



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		July 25, 2016			
Department:		Neighborhood Services			
Department Head		Lori Feild Schwarz			
Agenda Coordinator (include phone #): Doris Carter ext 8209					
CAPTION					
Public Hearing and consideration of a Resolution of the City of Plano, Texas, authorizing a Substantial Amendment to the 2014-2015 and 2015-2016 Action Plans for the use of U. S. Department of Housing and Urban Development Community Development Block Grant and HOME Investment Partnerships Program funds; and declaring an effective date.					
FINANCIAL SUMMARY					
<input checked="" type="checkbox"/> NOT APPLICABLE <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2014-15 and 2015-16	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	0	0	0
Encumbered/Expended Amount		0	0	0	0
This Item		0	0	0	0
BALANCE		0	0	0	0
FUND(S): CDBG & HOME GRANT FUND					
<p>COMMENTS: Approval of this item reallocates the 2014-15 HOME Investment Partnerships Program funds and the 2015-16 Community Development Block Grant and HOME Investment Partnerships Program funds for activities previously approved in the 2014-15 and 2015-16 Action Plans.</p> <p>STRATEGIC PLAN GOAL: Amendments to the 2014-15 and 2015-16 Action Plans relate to the City's goals of Partnering for Community Benefit and Financially Strong City with Service Excellence.</p>					
SUMMARY OF ITEM					
The Community Services Division is proposing a substantial amendment to the City's 2014-2015 and 2015-2016 Action Plans. The purpose of the proposed substantial amendments is to reallocate funding resources to ensure timely commitment of HOME funds, allocate funds according to market and public demand, and comply with HUD regulations.					
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies		
Memo					
Resolution					

Date: July 14, 2016
To: Bruce Glasscock, City Manager
From: Shanette Brown, Community Services Manager
Subject: Substantial Amendment to the 2014-2015 and 2015-2016 Action Plans

Summary

Staff is proposing a substantial amendment to the City's 2014-2015 and 2015-2016 Action Plans for the purpose of reallocating funds to ensure timely commitment of U. S. Department of Housing and Urban Development (HUD) Home Investment Partnerships Program (HOME) funds, allocate funds according to market and public demand, and comply with HUD regulations.

Background

For the past couple of years, market conditions have made it difficult for many of our HOME funded housing developers to locate reasonably priced vacant lots to build single family homes. Likewise, participants in our First Time Homebuyer program are experiencing difficulty in locating and successfully winning the bid when trying to purchase homes in the current market. Therefore, a portion of 2014 HOME funds has not been committed to address-specific projects. Failure to commit funds by September 30, 2016 will result in a loss of the uncommitted 2014 HOME funds.

Staff met with existing subrecipients of HOME funds (Christ United Methodist Church, Habitat for Humanity of South Collin County, and Plano Housing Corporation) to assist them in reallocating funds to existing projects. Additionally, the First Time Homebuyer and Housing Rehabilitation programs were reviewed to determine if funds should be reallocated to ensure timely commitment. As a result, staff recommends the below amendments to the 2014-2015 and 2015-2016 Action Plans.

HUD requires the approval of a substantial amendment when:

- (1) Changes to project budgets approved in the annual action plan exceed twenty-five percent (25%) of the action plan's approved budget; or
- (2) New activities are added to the approved annual action plan. A substantial amendment to the 2014-2015 and 2015-2016 Action Plans is required because the proposed funding reallocations exceed 25% of the approved budgets for the 2014-2015 and 2015-2016 Action Plans.

Current Request

On June 26, 2016, a public hearing notice was placed in the Plano Star Courier to inform citizens of the proposed changes. No comments have been received. The proposed amendments are as follows:

Action Plan Year	Activity	Original Amount	Proposed Amendment	Proposed Amount
2014-15	HOME First Time Homebuyer	\$90,968	-\$90,968	\$0
2014-15	HOME Housing Rehabilitation	\$0	+\$90,968	\$90,968
2015-16	HOME Housing Rehabilitation	\$161,186	-\$44,000	\$117,186
2015-16	HOME First Time Homebuyer	\$0	+\$44,000	\$44,000
2015-16	CDBG Housing Rehabilitation	\$825,996	-\$20,000	\$805,996
2015-16	CDBG First Time Homebuyer	\$45,000	+\$20,000	\$65,000

Next Steps

If approved, staff will commit HUD funds in IDIS as proposed, thereby meeting HUD's commitment of 2014 HOME funds deadline.

xc: Jack Carr, Deputy City Manager
Lori Schwarz, Director of Neighborhood Services

A Resolution of the City of Plano, Texas, authorizing a Substantial Amendment to the 2014-2015 and 2015-2016 Action Plans for the use of U. S. Department of Housing and Urban Development Community Development Block Grant and HOME Investment Partnerships Program funds; and providing an effective date.

