

Memorandum



DATE November 2, 2018

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **HUD Consolidated Plan for FY 2019-20 through FY 2023-24**

On Tuesday, November 6, 2018, the Office of Budget will brief the City Council on requirements for submitting the new 5-year Consolidated Plan to the U. S. Department of Housing and Urban Development (HUD). I have attached the presentation materials for your review.

If you have any questions, please let me know.

M. Elizabeth Reich

M. Elizabeth Reich

Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (I)
Carol A. Smith, City Auditor (I)
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief of Resilience
Directors and Assistant Directors

HUD Consolidated Plan for FY 2019-20 through FY 2023-24

**City Council Briefing
November 6, 2018**

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Chan Williams, Assistant Director
Office of Budget**



Purpose

- Review background of U.S. Department of Housing and Urban Development grant funds
- Discuss requirements for submitting a 5-year Consolidated Plan to HUD
- Consider City's approach to completing the 5-year plan
- Review next steps and schedule



Background

- U.S. Department of Housing and Urban Development (HUD) offers numerous federal programs for community development and affordable housing
- City of Dallas receives four grants from HUD on an annual basis as part of Consolidated Plan program
 - To be eligible for these funds a city must have population 50,000 or more
 - Allocation of funding is formula based including latest 10-year census data and 5-year American Community Survey data



Background

- Four distinct formula grants of the Consolidated Plan include:
 - Community Development Block Grant (CDBG)
 - HOME Investment Partnerships Program (HOME)
 - Emergency Solutions Grant (ESG)
 - Housing Opportunities for Persons with AIDS (HOPWA)



Background

- Funds are highly regulated
 - Citizen participation
 - Environmental review
 - Davis-Bacon regulations
 - Administrative caps
 - Public Service caps
 - Timely expenditure thresholds
 - Long-term compliance and monitoring



Background

- Sample of grant specific regulations include:
 - **CDBG**
 - Most flexible, with more categories of eligible uses to develop viable urban communities by providing decent housing and a suitable living environment, and by expansion of economic opportunities
 - Maximum 15% of funds allowed for human and social services type programs (i.e. child care, job training, seniors, etc.)
 - New construction generally not allowed

