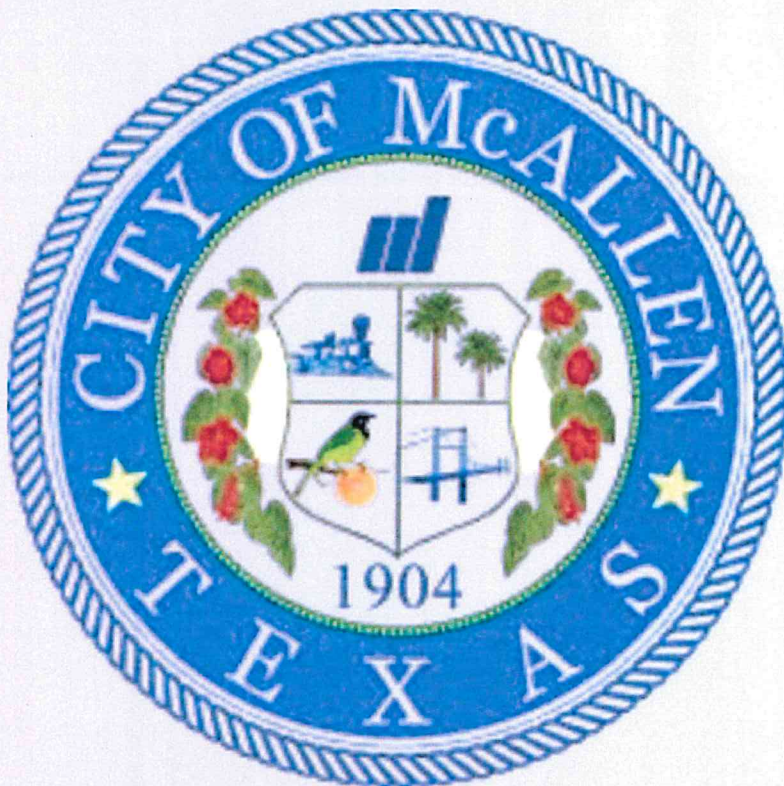




City of McAllen

CAPER

OCTOBER 1, 2023-SEPTEMBER 30, 2024



Prepared by

Grant Administration-Community Development

DRAFT

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Using HUD's Matrix Codes, the City categorized projects as either "High" or "Low" priorities in the FY 2018-2022 Consolidated Plan and Strategy (CPS). The CPS is intended to govern the use of HUD-awarded funds over five years. In summary, the following broadly defined activities are designated as "High":

- Housing - Construction, Counseling, Rehabilitation of Single and Multi-Unit Properties, Homeowner Assistance and Public Housing Modernization
- Infrastructure - Street Improvements, Water/Sewer Improvements, Sidewalk Construction, Flood/Drain Improvements
- Public Facilities - Youth Centers, Senior Centers, Homeless Facilities/Operating Costs, Neighborhood Facilities, Parks and Recreational Facilities, Fire Stations/Equipment and Health Centers
- Public Services - Services for qualified individuals and families including services for seniors, youth, general population, handicapped persons, abused and neglected children, and battered and abused spouses as well as transportation, health services, and subsistence payments
- Economic Development - Financial resources/infrastructure upgrades intended to improve the business community including micro-enterprise loans, revolving loan funds, and/or building acquisition, construction, or rehabilitation

During FY 2022-2023, the fifth year of the FY 2018-2022 CPS, all projects were deemed "High" priorities and addressed one of the above-listed priorities. Economic Development is traditionally addressed using municipal dollars with oversight being undertaken by the Development Corp. of McAllen, McAllen Economic Development Corp., or the City's Retail and Business Development Department. However, the CDBG-CV fund provided three-year loans to small and micro-businesses to stave off the effects of the pandemic we are currently in the final year of the period of performance.

In addition to being a High priority, projects must meet one of the three national goals/objectives that serve as the overall framework for the use of Consolidated Plan funds. The goals are (1) to provide decent housing, (2) to create a suitable living environment and (3) to expand economic opportunities, to principally benefit extremely low-, low-, and moderate-income individuals and families. Most of the FY 2022-2023 projects met

the second goal, creating a suitable living environment. Projects undertaken by Affordable Homes of South of South Texas, Inc. and Catholic Charities of the RGV addressed goal #1, to provide decent housing.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
03: Other Public Facilities and Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
03C: Homeless Facilities	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	2210	0	0.00%	442	0	0.00%

03C: Homeless Facilities	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0		442	0	0.00%
03D: Youth Centers	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
03E: Neighborhood Facilities	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
03F: Parks and Recreational Facilities	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	105650	0	0.00%	3	0	0.00%

03J: Water/Sewer Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	15550	0	0.00%	2	0	0.00%
03K: Street Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
03L: Sidewalks	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
03O: Fire Stations/Equipment	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				

03P: Health Facilities	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
05A: Senior Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	25	47	188.00%	5	47	940.00%
05B: Handicapped Services	Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	55	16	29.09%	11	16	145.45%
05D: Youth Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	25	0	0.00%	5	0	0.00%

05E: Transportation Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
05G: Services for Battered and Abused Spouses	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	300	0	0.00%	330	0	0.00%
05G: Services for Battered and Abused Spouses	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	100	0	0.00%			
05L: Child Care Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	525	366	69.71%	105	366	348.57%
05M: Health Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1920	365	19.01%	384	365	95.05%