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires local governments seeking federal assistance through the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME), programs to develop a Five Year Consolidated Plan for Housing and Community Development and an annual Action Plan; and

WHEREAS, on June 23, 2014 the City Council adopted Resolution No. 2014-6-12(R) approving activities and proposed use of funds set forth in the 2014-2015 Action Plan; and

WHEREAS, on July 27, 2015 the City Council adopted Resolution No. 2015-7-10(R) approving activities and proposed use of funds set forth in the 2015-2016 Action Plan; and

WHEREAS, a substantial amendment to the 2014-2015 and 2015-2016 Action Plans is required to reallocate funds previously approved for action plan activities to ensure timely commitment of HOME funds, allocate funds according to market and public demands, and comply with HUD regulations; and

WHEREAS, HUD requires the approval of a substantial amendment when (1) changes to project budgets approved in the annual action plan exceed twenty-five percent (25%) of the action plan's approved budget or (2) new activities are added to the approved annual action plan; and

WHEREAS, the City's 2015-2019 Five Year Consolidated Plan for Housing and Community Development details the public participation process established by the Citizen Participation Plan required by HUD when seeking a substantial amendment to an annual action plan; and

WHEREAS, in accordance with the Citizen Participation Plan, a public notice was published in the Plano Star Courier on Sunday, on June 26, 2016, a copy of which is attached hereto as Exhibit "A", informing the public of the proposed amendment to the 2014-2015 and 2015-2016 Action Plans via a Substantial Amendment; and

WHEREAS, the City Council held a public hearing on July 25, 2016 to receive public comments regarding the proposed Substantial Amendment; and

WHEREAS, the City Council approves of the Substantial Amendment to the 2014-2015 and 2015-2016 Action Plans and the related activities and proposed uses of the Funds.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS, THAT:

SECTION I. The City Council adopts the Substantial Amendment to the 2014-2015 and 2015-2016 Action Plans.

SECTION II. The adoption of the Substantial Amendment approves the reallocation of 2014-2015 HOME Investment Partnerships funds and 2015-2016 Community Development Block Grant and HOME Investment Partnerships funds for activities previously approved in the 2014-2015 and 2015-2016 Action Plans.

SECTION III. This resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS 25TH DAY OF JULY, 2016.

Harry LaRosiliere, MAYOR

ATTEST:

Lisa C. Henderson, CITY SECRETARY

Approved as to form:

Paige Mims, CITY ATTORNEY

CITY OF PLANO
NOTICE OF PUBLIC HEARING AND COMMENT FOR 2016-2017 ACTION PLAN and
SUBSTANTIAL AMENDMENT TO 2014-15 and 2015-16 ACTION PLANS
FOR THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT AND
HOME INVESTMENT PARTNERSHIP PROGRAM GRANT FUNDS

Publication Date: June 26, 2016

In October 2016, the City of Plano anticipates receiving from the U.S. Department of Housing and Urban Development (HUD), \$1,180,560 in Community Development Block Grant (CDBG) funds and \$388,585 in HOME Investment Partnership (HOME) funds. The City also anticipates receiving \$120,000 in CDBG program income and \$6,750 in HOME program income during the period of October 1, 2016 to September 30, 2017.

The purpose of the CDBG and HOME programs is to support and perform activities that primarily benefit low and moderate income persons. Total HUD funds in the amount of \$1,695,895 will be used to fund activities from October 1, 2016 to September 30, 2017. Based on the goals and objectives of the City's HUD Consolidated Plan, the Community Relations Commission has recommended the following CDBG and HOME activities:

