Executive Director and operation costs for third party monitoring of court ordered supervised visitation of children age 0-12 years. (91% CDBG funding)	\$50,000.00	\$ 0
City of Killeen Elderly Transportation Program	Direct assistance to elderly Killeen residents providing basic transportation services through Taxi contract or The HOP (81% CDBG funding)	\$ 65,000.00	\$ 65,000.00
Total Public Services - 15% =\$167,218.80		\$292,792.51	\$167,218.80

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 Garden Project – funding for costs associated with creating raised garden beds at 4 Head Start Centers (90% CDBG funding)	\$ 9,000.00	\$9,000.00
City of Killeen Recreation Services	Bob Gilmore Senior Center –funding to be used for construction costs associated with the Senior Wing being added at the Killeen Community Center(14% CDBG funding)	\$700,000.00	\$619,938.73 + \$ 80,061.27 in a forward commitment of FY23 CDBG funding = \$700,000.00
Total Public Facilities & Improvements available=\$628,938.73			

Community Development Block Grant –administration, code enforcement & housing rehabilitation delivery costs

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Agency	Project Description	Amount Requested	CDAC Recommendation
City of Killeen – Code Enforcement	Personnel costs associated with one (1) Code Enforcement Officer and Operations for one year. CE Officer assigned to designated CDBG North Killeen Target Areas in North Killeen	\$52,325.00	\$ 52,325.00
City of Killeen –Community Development	Housing Rehabilitation Program – Project Delivery Costs associated with the CDBG Housing Rehabilitation program to include operations, software, work write ups, application eligibility determinations, etc.	\$58,946.00	\$ 58,946.00
City of Killeen –Community Development	CDBG Administration 2021-2022 - maximum 20% of annual grant amount - costs for salary, administration and delivery of the CDBG program.	\$222,958.00	\$222,958.00

HOME Program - affordable housing program funding requests

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Agency	Project Description	Amount Requested	CDAC Recommendation
2021-22 Community Housing Development Organization	2021-22 HOME CHDO required set aside 15% of annual HOME grant. These funds have a five (5) year life from the year issued and can be reprogrammed at such time a Community Housing Development Organization is interested and meets the regulatory requirements.	\$0	\$73,684.00
City of Killeen – Community Development	Killeen Opportunity to End Homelessness - Tenant Based Rental Assistance -HOME funds will be used to assist persons who are chronically homeless and experiencing homelessness. Supportive services will be provided by partner agencies/organizations who refer the client to the program or who are targeting support services to persons experiencing homelessness.	\$405,100.00	\$405,100.00

HOME Program –affordable housing & administration request

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Agency	Project Description	Amount Requested	CDAC Recommendation
City of Killeen – Community Development	North Killeen Housing Redevelopment Program – housing improvements to single family and multi-family properties(100% HOME funding with an owner contribution for multi rental units)	\$140,000.00	\$135,865.97
HOME Funding Available=\$540,965.97		\$545,100.00	\$540,965.97
City of Killeen-Community Development	HOME program grant administration and operational costs=10% maximum	\$ 49,122.00	\$ 49,122.00

Summary

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- ❑ Required comment period – June 22 – July 27, 2021
- ❑ Approval of Ordinance at 2nd public hearing
- ❑ Submittal of Annual Action Plan to HUD by August 16, 2021
- ❑ Release of funding – after October 1, 2021