05N: Services for Abused and Neglected Children	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	825	228	27.64%	165	228	138.18%
05Q: Subsistence Payments	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	17		0	17	
05Q: Subsistence Payments	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	175	0	0.00%			
05Q: Subsistence Payments	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homelessness Prevention	Persons Assisted	0	0		35	0	0.00%

05W: Food Banks	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	17500	3698	21.13%	3500	3698	105.66%
05Z: Other Public Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	135	15	11.11%	0	15	
05Z: Other Public Services	Non-Housing Community Development	CDBG: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	0	0		27	0	0.00%
05Z: Other Public Services	Non-Housing Community Development	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0		0	0	
14A: Rehab: Single- Unit Residential	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	15	0	0.00%	3	0	0.00%
18A: Economic Development For- Profit Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	0	0				
18C: Economic Development Micro- Enterprise	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	0	0				

Construction of Housing	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	35	0	0.00%	7	0	0.00%
Program Administration	Administration	CDBG: \$ / HOME: \$ / ESG: \$10987	Other	Other	0	0		5	0	0.00%
Provide Housing and Services for the Homeless	Homeless	ESG: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	65	0	0.00%			
Provide Housing and Services for the Homeless	Homeless	ESG: \$	Homeless Person Overnight Shelter	Persons Assisted	2710	0	0.00%	542	0	0.00%
Provide Housing and Services for the Homeless	Homeless	ESG: \$	Other	Other	0	0				

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City of McAllen identified the following 7 priorities for targeting resources received from HUD:

1. To increase opportunities to attain homeownership
 - Although AHSTI did not construct single-family homes utilizing HOME funds, CDBG staff works with Affordable Homes of South Texas,

Inc., and every year staff volunteers at a homebuyer fair to be able to inform the community on opportunities to attain home ownership.

1. To preserve and rehabilitate existing single-family housing stock for owner-occupant households

- AHSTI reconstructed three (3) single-family homes.

3. To improve the living conditions of renters

- Homeless Prevention activities were undertaken by Catholic Charities of the RGV, The Salvation Army, and Silver Ribbon Community Partners

4. To improve housing and supportive services to residents who are or may become homeless and provide access to emergency, transitional, and permanent housing

- Women and children who reside at the Women Together's Emergency Shelter benefitted (and will continue to benefit) from CDBG-funded improvements (11 persons)
- Funds prevented homelessness for McAllen residents through utility or rental assistance and/or deposits.
- The Salvation Army - Emergency Shelter clients received clothing assistance to obtain employment or upon finding work and/or received bus vouchers so that the clients may reside where they have a support system/network.

5. To preserve, provide, and improve social services for residents with special needs, particularly the elderly, the physically disabled, victims of

domestic violence, and youth

- LRGVDC–Area Agency on Aging provided medication assistance or access to DME for 25 of the City’s elderly
- Access Esperanza, Comfort House Services, Inc., Community HOPE Projects, Inc., and Easter Seals served 369 patients
- Children’s Advocacy Center assisted 67 child victims of domestic violence or assault
- Boys and Girls Club of McAllen (Scholarship Program) and FUMC–Shoe Bank of McAllen Programs assisted 285 children
- C.A.M.P University provided life skills to 17 youth or adult persons with special needs
- McAllen Food Pantry and Food Bank of RGV provided food to nearly 5,856 persons

6. To expand economic opportunities in the community

- Programs used CDBG-CV funds to provide a 3-year loan to small and micro-business enterprises to mitigate the effects of COVID-19 on economic enterprises. We are currently in the final year of the period of performance.

7. To provide public facilities and infrastructure improvements

- The City completed La Paloma Subdivision Pavement Improvements project.
- McAllen Public Utility began work for Kendlewood Ave. Waterline Improvements project.
- McAllen Public Utility began work for Austin Ave. to Chicago Ave. Sewer Pipe bursting project.

Public facilities and infrastructure improvements using CDBG-CV funds:

The City completed the Touchless Fixtures project at Palm View Community Center and Palm View Branch Library.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME
White	5,955	0
Black or African American	13	0
Asian	19	0
American Indian or American Native	0	0
Native Hawaiian or Other Pacific Islander	0	0
Total	5,987	0
Hispanic	5,745	0
Not Hispanic	242	0

Describe the clients assisted (including the racial and/or ethnicity of clients assisted with ESG)

	HESG
American Indian, Alaska Native, or Indigenous	0
Asian or Asian American	0
Black, African American, or African	0
Hispanic/Latina/e/o	0
Middle Eastern or North African	0
Native Hawaiian or Pacific Islander	0
White	0
Multiracial	0
Client doesn't know	0
Client prefers not to answer	0
Data not collected	0
Total	0

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The racial and ethnic status of CDBG participants is based upon subrecipient activities. However, it must be noted that the PR03 report shows 2015- 2022 subrecipient project accomplishments. However, the City did not duplicate nor overstate the number of families (persons) assisted since only those projects noted as expended and closed out in "2022" were used in the compilation of the data for Table 2.