2016-2017 ACTION PLAN			
1.	Housing Rehabilitation	Proposed Amount	CDBG: \$820,696 HOME: \$126,682
This program provides low-interest rehabilitation and reconstruction loans to low to moderate income renter and owner-occupied households. Terms of loans are based on need and ability to repay. The program also provides for emergency repair grants and acquisition, rehabilitation, and resale of single family homes to low and moderate-income homebuyers. The program is administered at 7501-A Independence Parkway, Plano, TX 75025 and activity locations are city-wide.			
2.	First Time Homebuyer Assistance and Education	Proposed Amount	CDBG: \$45,996
Through deferred payment loans, this program provides down payment and closing cost assistance to low- to moderate-income families purchasing homes in Plano. The program offers up to \$10,000 based on the buyer's level of income. An eight-hour educational class is mandatory for program eligibility. The program is administered at 7501-A Independence Parkway, Plano, TX 75025 and activity locations are city-wide.			
3.	Homelessness Prevention	Proposed Amount	CDBG: \$102,000
This program will provide rent or mortgage payments and utility assistance for lower income families in Plano who are at immediate risk of homelessness. The activity is located at and administered by the Assistance Center of Collin County located at 900 18th Street, Plano, TX 75074.			
4.	Christ United Methodist Church	Proposed Amount	HOME: \$50,000
Funding will support the program, House on the Corner, in constructing an affordable house for an eligible homebuyer. The program is administered at 3101 Coit Road, Plano, TX 75075 and the activity is city-wide.			
5.	Habitat for Humanity of South Collin County	Proposed Amount	HOME: \$60,000
This activity will provide funding to purchase and develop residential lots for the purpose of construction of housing affordable to low- and moderate-income households. The program is administered at 1400 Summit Avenue, Suite D4, Plano, TX 75074 and activity locations are city-wide.			
6.	The Samaritan Inn, Inc.	Proposed Amount	CDBG: \$60,256
This program will provide transitional shelter and support services to homeless Plano residents. The program is located at 1725 North McDonald Street, McKinney, TX 75071.			
7.	Boys & Girls Club of Collin County	Proposed Amount	CDBG: \$35,000
This program will provide after-school and summer programs to help low-income Plano children enhance their academic success, nutrition, character, and leadership. The activity location is at the Douglass Community Center, 1111 H Avenue, Plano, TX 75074.			
8.	Grant Administration	Proposed Amount	CDBG: \$236,612 HOME: \$38,653
Grant administration includes planning, coordination, and monitoring of the CDBG and HOME programs as well as fair housing promotion, services, and counseling. The activity location is 7501-A Independence Parkway, Plano, TX 75025.			
TOTAL CDBG and HOME RECOMMENDED: \$1,695,895			

It is estimated that at least 95% of all funds to be expended will benefit low and moderate income persons. None of the proposed CDBG and HOME activities are expected to directly or indirectly result in displacement of persons. Should any displacement occur, the City has a plan to assist displaced persons that conforms to the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

SUBSTANTIAL AMENDMENT

The City proposes a substantial amendment to the City's 2014-2015 and 2015-2016 Action Plans. The purpose of the proposed substantial amendments is to reallocate funding resources to ensure timely commitment of HOME funds, allocate funds according to market and public demand, and comply with HUD regulations. The proposed amendments are stated below.

2014-15 Action Plan:

The proposed changes affect the HOME funds. All of the \$90,968 First Time Homebuyer HOME funds will be reallocated to the Housing Rehabilitation Program which previously did not receive a HOME allocation.

2015-16 Action Plan:

The proposed changes affect the HOME and CDBG funds. A total of \$44,000 of the Housing Rehabilitation Program's HOME funds will be reallocated to the First Time Homebuyer Program.

A total of \$20,000 in Housing Rehabilitation Program's CDBG funds will be reallocated to the First Time Homebuyer Program. The following chart is a detailed breakdown of the proposed amendments by Action Plan year and activity:

Action Plan Year	Activity	Original Amount	Proposed Amendment	Proposed Amount
2014-15	HOME First Time Homebuyer	\$90,968	-\$90,968	\$0
2014-15	HOME Housing Rehabilitation	\$0	+\$90,968	\$90,968
2015-16	HOME Housing Rehabilitation	\$161,186	-\$44,000	\$117,186
2015-16	HOME First Time Homebuyer	\$0	+\$44,000	\$44,000
2015-16	CDBG Housing Rehabilitation	\$825,996	-\$20,000	\$802,996
2015-16	CDBG First Time Homebuyer	\$45,000	+\$20,000	\$65,000

PUBLIC COMMENTS

A 30-day public comment period will be open from June 27, 2016 to July 26, 2016. The public may review the Action Plan in-person at the Neighborhood Services Department, 7501-A Independence Parkway, Plano, TX 75025. City department office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday. The Action Plan may also be reviewed online at www.plano.gov/660/Housing-Urban-Development-HUD-Grants.

Comments regarding the Action Plan and Substantial Amendment should be directed to Shanette Brown, Community Services Manager, 7501-A Independence Parkway, Plano, TX 75025, Phone: (972) 208-8198, Fax: (972) 208-8158, Email: shanetteb@plano.gov. Comments received after 5:00 p.m. on Tuesday, July 26, 2016, will not be sent to HUD.

PUBLIC HEARINGS

The Action Plan and Substantial Amendment will be reviewed by City Council and the public may comment at a public hearing on Monday, July 25, 2016, to be held at 7:00 p.m. in the Council Chambers of the Plano Municipal Center, 1520 K Ave, Plano, TX 75074.

ACCESSIBILITY STATEMENT

The Plano Municipal Building is wheelchair accessible. A sloped curb entry is available at the main entrance facing Municipal/L Avenue, with specially marked parking spaces nearby. Access and special parking are also available on the north side of the building. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the Planning Department at (972) 941-7151.

