



Legislation Text

File #: 24-763, Version: 1

STRATEGIC PRIORITY: Housing & Homelessness Solutions

AGENDA DATE: March 27, 2024

COUNCIL DISTRICT(S): All

DEPARTMENT: Department of Housing & Neighborhood Revitalization

EXECUTIVE: Majed Al-Ghafry

SUBJECT

A public hearing to receive comments on Substantial Amendment No. 3 to the FY 2023-24 Action Plan for the Community Development Block Grant (CDBG) Funds from the U.S. Department of Housing and Urban Development to reprogram unspent prior year CDBG funds in the total amount of \$4,500,000.00 from the Home Improvement & Preservation Program to the Residential Development Acquisition Loan Program; and, at close of the public hearing, authorize final adoption of Substantial Amendment No. 3 to the FY 2023-24 Action Plan - Financing: No cost consideration to the City

BACKGROUND

The Department of Housing & Neighborhood Revitalization (Housing) requests to amend the fiscal year (FY) 2023-24 Action Plan to allow timely commitment and expenditure of unspent prior year CDBG Funds and reprogram \$4,500,000.00 from the Home Improvement & Preservation Program (HIPP) to the Residential Development Acquisition Loan Program (RDALP).

From Community Development Block Grant:

<u>Fund</u>	<u>Department</u>	<u>Unit</u>	<u>Object</u>	<u>Amount</u>
CD22	HOU	605G	Various	\$2,437,028.53
CD22	HOU	606G	Various	\$ 408,969.42
CD23	HOU	705J	Various	\$1,654,002.05

To Community Development Block Grant:

<u>Fund</u>	<u>Department</u>	<u>Unit</u>	<u>Object</u>	<u>Amount</u>
CD22	HOU	6R05	Various	\$2,845,997.95
CD23	HOU	7R05	Various	\$1,654,002.05

Annually, the City submits an Action Plan to the U.S. Department of Housing and Urban Development (HUD) that includes the CDBG, HOME Investment Partnerships Program Grant, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS Grant. The FY 2023-24 Action Plan provides a detailed description of programs and services to be undertaken with the grant funds over the twelve-month period of October 1, 2023 through September 30, 2024, to address priority needs in the community designed to improve Dallas residents' quality of life for low- and moderate-income persons.

The City of Dallas as a grantee for the CDBG Funds is required to meet an annual timeliness test for expenditure of CDBG Funds. There have been challenges and barriers to operating multiple home repair programs and outsourcing administration to subrecipients and contractors that have delayed timely spending of CDBG Funds. To meet the timeliness test, the reprogramming of funding is essential. To alleviate future issues, HIPP is being amended for use in the FY 2024-25 Action Plan to remove obstacles such as multiple home repair program competition, multiple applications, and resident confusion. On December 12, 2023, the Housing and Homelessness Solutions Committee was briefed on the changes to the HIPP. The final approval for the HIPP changes will be on the Dallas City Council Agenda on March 27, 2024.

Federal regulations and the City's Citizen Participation Plan require a public hearing to authorize a substantial amendment to the Action Plan and require that a public hearing be held with not less than a 30-day public review and comment period to allow for public comments and input with respect to any substantial amendment to the Action Plan.

This action includes, following a public hearing, the City Council's final adoption of Substantial Amendment No. 3 to the FY 2023-24 Action Plan to reprogram unspent prior year CDBG Funds in the total amount of \$4,500,000.00 from the Home Improvement & Preservation Program to the RDALP.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 22, 2022, the City Council authorized the final adoption of the FY 2022-23 Consolidated Plan Budget by Resolution No. 22-1024.

On June 14, 2023, the City Council authorized the final adoption of the current FY 2023-24 Consolidated Plan Budget by Resolution No. 23-0765.

On December 13, 2023, the City Council authorized preliminary adoption of Substantial Amendment No. 1 to the FY 2023-24 Action Plan Budget and call the public hearing by Resolution No. 23-1657.

[The Housing and Homelessness Solutions Committee was briefed by memorandum regarding this matter on January 22, 2024. <https://cityofdallas.legistar.com/View.ashx?M=F&ID=12607488&GUID=910ECC1C-E9FF-42E6-A365-03496765387F>](https://cityofdallas.legistar.com/View.ashx?M=F&ID=12607488&GUID=910ECC1C-E9FF-42E6-A365-03496765387F)

On January 24, 2024, the City Council authorized preliminary adoption of Substantial Amendment No. 2 to the FY 2023-24 Action Plan Budget and call a public hearing to be held on February 28, 2024, before the Dallas City Council to receive public comments on the FY 2023-24 Action Plan Budget by Resolution No. 24-0164.

The Community Development Commission was briefed on the Substantial Amendment No. 3 to the

FY 2023-34 Annual Action Plan on February 1, 2024.

On February 14, 2024, the City Council authorized preliminary adoption of Substantial Amendment No. 3 to the FY 2023-24 Action Plan Budget by Resolution No. 24-0249.

FISCAL INFORMATION

No cost consideration to the City.