CDBG subrecipient programs count the number of persons participating (not families as noted in the chart). Even still, it should be noted that three "Other multi-racial" persons benefitted from CDBG-sponsored programs. Of these, one was Hispanic. The total number of Hispanic and non-Hispanic is based on the individual participants of CDBG subrecipient activities.

Further, it should be noted that while HOME beneficiary data is based on households, none were completed during this program year.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	1,747,593	
HOME	public - federal	634,001	
ESG	public - federal	146,947	

Table 3 - Resources Made Available

Narrative

The City of McAllen was successful in expending \$2,356,411.77 in CDBG funds, \$122,850.53 in ESG funds, and \$41,559.66 in HOME Admin funds. Of note, the CDBG expenditure amount does not include those expenses which were prior year flagged for FY 2022-2023 nor does it include unliquidated obligations which may be expensed in FY 2023-2024.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
CDBG ELIGIBLE CENSUS TRACTS	51		

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City of McAllen did not allocate funds geographically; however, area-benefit projects are limited to areas of the City in which the preponderance (at least 51%) of persons are of low and moderate income. Completed in FY 2022-2023, infrastructure, construction projects and the service areas of the eligible Fire Stations were determined eligible via Census Tract/Block Group data. The Actual Percentage of Allocation listed above is a compilation of all area benefit project expenses drawn in FY 2022-2023.

In addition, to comply with CDBG and HOME requirements, Community Based Development Organizations (CBDOs) and Community Housing Development Organizations (CHDOs) have geographic constraints for their contributions and improvements. In McAllen, CBDOs are limited to CDBG-eligible Census Tracts for new home construction. Further, many non-profit organizations operate from low income Census Tracts or have satellite offices within these eligible areas.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City of McAllen encourages recipients and subrecipients to apply for additional grants or other funding sources to leverage funds and maximize HUD-awarded subsidies. Before contract ratification, potential amounts of leveraging are determined on a per-project basis. For specific project leveraging information, please refer to "Attachment II. Grantee Performance Report". The Grantee Performance Report (GPR) will indicate specific amounts and sources.

As an economically distressed area, the City has waived 100% of its HOME matching requirement. The HOME Match Report is provided in "Attachment I. Financial Summary Report". As of date, all HOME funds are frozen pending response from HUD headquarters. However, any income generated through the use of HOME funds becomes CHDO (Community Housing Development Organization) Proceeds and remains with Affordable Homes of South Texas, Inc. to be reinvested in housing or administrative activities. However, due to the hold placed upon the HOME funds, there are no CHDO proceeds. In addition ESG funds require a dollar-for-dollar match. This was satisfied through the use of local and federal resources.

The publicly-owned land/property that was rehabilitated for improvements/provides use as green or open space were at Balboa Park Basketball Court Improvement, La Paloma Street Improvement Project, and COVID Mitigation at Central Fire Station, Station 3, and Station 6. Additional public property, such as the library, community centers or convention center, has been used to provide space for public service activities including educational programs, recruitment, fairs, distribution centers, etc.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	0
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	0
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	0

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at begin-ning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
0	0	0	0	0

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	0	0	0			
Number	0	0	0			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	555	0
Number of Non-Homeless households to be provided affordable housing units	10	0
Number of Special-Needs households to be provided affordable housing units	35	0
Total	600	0

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	35	0
Number of households supported through The Production of New Units	7	0
Number of households supported through Rehab of Existing Units	3	0
Number of households supported through Acquisition of Existing Units	0	0
Total	45	0

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City of McAllen provided affordable housing to different household types; including non-homeless and special needs populations (elderly). Nonetheless, the City is cognizant of the need to increase production and rehabilitation. Staff is actively working with Affordable Homes of South Texas, Inc. the region's CHDO. The one-year goal was met for serving non-homeless and special needs households. These households were supported through rental assistance and rehab of existing units.

Discuss how these outcomes will impact future annual action plans.

The City continues to assess all housing programs. Community Development and CBDO/CHDO Staff meet at least once annually to determine procedures to minimize wait times between clients requesting assistance, beginning construction or rehabilitation, payment/reimbursement for services, and compliance with federal and local regulations.

The number of households assisted/outcomes will impact future action plans by (1) increased attention paid to the time it takes to construct homes and submit required documentation, (2) thorough reviews of environmental procedures with appropriate non-profit staff, (3) continuance of discussions regarding underwriting, (4) reviews of current and past monitoring and technical assistance visits (5) adherence to contractual obligations and (6) utilization of the underwriting HUD-TA developed tool.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	0
Low-income	0	0
Moderate-income	0	0
Total	0	0

Table 13 – Number of Households Served

Narrative Information

No housing services were provided with the HOME Investment Partnerships Program due to frozen funds.

The City is committed to addressing worst-case needs, including renters who are severely cost-burdened, persons living in substandard housing, homeless individuals and persons involuntarily displaced. To address cost burden, CDBG funds are used for rental assistance, primarily from The Salvation Army, Silver Ribbon Community Partners, and Catholic Charities of the RGV. Further, AHSTI provides a rehabilitation program to help residents living in substandard housing. Individuals and families who are homeless are most likely to receive assistance from The Salvation Army. Due to their particular circumstances, social support services are a critical component of obtaining and/or maintaining housing. These social support services may be CDBG and ESG-funded. Other actions to foster or maintain housing include homebuyer counseling assistance provided by AHSTI.