6



City of Dallas

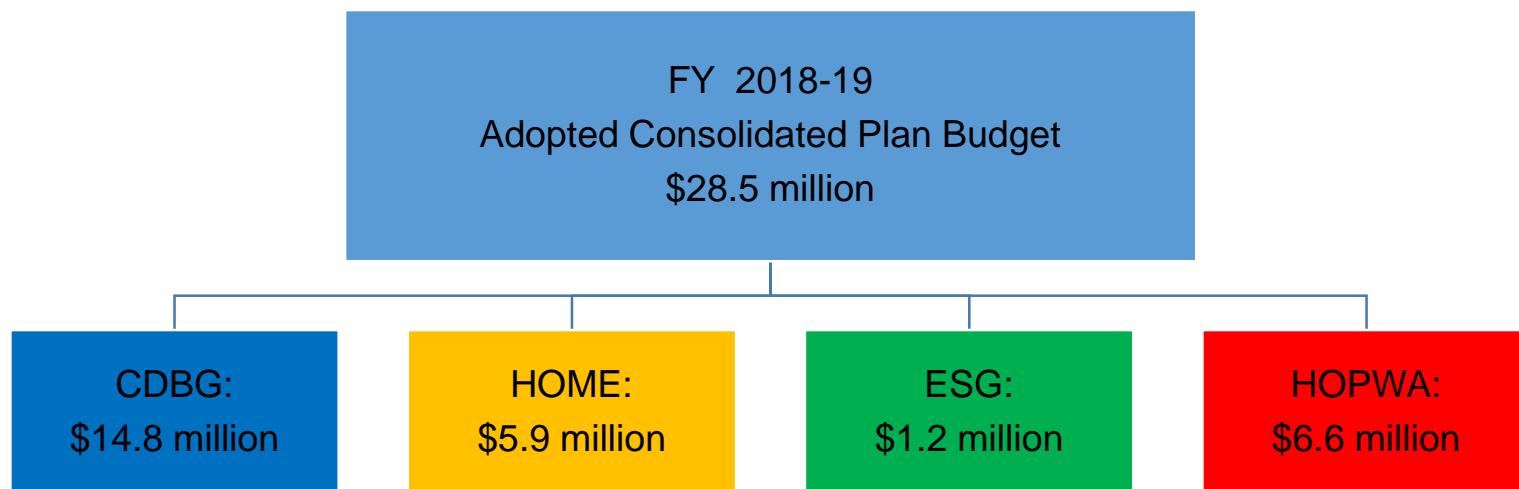
Background

- **HOME**
 - 100% of funds must be used for housing activities
 - Minimum 15% of funds must be set-aside for CHDO's
- **ESG**
 - 100% of funds must be used to prevent homelessness and assists those already homeless
- **HOPWA**
 - 100% of funds must be used to provide housing and supportive services to individuals (and/or family members) who have a medical diagnosis and are low-income



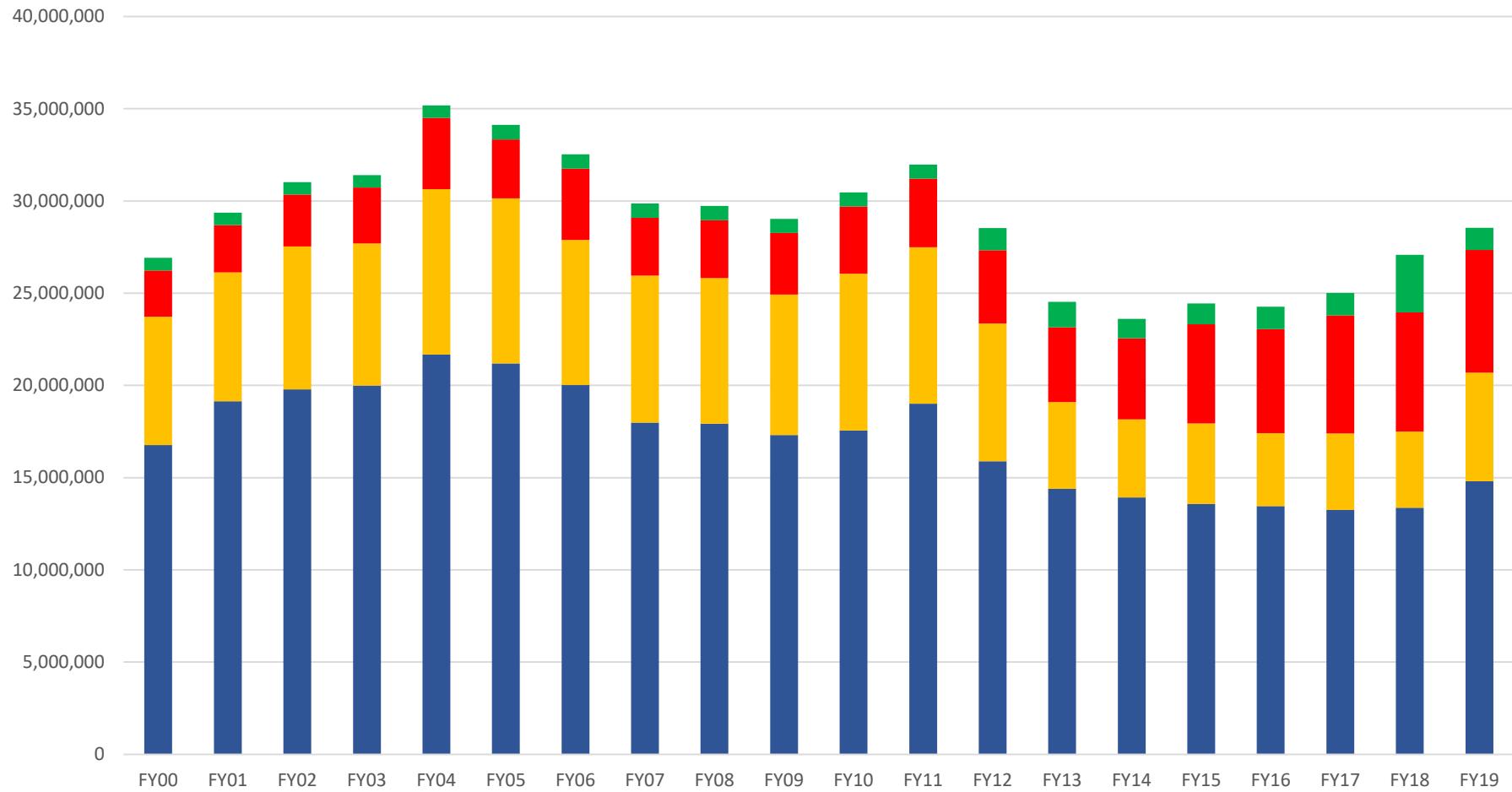
FY 2018-19 Consolidated Plan Funds

- In the current year, City will receive \$28.5 million from HUD as part of Consolidated Plan budget that Council approved on June 27, 2018



