



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of July 16, 2024
2nd Reading Ordinance for City Council Meeting July 23, 2024

DATE: 7/8/2024

TO: Peter Zanoni, City Manager

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Public Hearing and Ordinance regarding the City of Corpus Christi's FY 2025 Annual Action Plan and Amended Citizen Participation Plan

CAPTION:

Ordinance adopting the City Fiscal Year 2025 and U.S. Department of Housing and Urban Development (HUD) Program Year 2024 Annual Action Plan (AAP) for the Community Development Block Grant (CDBG) budget in the amount of \$3,135,388, the Emergency Solutions Grant (ESG) budget in the amount of \$234,083, and the HOME Investment Partnerships Program (HOME) budget in the amount of \$1,369,386 for a total of \$4,738,857 annual HUD funding; amending the Citizen Participation Plan (CPP); authorizing the execution of all necessary documents to submit the AAP and CPP; authorizing a staff complement of 18 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 FY 2025 PY 2024 AAP.

SUMMARY:

Public Hearing and Ordinance to adopt the Fiscal Year FY 2025 PY 2024 AAP, the amended CPP and for citizens to provide comments on the proposed plans. These plans are required by HUD and describe 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), AAP, and CPP 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 FY 2025 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 FY 2025 AAP covering October 1, 2024, through September 30, 2025, is the second AAP in the five-year period.

For FY 2025, the CDBG allocation is \$2,659,704. Additional funding in the amount of \$175,684 is being reprogrammed from previously funded CDBG projects that have not expended the full amount. Also, program income of \$300,000 is available to augment funding levels for the CDBG program allocations for a total funding level of \$3,135,388 for affordable housing and community development activities.

The ESG program has \$234,083 for FY 2025. 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 \$1,119,386 from entitlement funds, with an additional \$250,000 generated from program income for a total funding amount of \$1,369,386 for affordable housing activities for the FY 2025 budget year.

During the development of the FY 2025 AAP, public input opportunities included five public input sessions, one in each Council district, 23 consultations with public and private organizations, departments, and civic groups, a public comment period from June 9, 2024, through July 9, 2024, and a public hearing to be held during the July 16, 2024 regularly scheduled City Council meeting. The five public input sessions were broadcast live on the City's Facebook page and the City's YouTube channel.

The recommended projects are:

CDBG	
PROJECT	Total
Minor Home Repair	\$ 1,143,530
HEB Tennis Complex and Pool Park Parking Lot and Improvements and Other Amenities	\$ 500,000
The Salvation Army Facility Improvement	\$ 150,700
Code Enforcement Staffing	\$ 390,642
Neighborhood Cleanups for seniors in low-to-moderate areas	\$ 65,000
Administration	\$ 356,785
Program Delivery	\$ 528,731
TOTAL	\$ 3,135,388

HOME	
PROJECT	Total
Single Family Rehabilitation	\$ 344,916
TG 110 - Palms at Morris	\$ 587,531
come dream. come build. - Homebuyer Assistance	\$ 300,000
Alternate Project - TG 110 - Palms at Williams	\$ -
Administration	\$ 136,939
TOTAL	\$ 1,369,386

ESG	
PROJECT	Total
Corpus Christi Hope House Homeless Services	\$ 116,527
The Salvation Army Homeless Services	\$ 100,000
Administration	\$ 17,556
TOTAL	\$ 234,083

Pursuant to the citizen participation requirements of HUD, the City will submit an amended CPP as it relates to the annual entitlement funds. The CPP presents the City's plan for providing for and encouraging all citizens to participate in the development, revision, amendment, adoption, and implementation of funds allocated by HUD. The CPP governs the amount of time documents must be displayed for public comment and the public meetings that will be held. The City had the CPP reviewed by a HUD supplied technical assistance provider which recommended minor amendments. The changes include additional criteria for when a substantial amendment is required such as when there is a change to the Annual Goals, Objectives, and/or Target Geographies/Areas identified in the AAP, when new entitlement grants are awarded to the City, when a project previously identified in the AAP is cancelled, and when a new project that was not previously identified in the AAP is created. Substantial amendments to the AAP have been completed when these incidences have occurred, but the CPP amendment codifies the practice.

ALTERNATIVES:

Alternatives include not adopting the AAP or the amended CPP or changing the recommendations made in the FY 2025 Award Matrix.

FISCAL IMPACT:

The City is expected to receive \$4,738,857 in federal funding for affordable housing, community development and homelessness.

Funding Detail:

CDBG and ESG

Fund: 1059

Organization/Activity: Various

Department: 24

Project # **(CIP Only)**: N/A

Account: Various

HOME

Fund: 9045

Organization/Activity: Various

Department: 24

Project # **(CIP Only)**: N/A

Account: Various

RECOMMENDATION:

Staff is recommending the approval of the AAP and amended CPP.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
FY 2025 Award Matrix
FY 2025 Annual Action Plan
Citizen Participation Plan Amended
Presentation