Assistance was provided to households who paid less than Fair Market Rent per Section 215 definition of affordable housing.

And, while CDBG funds have not been used for programs that displace persons, this does not preclude families from utilizing CDBG-funded rental assistance projects. Lastly, other actions to foster or maintain housing include homebuyer counseling assistance provided by AHSTI, with HUD-Certified Counselors on staff.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Homeless individuals are often the most underserved due to limited supportive services and housing opportunities. Critical cases include unsheltered persons who are likely suffering from chronic homelessness. Barriers to assessing these individual needs are substance abuse, mental illness, or other significant concerns that contribute to their homeless status. The only overnight shelter in Hidalgo County for unsheltered individuals and families is located in McAllen and operated by The Salvation Army.

The City of McAllen serves as a hub for homeless individuals since the two operating shelters are located within the city limits including Women Together Foundation, Inc. for domestic violence survivors. The staff has worked in reestablishing community partnerships and engaging an open dialogue for supplemental services in efforts to bridge the unmet gaps. City partners with community agencies include Catholic Charities of the Rio Grande Valley and Silver Ribbon Community Partners strengthening accessible affordable housing for homeless individuals through their rental assistance program.

In the last three years, the City has received the Emergency Solutions Grants which enables an additional financial opportunity to eligible subrecipients for street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS. Additionally, a one-time allocation to further address homelessness was acquired through the HOME-America Rescue Plan.

The City is actively working on reigniting a community interest in serving the homeless population and ensuring everyone has equal access to affordable housing and supportive services.

Addressing the emergency shelter and transitional housing needs of homeless persons

In Hidalgo County, there are only two operating emergency shelters The Salvation Army and Women Together Foundation, Inc. located in McAllen. Historically, emergency shelters are awarded through CDBG operational and maintenance costs, rental assistance to assist with housing instability and bus vouchers for long-distance relocation of individuals who have regained independence by finding a job and housing opportunities in another city or state.

The Salvation Army offers single beds for men only, women, and families. The organization strives to provide adequate services to their residents and offer warm meals during kitchen hours also available for those who are unsheltered.

Women Together Foundation is the only shelter in the area to provide services to domestic violence survivors and transitional housing for individuals with families transitioning out of the emergency shelter.

The emergency shelters collaborate with all entitlement communities in Hidalgo County to receive financial assistance through CDBG and ESG. It is important to note, that housing stability for homeless individuals are available through rapid-rehousing and homeless prevention services under ESG.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The crisis for low and extremely low-income households at risk of homelessness continues to rise. These households are likely living in substandard conditions relying on homeless prevention services such as short and/or medium rental assistance, security, and utility deposits.

The principal goal for the City is to prevent individuals and families from becoming homeless. Homeless prevention services set forth a path to assist families with limited to no income by relocating and stabilizing their housing status.

While consulting with community stakeholders to identify the unmet gaps and needs of homeless individuals we identified Tropical Texas Behavioral Health as a facility that serves homeless individuals who are suffering from mental health crises by offering rental assistance and furnishings to promote self-sufficiency.

The McKinney Vento Liaison for the McAllen School district is responsible for identifying students who are unaccompanied youth and works closely with community agencies to assist students and their families.

Endeavors is an agency that provides support services for veterans and families through various programs such as Veteran Homelessness Prevention. The program offers emergency financial assistance which includes short-term rental housing, rental and utility payments, mental health resources, and other assistance to help exit homelessness.

The Salvation Army of McAllen, Women Together Foundation, Inc., and Catholic Charities are the primary agencies available for the homeless community. They offer rapid rehousing and homeless prevention; these agencies receive CDBG and ESG from all entitlement communities in Hidalgo County and state funding to operate and service the community.

The City is preparing to implement innovative ideas to enhance services available to the homeless population through ESG and HOME-ARP. In conjunction with other entitlement communities in Hidalgo County, a task force to address and discuss the need to put into effect a plan to reduce homelessness represents community efforts in ensuring equal opportunities for housing stability and supportive services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Accessibility to supportive services, rapid rehousing, and homeless prevention assistance is the foundation of ending the cycle of homelessness. The Point-In-Time, an annual census of the homeless population, less than 10 individuals were reported as chronically homeless; but witnessed an influx of homeless individuals sheltered and unsheltered.

The goal is to set forward a path where individuals and families complete their services through ESG, then utilize CDBG to supplement the assistance; and eventually transition into becoming home-owners through Affordable Homes of South Texas; an organization where first-time home buyers receive housing counseling, down-payment assistance, and other services to enhance the quality of life.

We continue to work closely with agencies providing homeless prevention assistance to identify unmet gaps in services. ESG and HOME-ARP will positively impact the homeless community by reducing numbers, promoting self-independence, and increasing equal housing opportunities.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

McAllen Housing Authority acts independently from the City and receives a separate allocation from HUD. However, we have a collaborative relationship and most recently funded MHA through the CDBG-Cares Act.

MHA offers assistance to low-income families elderly, and disabled individuals. Available services include public housing, housing choice vouchers, low-income housing, housing tax credits, and homeownership. McAllen Housing Authority is a standard PHA, they have a total of 89 units and 1,329 Housing Choice Vouchers (HCV's). They purge the wait list every six months but on average assistance is available within a year of applying.