Funding History

CDBG HOME HOPWA ESG



Consolidated Plan Requirements

- In order to continue receiving these funds, new 5-year Consolidated Plan must be developed and submitted to HUD in August 2019
 - Current plan expires at end of current fiscal year
- New 5-year Consolidated Plan will cover FY 2019-20 through FY 2023-24
- First year Action Plan (annual budget) will be due to HUD at same time as 5-year plan



Consolidated Plan Requirements

- Consolidated Plan is a comprehensive analysis and strategic plan that identifies community needs, prioritizes those needs, and details how they will be addressed
- Needs currently identified include: affordable housing, homeless services, human and social services; economic development, and public improvements/infrastructure
- Key feature of these grants is ability to choose how funds will be used
 - In collaboration with citizen input, City determines which activities will best serve needs of the community based on HUD's broad range of eligible activities

11



City of Dallas

Consolidated Plan Requirements

- Requirements for development and submission of the Consolidated Plan are found at 24 CFR, Part 91
- HUD designed a Consolidated Plan template to ensure collection of required information and all elements of the regulations are addressed
- Template provides a uniform web-based format that sets a baseline for HUD's expectations and includes a quality check
- Includes a combination of data tables and narrative sets



12



City of Dallas

Consolidated Plan Requirements

- Programs must promote fair housing opportunities to citizens of Dallas regardless of race, color, religion, national origin, disability, familial status or sexual orientation
- City has option of adding additional content in the form of maps, pictures, text boxes, and tables
- City is allowed to customize narratives of the plan and add elements to tell a more compelling story
- Grantees must use the Consolidated Plan template



Consolidated Plan Requirements

- HUD template is divided into six sections:
 1. Executive Summary – serves as an introduction and summarizes key points of the plan
 2. The Process – identifies lead and responsible agencies involved in development of the plan and administration of the grants; consultations; citizen participation and public hearings
 3. Needs Assessment – provides a clear picture of the city's needs related to affordable housing, (non-housing) community development, homelessness and non-homeless special groups
 4. Housing Market Analysis – thorough evaluation and description of the city's landscape



Consolidated Plan Requirements

5. Strategic Plan – identifies and describes the priorities, including:
 - i. Rationale for establishing the identified priorities (consistent with analysis in needs assessments and market analysis)
 - ii. All funds that can be reasonably expected to be available including HUD and other federal, state, and local resources
 - iii. Multi-year goals to address priorities
6. First Year Action Plan – provide a concise summary of the actions, activities, and programs that will take place during the program year to address priorities and goals identified in the Strategic Plan

