



CITY OF CORPUS CHRISTI

AGENDA MEMORANDUM

First Reading Action Item for the City Council Meeting of July 28, 2026
Second Reading Action Item for the City Council Meeting of August 11, 2026

DATE: July 9, 2026

TO: Peter Zanoni, City Manager

FROM: Jennifer Buxton, Interim Director of Planning & Economic Development
Jenniferb9@corpuschristitx.gov
(361) 826-3976

Public Hearing and Ordinance regarding the City of Corpus Christi's FY 2027 Annual Action Plan

CAPTION:

Ordinance adopting the City Fiscal Year 2027 and U.S. Department of Housing and Urban Development (HUD) Program Year 2026 Annual Action Plan (AAP) for the Community Development Block Grant (CDBG) budget in the amount of \$3,703,414, the Emergency Solutions Grant (ESG) budget in the amount of \$232,640, and the HOME Investment Partnerships Program (HOME) budget in the amount of \$3,507,376.36 for a total of \$7,443,430.36 annual HUD funding; authorizing the execution of all necessary documents to submit the AAP; authorizing a staff complement of 17 positions; accepting and appropriating funding for the approved AAP projects and authorizing the execution of funding agreements, amendments, environmental review records, and other documents necessary to implement the Fiscal Year 2027 Program Year 2026 AAP.

SUMMARY:

Public Hearing and Ordinance to adopt the Fiscal Year 2027 Program Year 2026 AAP. The plan is required by HUD and describes the City's proposed activities for how CDBG, ESG, and HOME funds will meet local housing, homeless, and community development priority needs.

BACKGROUND AND FINDINGS:

As a HUD entitlement community, the City is required to submit a Five-year Consolidated Plan (ConPlan), and AAP to HUD. The ConPlan was adopted at the second reading on August 8, 2023. The ConPlan covers the program period of October 1, 2023, through September 30, 2028. The ConPlan components included stakeholder consultation, housing and homeless needs assessment, housing market analysis, local priorities, and the first year AAP covering October 1, 2023, through September 30, 2024.

The priority needs for identified through the community outreach for the ConPlan are (in no particular order):

- Increase and Maintain Affordable Housing for Low Income Households through:
 - Housing Repair and Rehabilitation
 - Homebuyer Program and Builder Program
 - New Construction

- Rental Housing (New Construction and Rehabilitation)
- Public Facilities/Infrastructure Improvements including:
 - Improvements to Youth Centers
 - Improvements to Neighborhood Facilities
 - Park and Recreation Improvements
 - Accessibility Improvements
 - Curbs/Sidewalks/Street Improvements
- Addressing Homelessness/At-Risk of Homelessness for Households below 30% AMI
- Public Services/Programs Related to Healthy Outcomes for low-moderate income (LMI) households and senior services
- Public Services Related to LMI Households for Job Training and Employment Enhancement Programs
- Public Services Related to LMI Households for Code Enforcement
- Program Administration

The Fiscal Year 2027 AAP is the required annual update to the ConPlan that describes how the City will expend the annual allocations from HUD to meet the priority needs identified in the ConPlan.

The Fiscal Year 2027 AAP covering October 1, 2026, through September 30, 2027, is the fourth AAP in the five-year period. For Fiscal Year 2027, the CDBG allocation is \$2,700,757. Also, program income of \$100,000 and reprogrammed unspent funds from Fiscal Years 2023, 2024, and 2025 from Program Delivery, Public Facilities, Code Enforcement Staffing due to vacancies, and Minor Home Repair program income offsets that has been made available to augment funding levels for the CDBG program allocations for a total funding level of \$3,703,414 for affordable housing and community development activities.

The ESG program has \$232,640 available for Fiscal Year 2027. The intent of the ESG Program is to provide funding to providers of Homeless services to support the efforts of Emergency Shelter, Homeless Prevention and Rapid Re-Housing activities.

The HOME program will have an allocation amount of \$1,130,831.20 from entitlement funds, with an additional \$250,000 generated from program income and \$1,009,563.90 of program income received in Fiscal Year from a rental loan payoff for the Costa Tarragona I rental project and \$1,116,981.26 of program income received in Fiscal Year 2026 from a loan payoff for Costa Tarragona 2 rental project for total program funding amount of \$3,507,376.36 for affordable housing activities for Fiscal Year 2027.

During the development of the FY 2027 AAP, public input opportunities included two public input sessions, 30 consultations with public and private organizations, departments, and civic groups, a public comment period from June 21, 2026, through July 21, 2026, and a public hearing to be held during the July 28, 2026, regularly scheduled City Council meeting.

ALTERNATIVES:

Alternatives include not adopting the AAP or changing the project recommendations.

FISCAL IMPACT:

The City is expected to expend \$7,443,430.36 in federal funding for affordable housing, community development and homelessness.

FUNDING DETAIL:**CDBG**

Fund: 1059 Community Development Block Grant
Organization/Activity: Various
Department: 24 Planning & Economic Development
Project # **(CIP Only)**: N/A
Account: Various

ESG

Fund: 1081 ESG
Organization/Activity: Various
Department: 24 Planning & Economic Development
Project # (CIP Only): N/A
Account: Various

HOME

Fund: 9045 HOME Grant
Organization/Activity: Various
Department: 24 Planning & Economic Development
Project # (CIP Only): N/A
Account: Various

RECOMMENDATION:

Staff is recommending the adoption and appropriation of the FY 2027 Annual Action Plan and funding allocations.

LIST OF SUPPORTING DOCUMENTS:

Ordinance FY 2027 Annual Action Plan
Award Matrix FY 2027
FY 2027 Annual Action Plan
Presentation