Currently, MHA has ten apartment complexes under their property list working with the Housing Choice Vouchers. They are actively seeking new landlords to participate in the programs and offer incentives to expand affordable housing in the City of McAllen.

Retama Village I facility houses one hundred twenty-eight units, comprised of sixty-four low-income housing tax credit (LIHTC) units and sixty-four public housing units. Retama Village II houses seventy-four units, comprised of forty-nine LIHTC units and twenty-five public housing units. Forty-nine RAD Project-Based Vouchers are located at the Vine Terrace Apartments complex, previously a Public Housing Development.

Villas at Beaumont hosts an additional thirty-six elderly housing LIHTC units and one hundred twenty-two LIHTC units at The Dove's Nest Apartments (formerly known as Las Palomas Apartments), of which 100 are designated for families of 60% AMFI. Green Jay Apartments was placed into operation and hosts an additional one hundred twenty LIHTC units, of which 100 are designated for families of 60% AMFI. Moreover, Sunset Gardens, an elderly Section 202 complex, has seventy affordable units, and, Hibiscus Apartments is comprised of twenty multi-family units and Orchid Apartments is a seventy-seven-unit multi-family complex. Hibiscus and Orchid unit rents are maintained at an estimated 85% market value to assure affordability. Continuing to address the needs of renters, McAllen Housing Authority broke ground on Hibiscus Village Apartments, a ninety-six LIHTC complex that will be in operation early this year.

The Mayor of McAllen appoints the board members for the McAllen Housing Authority. To engage the community, annually a public hearing is held by MHA to solicit comments. This opportunity promotes both organizations to discuss overarching projects and any concerns, or updates to ongoing developments

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

McAllen Housing Authority works diligently to inform applicants of available services in the community. Affordable Homes of South Texas is the most recognizable in building relationships with the entire region to make affordable housing accessible to low-income families.

MHA partners with various community agencies to provide educational and financial services to individuals and families participating in the programs. Since 2020, Rio Grande Valley Literacy Center has provided GED preparation, computer, and citizenship classes. ESL classes are offered twice a week through Region One. During tax season, tax preparation assistance is available to the residents. Another community partner includes Valley Initiative for Development and Advancement, hosting monthly sessions for education and meeting the residents' needs through other forms of supportive services.

McAllen Housing Authority's Resident Advisory Board is active and encourages residents to participate, a requirement in their Citizen Participation Plan. Annually, Affordable Homes of South Texas hosts their Home Buyer Fair for the community and MHA participates and informs all residents to attend.

Actions taken to provide assistance to troubled PHAs

Not applicable, McAllen Public Housing Authority is not a troubled agency as defined by HUD.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City, through the Analysis of Impediments draft, identified the following barriers:

1. Limited access to decent, safe & affordable housing
2. Limited access to publicly supported housing
3. Limited access to transportation
4. Location & type of affordable housing
5. Limited access to equitable financial services
6. Lack of fair housing resources
7. Limited access to proficient schools
8. Jurisdictional variations - Inequities in infrastructure, quality of buildings & housing construction, and emergency services are apparent between municipalities and rural locales. Social services and access to these services may be hindered by the distance of one's residence to the MSA. Jurisdictions also vary in the implementation of policies (i.e., code enforcement, job training, job sites, and services for special needs populations).

To remove or ameliorate the negative effects of public policies, the City:

1. Expanded funding for housing rehabilitation and/or reconstruction services
2. Encouraged and supported affordable housing developments
3. Continued municipal transportation services, particularly to areas of interest including the Texas A&M campus
4. Continued to encourage deconcentration of low-income housing and support a mixed type and varied styles of affordable housing
5. Did not undertake any actions against this impediment; lack of progress was due to COVID hindrance of in-person fairs and events
6. Staff were available to assist persons to access fair housing resources, including the completion of forms and provision of pamphlets
7. Continued the partnership with McAllen ISD
8. Utilized municipal departments and resources to ensure quality construction and developments within the City

The City will finalize the Analysis of Impediments PY 2023.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The following obstacles to meeting underserved needs were identified and actions to address them followed suit:

1. McAllen is located in one of the fastest-growing regions in the country, and its population growth threatens to outstrip the existing capacity of local housing and community development organizations. With ongoing cutbacks to public services, individuals and families are hard-pressed to meet their needs for affordable housing and other community development assistance.

- The City attempted to maximize the amount available to social service agencies
- The City encouraged subrecipients to leverage federal resources

2. McAllen percentage of households living in poverty.

- An Anti-poverty Strategy was created which identified agencies that can quickly provide services to extremely low-income persons

3. As a result of the City's lower income levels, few extremely low- and low-income residents can afford a median-priced home, or the rent for a market-rate two-bedroom apartment.

- Homeless Prevention programs were funded through CDBG and ESG which helped remedy short-term needs; in addition, utility and rent deposits were also made available

4. Much of the region continues to struggle with twice the unemployment rate of the rest of the state.

- While no regular CDBG funds were used to address economic development, CDBG-CV provided a 3-year loan to small and micro-business enterprises to mitigate the effects of COVID-19 on economic enterprises. We are currently in the final year of the period of performance.