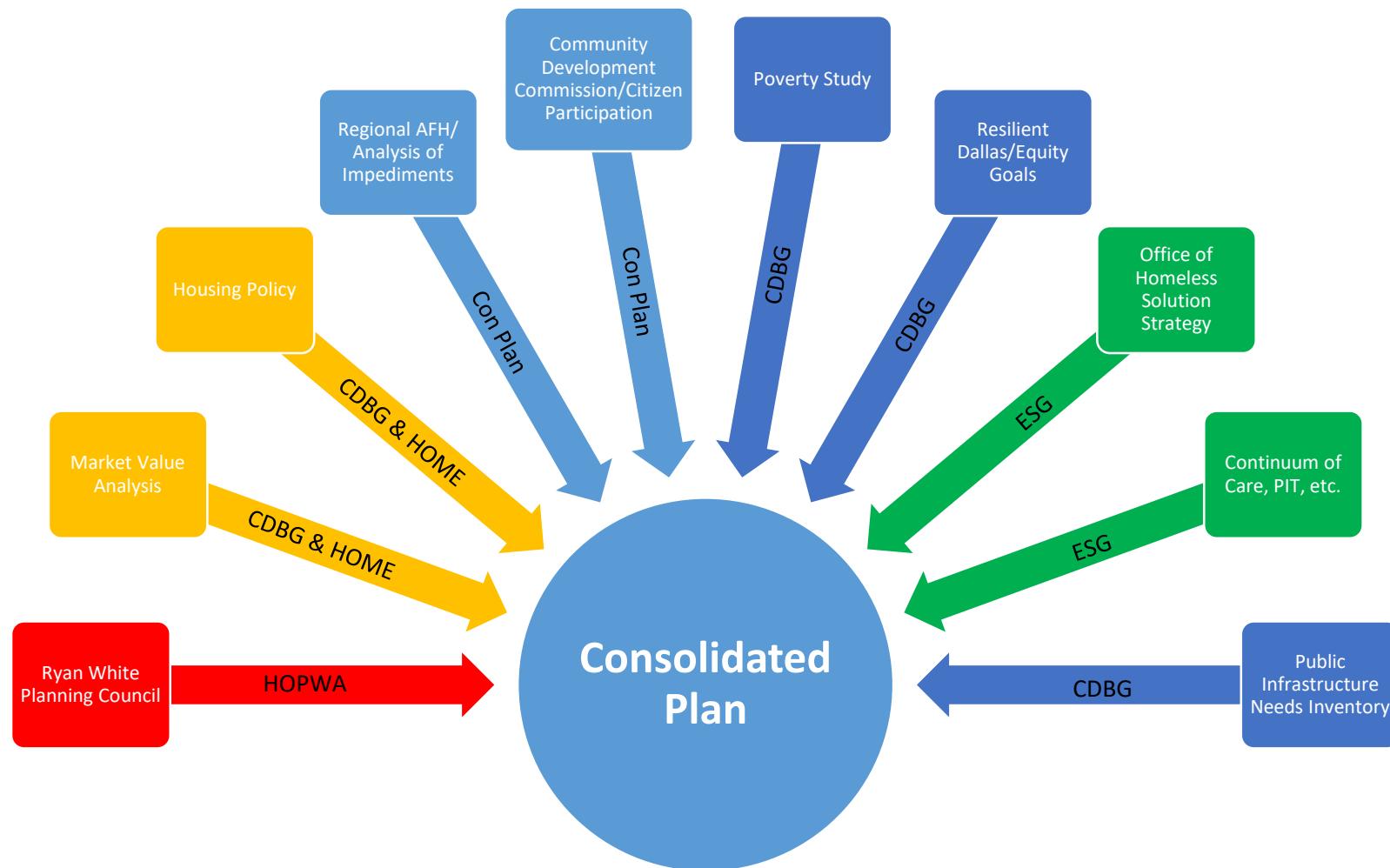


City's Approach

- Our approach for developing 5-year Consolidated Plan is primarily to use existing systems and build off of work that has already been accomplished
 - Existing systems include the Continuum of Care, Ryan White Planning Council, etc.
 - Existing strategies and policies have already been accomplished and include Housing Policy, Poverty Study, etc.
- 5-year plan will consolidate all of these into one document according to HUD's prescribed requirements



City's Approach



Next Steps and Schedule

- November 1 and ongoing – CDC and citizen input
- November 6 through December 5 – City Council input into preliminary plan
- November TBD – possible “special call” CDC meeting
- December 5 – City Manager recommended 5-year plan presented to City Council
- December 6 – CDC meeting
- December 12 – City Council initial approval of 5-year plan
- January 2019 – Citizen feedback at community meetings

18



City of Dallas

Next Steps and Schedule

- Feb 2019 through June 2019 – Annual budget development process
- May 2019 – City Council preliminary approval of 5-year Consolidated Plan and year-one Action Plan (annual budget)
- May through June 2019 – 30-day citizen comment period and public hearing
- June 2019 – Final approval of 5-year Consolidated Plan and year-one Action Plan (annual budget)
- August 2019 – submit plans to HUD



HUD Consolidated Plan for FY 2019-20 through FY 2023-24

**City Council Briefing
November 6, 2018**

**Elizabeth Reich
Chief Financial Officer**

**Jack Ireland, Director
Office of Budget**

**Chan Williams, Assistant Director
Office of Budget**