5. A major contributor to the region's high unemployment and poverty rates is its low educational attainment levels.

- The City of McAllen and Hidalgo County are two of the partners that funded the development of the Texas A&M - University campus which is located within the City's limits; the new campus provides Science, Technology, Engineering, and Mathematics classes for the region.
- An initiative was adopted to increase the extent of South Texas College. Campuses were built/classes are being held throughout the County.
- Bus routes have increased to obtain transportation to and from the local campuses.

Further, to overcome the identified obstacles, the City of McAllen has designated social services, housing and infrastructure, public facilities, and economic development activities as "High" priorities. As such, HUD-awarded funds continue to be utilized to further these types of activities for the benefit of low- and moderate-income persons.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

In recognition of the dangers posed by lead-based paint, the City/Housing Provider Staff tested homes that were constructed before January 1, 1978, for the presence of lead. The specific homes tested are those that are under consideration for housing rehabilitation and reconstruction assistance under the CDBG program. The appropriate abatement or interim control methods are employed if lead is found in the home. The City models its Lead-Based Paint Policy after the guidance issued by EPA and HUD. This policy is included as part of the Standard Operating Procedures for the housing rehabilitation program to comply with the Lead-Based Paint Requirements – HUD Lead Safe Housing Rule 24 CFR Part 35, Subpart J Rehabilitation Section 35.900.

In summary of the policy, the following are the levels of intervention and action:

- Rehabilitation activities less than \$5,000 – Safe work practices and work site clearance
- Rehabilitation activities between \$5,000 and \$25,000 – Risk assessment and interim controls
- Rehabilitation activities over \$25,000 – Risk Assessment and abatement

Any contractor/subcontractor attempting to work on federally funded projects in which lead-based paint is a concern is subject to compliance with the regulation.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City's Anti-Poverty Strategy focuses on the most vulnerable population segments: extremely low-income households (0-30 % of the median family income), individuals and families living in public or assisted housing, and homeless individuals and families. These segments of the population have the highest incidence of poverty and possess limited economic enrichment opportunities.

The City of McAllen has focused its resources on assisting these families and individuals through social programs. To develop effective strategies for economic development and job creation, the City must overcome barriers to job creation, which include a lack of education and skilled labor force, sufficient capital, and adequate opportunities. Strategies included: providing support services, reducing barriers to job training and permanent employment, providing programs for literacy and life skills, identifying jobs and providing training programs to meet required employment skills, and initiating regional business development efforts to expand businesses and stimulate entrepreneurial spirit.

These social service organizations are the most prominent agencies in assisting extremely low- and low-income individuals/families to find housing and/or supportive services:

- Access Esperanza
- Affordable Homes of South Texas, Inc.
- Boys and Girls Club of McAllen
- Catholic Charities of the RGV
- Comfort House Services, Inc.
- Community HOPE Projects, Inc.
- Food Bank of the RGV
- LRGVDC - Area Agency on Aging
- McAllen Food Pantry
- McAllen I.S.D.
- McAllen Public Housing Authority
- Silver Ribbon Community Partners
- The Salvation Army
- Women Together Foundation, Inc.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City's Grant Administration Department –Community Development Division is responsible for oversight of housing and community development funds received from the U.S. Department of Housing and Urban Development (HUD). Excluding the administration portion of its award, the City contracts all CDBG, HOME, and ESG to fund social service agencies and municipal departments for the implementation of eligible projects.

The City Commission has appointed a fourteen-member advisory board to review and recommend HUD-awarded funds to non-profit and city department projects. Annually, the advisory board holds several public hearings, tours the proposed construction sites, and visits with applicants before recommending funding.

To overcome gaps in the institutional structure, the City of McAllen:

- Limited the amount of project funding available to social service agencies by awarding near the allowable 15% cap of the annual allocation;
- May send multiple CDBG and municipal projects to bid at the same time to reduce costs;
- The supported partnership of Affordable Homes of South Texas, Inc. with local banks and other funding sources to assist low- and moderate-income persons in becoming homeowners;
- Met with other jurisdictions' CD staff to discuss issues, policies, and procedures for uniform implementation of projects
- Utilized the revised Citizen Participation Plan to broaden outreach, including using social platforms to provide information as was necessary for stay-at-home orders/COVID-19 mitigation.

Since August 2023, the department has changed management. New implementations have been set forth to ensure project completion and help improve institutional structure. In addition, the following strategies have been implemented:

- Technical assistance offered to sub-recipients year-round
- Amendment to contract enforcing a 90-day rule. If funds are not expended or status updates are not provided within 90 days they will be at risk of getting their funds recaptured and reprogrammed
- Staff reminds sub-recipients that this is a “need” -based grant. If they are not spending, it does not illustrate the need
- Additional training has been provided to staff to further enhance their knowledge of program development

Overall, with these actions set in place, the city can identify slow-moving projects /and sub-recipients to be able to improve institutional structure.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City works with a variety of organizations involved in the delivery of housing, homeless, non-homeless special needs, and community development activities, including many of the public agencies and community organizations consulted during the development of the CPS and the One-Year Action Plan. These include the McAllen Public Housing Authority (MHA), Affordable Homes of South Texas, Inc., and community organizations whose fields of interest and service include but are not limited to social services, youth services, elderly services, disability services, abused children's services, health services, homeless services, and domestic violence assistance.

The strength of the City's CDBG program structure is derived from the variety of public agencies and community organizations in the area that are working diligently toward one common goal: to provide affordable housing, supportive services, and community development assistance to benefit low- and moderate-income individuals and families. Local agencies, community-based organizations, and social service providers must coordinate their activities in response to the region's urgent needs. Each stakeholder in the delivery system contributes valuable resources and expertise.

Each funded agency is provided information on the other funded service providers. CD Staff encourages agencies to network and refer clients to one another whenever services are needed. When referring clients, staff allows one intake process to ensure that clients are not unduly burdened with submitting income documentation to each service provider.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

To overcome the effects of any impediments identified in the Analysis of Impediments draft for Fair Housing Choice, the city:

1. Provided funding for housing rehabilitation and reconstruction services
2. Encouraged and supported affordable housing developments
3. Continued municipal transportation services, particularly to areas of interest including the Texas A&M campus
4. Was available to assist persons to access fair housing resources, including the completion of forms and provision of pamphlets
5. Continued the partnership with McAllen ISD
6. Utilized municipal departments and resources to ensure quality construction and developments within the City

The City does not believe that planning requirements and code enforcement actions constitute barriers to fair and affordable housing. The majority of these policies or regulations cannot be considered excessive, exclusionary, discriminatory, or duplicative. It is not unreasonable for cities with jurisdictional authority to charge development fees, especially pertaining to land preparation costs. However, it does need to be acknowledged that for the development of affordable housing, these costs can be potentially prohibitive. To remove or ameliorate barriers to affordable housing, the City may waive or lower fees for the development of affordable housing. This may serve as an additional incentive to develop affordable housing. Through the inclusion of other federal and non-federal sources of funding, affordable housing may be more easily provided, particularly for extremely low-income households.

Affordable housing remains a "High" Priority and continues to be addressed using FY 2022-2023 CDBG and HOME funds. The City attempted to ameliorate, to the extent feasible, any conditions that serve as barriers to the construction, maintenance, development, or sustainability of affordable housing units.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Monitoring is an ongoing process involving communication and evaluation of subrecipients, departments, and expenditures. This process involves frequent telephone contacts, written communication, and meetings. The goal is to identify deficiencies and provide technical assistance to improve and/or reinforce performance. The purpose of the monitoring is to determine compliance with the executed agreements, including HUD, and other Federal, State, or local codes or statutes. The City monitored 100% of its non-profit projects on site.

Monitoring visits begin with interviews with subrecipient personnel. They serve to inform the entity of the goals and purpose and articulate areas of concern. Following the visit, a report is then issued to the agency. The City monitored all of its subrecipients, onsite.

Monitoring of construction projects includes assessing compliance with additional requirements. Specifically, Davis-Bacon requirements and procurement procedures are reviewed. Testing by an independent contractor may be used to ensure the contractor is following specifications.

To monitor its compliance, CD staff:

- Composed the Consolidated Annual Performance and Evaluation Report (CAPER) to note accomplishments;
- Provided HUD officials with documents to fulfill their monitoring requirements;
- Provides financial and performance reports to City management, the Community Development Advisory Committee, and City Commission
- Utilized the City's Finance Department and Office of Management and Budget to review expenditures and maintain records;
- Utilized the City's Purchasing and Contracting department to solicit bids;
- Conducted desk reviews of all public service projects; and
- Participates as part of the City's internal and external audit process

Long-term compliance for housing programs is accomplished through loan documents and County filings.

CD staff will continue to encourage minority and women businesses to participate in the

implementation of HUD programs. One of the 44 contracts was issued to a women-owned enterprise. Conversely, 41 of 44 contracts were awarded to minority enterprises.

The City has adopted a Citizen Participation Plan (revised in the 2020-2021 fiscal year) to adhere to planning requirements. The plan details the number of days the City must notify the public of upcoming hearings, prescribes the places where notifications must be placed, and contact information to submit concerns.

Most notably, the City was unsuccessful in meeting the annual timeliness test for the third time, whereby the City should have less than 1.5 times its annual allocation in LOCCS (U.S. Treasury payment mechanism). As such, the City has participated in an informal consultation with HUD Field Office and HUD Headquarters on 11/20/2023. A decision to either recapture or release PY 2023 funds has yet to be made.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City of McAllen published a notice inviting public review and comment on the draft CAPER document. The draft document was available during normal business hours in the Grant Administration Community Development Division, 1300 Houston, 2nd Floor, McAllen, Texas, at the main library and two branch libraries/community centers. The CAPER comment period began on Wednesday, November 22, 2023, and ended on Friday, December 8, 2023, allowing for the HUD-mandated minimum 15-day comment period. The public notice further stated that the City intended to submit the final document to HUD before Friday, December 29, 2023.

In addition, the Community Development Advisory Board held a public hearing regarding the CAPER on Thursday, November 30, 2023, at 5:30 P.M. at Palm View Branch Library, 3401 Jordan Ave. Publication occurred in The Monitor, the largest circulation newspaper, and El Periodico, a Spanish-language newspaper, on Wednesday, November 22, 2023. A copy of the notices will be attached in "Attachment IV. Publications".

No comments were received during the solicitation.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City of McAllen is in the process of substantially amending 2018-2019, 2019-2020, 2021-2022 & 2022-2023, Annual Action Plans to include the reallocation of funds, the deletion of projects, and change the use of CDBG funds of a project.

Every effort is made to ensure the project attains at least 75% of its proposed goals. Projects that fail to meet this goal are considered incompliant. Should a project fail to achieve its goal and the same applicant and project are requesting funds in subsequent years (up to 3 years), staff notes that a significant deviation in beneficiaries occurred. This information is provided to the CD Committee and may be considered when they are making recommendations for funding awards.

Following the City's Citizen Participation Plan, the following subrecipient projects did not meet their proposed One-Year goals:

- Children's Advocacy of Hidalgo County,
- Comfort House Services, Inc.,
- Community HOPE Projects, inc
- Court Appointed Special Advocates of Hidalgo County,
- Easter Seals of Rio Grande Valley,
- Catholic Charities of the Rio Grande Valley,
- Women Together Foundation, Inc.,

Because the City was not a complaint in its timeliness test, attention is paid to slow-moving projects and those at-risk or flagged activities listed in IDIS. Attention guided the City's expenditures through July 2023.

Of note, the City of McAllen does not have an existing Section 108 guaranteed loan.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 24 CFR 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

The City does not undertake rental projects with HOME funds.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

The City and Affordable Homes of South Texas, Inc. supports the following affirmative marketing strategy to allow all persons access to decent, safe, and sanitary housing:

- Deconcentration of low-income housing - Through Affordable Homes of South Texas, Inc. (AHSTI), scattered site programs are in place to deconcentrate low-income housing.
- Advertisements - Information regarding services is often printed in English and Spanish newspapers. Public hearings are held in handicapped-accessible areas and, when requested, additional assistance may be provided.
- AHSTI Publications - AHSTI publishes information regarding its services in English and Spanish language flyers. Additionally, English and Spanish media provided promotional information regarding AHSTI's Homebuyers' Fair.

No households utilized Affordable Homes of South Texas, Inc.'s HOME Program for the construction of new single-family detached housing.

No project exceeded the HOME and Housing Trust Fund Homeownership Sales Price Limits.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

Neither the City of McAllen nor its CHDO (Affordable Homes of South, Inc.) generates reportable program income. However, proceeds are generated from the use of CDBG and HOME-funded

projects. Per CBDO and CHDO Agreements, the proceeds generated by the use of CDBG and/or HOME funds for the provision of housing may be retained by Affordable Homes of South Texas, Inc. AHSTI must reinvest proceeds in continuing to provide affordable housing.

Notwithstanding, proceeds may be received from the use of CDBG-CV-funded projects, particularly under the economic development programs.

Describe other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 24 CFR 91.320(j)

The City awarded funds to Affordable Homes of South Texas, Inc. (AHSTI) to provide affordable housing to its residents. AHSTI is annually certified as the City's Community Housing Development Organization (CHDO) and Community Based Development Organization (CBDO), when necessary, a requirement to use HOME and CDBG funds for new construction. In addition, AHSTI will continue to provide rehabilitation services with a special focus on persons with special needs and the elderly.

All FY 2022-2023 housing projects were identified in the Annual Action Plan (AP) and were designated as high priorities in the FY 2018 – 2022 CPS. However, HOME funds were frozen during the entirety of the program year. As such, the City did not complete any projects during this fiscal year that supported the established Consolidated Plan and Strategy and Action Plan's goals.

The following summarizes the strategies that will take place when funds are available to expend. The City undertakes in fostering and maintaining affordable housing for its residents. The chart is divided according to income categories.

Extremely Low-Income Homeowners (0-30% of Area Median Income)

- New Beginnings (Rehabilitation or Reconstruction) – funds for reconstruction or rehabilitation of owner-occupied homes; may be used when the housing structure poses a threat to the safety of the family

Low-Income Homeowners (31-50% of Area Median Income)

- New Beginnings (Rehabilitation or Reconstruction) – funds for reconstruction or rehabilitation of owner-occupied homes; to be used when the housing structure poses a threat to the safety of the family
- Homebuyer Education – funds for pre- and post-purchase homebuyer counseling
- New Home Construction – funds for the construction and purchase of new homes

Moderate Income Homeowners (51-80% of Area Median Income)

- Homebuyer Education – funds for pre- and post-purchase homebuyer counseling
- New Home Construction – funds for the construction and purchase of new homes

AHSTI is a HUD-approved housing counseling organization. Staff can provide pre- and post-purchase homebuyer counseling as well as foreclosure prevention services per national standards and guidelines.

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 14 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					
Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					

Other.					
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Table 15 – Qualitative Efforts - Number of Activities by Program

Narrative

The City of McAllen complies with Section 3 requirements, to the greatest extent possible, when certain HUD funds are used to assist housing and community development projects. Many efforts are made to encourage a preference for low- and very-low-income persons and/or businesses when construction-related training, jobs, and contracting opportunities are available. Currently, the City of McAllen's Purchasing Department is working on a partnership with the McAllen Chamber of Commerce to engage and connect Section 3 residents and businesses to employment, training, and contracting opportunities as well as to provide information to businesses and residents about Section 3. Through new management, The Grant Administration is in the process of reviewing, developing, and updating all policies and procedures to ensure that compliance is met for all HUD programs.