

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 and final 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, this year CDBG-CV funds were used to provide loans to small and micro-businesses in an effort to stave off the effects of the pandemic.

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) create a suitable living environment and (3) expand economic opportunities, to principally benefit extremely low-, low-, and moderate-income individuals and families. Most of the FY 2021-2022 projects met the second goal, create a suitable living environment. Projects undertaken by Affordable Homes of South Texas, Inc. and Catholic Charities of

the RGV addressed goal #1, to provide decent housing.

In addition, the City:

- Utilized the City Commission-appointed Community Development Committee to review and consider proposed applications and provide guidance on HUD-funded, and City-funded non-profit projects;
- Monitored 100% of subrecipient projects;
- Traditionally, the City of McAllen declares the month of April as Fair Housing month; however, due to COVID-19 all proclamations were suspended;
- Provided an orientation and/or technical assistance sessions to subrecipients by the end of the first quarter of the fiscal year;
- Converted engagements into viral platforms to aid in the mitigation of COVID-19

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 | 300 | 0 | 0.00% | | | |

| | | | | | | | | | | |
|--|--|----------|---|------------------|--------|-----|--------|--|--|--|
| 03C: Homeless Facilities | Affordable Housing Homeless | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 600 | 546 | 91.00% | | | |
| 03C: Homeless Facilities | Affordable Housing Homeless | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 0 | | | | |
| 03C: Homeless Facilities | Affordable Housing Homeless | CDBG: \$ | Homeless Person Overnight Shelter | Persons Assisted | 0 | 0 | | | | |
| 03C: Homeless Facilities | Affordable Housing Homeless | CDBG: \$ | Overnight/Emergency Shelter/Transitional Housing Beds added | Beds | 0 | 0 | | | | |
| 03D: Youth Centers | Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 400 | 0 | 0.00% | | | |
| 03E: Neighborhood Facilities | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 100 | 0 | 0.00% | | | |
| 03F: Parks and Recreational Facilities | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 150000 | 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 | 35000 | 7850 | 22.43% | | | |
| 03L: Sidewalks | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 1000 | 00 | 0.00% | | | |
| 03P: Health Facilities | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 200 | 0 | 0.00% | | | |
| 05: Other Public Services | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 250 | 33 | 13.20% | | | |
| 05A: Senior Services | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 150 | 32 | 21.33% | 51 | 53 | 104% |
| 05B: Handicapped Services | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 75 | 17 | 22.66% | 19 | 19 | 100% |

| | | | | | | | | | | |
|---|--|----------|--|------------------|------|-----|--------|-----|-----|------|
| 05D: Youth Services | Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 150 | 5 | 3.33% | | | |
| 05G: Services for Battered and Abused Spouses | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 200 | 0 | 0.00% | | | |
| 05L: Child Care Services | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 1500 | 417 | 27.80% | 544 | 219 | 40% |
| 05M: Health Services | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 750 | 321 | 42.8% | 343 | 350 | 102% |
| 05N: Services for Abused and Neglected Children | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 400 | 130 | 32.50% | 125 | 258 | 206% |

| | | | | | | | | | | |
|-------------------------------------|--|-----------------------------|---|------------------------------|-------|------|--------|-------|-------|------|
| 05Q: Subsistence Payments | Affordable Housing Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Homelessness Prevention | Persons Assisted | 150 | 52 | 34.66% | 55 | 46 | 84% |
| 05W: Food Banks | Non-Homeless Special Needs Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 10000 | 6254 | 62.53% | 3,997 | 3,997 | 100% |
| 12: Construction of Housing | Affordable Housing | CDBG: \$/ HOME: \$ | Homeowner Housing Added | Household Housing Unit | 60 | 3 | 5.00% | 12 | 4 | 33% |
| 13: Direct Homeownership Assistance | Affordable Housing | CDBG: \$ | Direct Financial Assistance to Homebuyers | Households Assisted | 8 | 5 | 62.50% | | | |
| 14A: Rehab: Single-Unit Residential | Affordable Housing | CDBG: \$ | Homeowner Housing Rehabilitated | Household Housing Unit | 20 | 1 | 5.00% | | | |
| 21A: Administration | Public Housing Adminstration | CDBG: \$/ HOME: \$ | Other | Other | 5 | 1 | 20.00% | | | |

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
 - AHSTI constructed 0 single-family homes utilizing HOME funds
2. To preserve and rehabilitate existing single-family housing stock for owner occupant households
 - AHSTI rehabilitated 1 single-family home and reconstructed 4 single family homes.
3. To improve the living conditions of renters
 - Homeless Prevention activities were undertaken by Catholic Charities, 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
 - Funds prevented homelessness for McAllen residents through utility or rental assistance and/or deposits
 - The Salvation Army - Emergency Shelter clients received clothing assistance in order 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 served 32 of the City’s elderly
- Access Esperanza, Comfort House Services, Inc., Community HOPE Projects, Inc., and Easter Seals served 321 patients
- Children’s Advocacy Center assisted 130 child victims of domestic violence or assault
- Boys and Girls Club of McAllen (Scholarship Program) and FUMC–Shoe Bank of McAllen Programs assisted 417 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 6,254 persons

6. To expand economic opportunities in the community

- Programs used CDBG-CV to address fiscal deficits

7. To provide public facilities and infrastructure improvements

- Helena Ave Sidewalk Project was completed
- Gumwood Sidewalk Project Installation was completed
- La Paloma street improvement project was completed

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)

| ESTIMATED | CDBG | HOME |
|---|-------------|----------|
| White | 8751 | 0 |
| Black or African American | 4 | 0 |
| Asian | 33 | 0 |
| American Indian or American Native | 5 | 0 |
| Native Hawaiian or Other Pacific Islander | 2 | 0 |
| Total | 8795 | 4 |
| Hispanic | 8525 | 4 |
| Not Hispanic | 6 | 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 2021 and 2022 subrecipient project accomplishments Beneficiary data which is listed in the other projects generated by PR03 was noted and accounted for in the FY 2020-2021 (previous) CAPER. The City did not duplicate nor overstate the number of families (persons) assisted since only those projects noted as “2020” 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 4 "Other multi-racial" persons benefitted from CDBG-sponsored programs. Of these, two were 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 three homes are correctly reported as completed under the HOME column. HOME beneficiary data is based on households.

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 | 1,671,953 | \$2,822,953.35 |
| HOME | public - federal | 629,273 | \$41,856.41 |

Table 3 - Resources Made Available

Narrative

The City of McAllen was successful in expending \$2,822,953.356 in CDBG funds and \$41,856.41 in HOME funds. The CDBG expenditure amount includes those expenses which were prior year flagged for FY 2020-2021 but does not include unliquidated obligations which may be expensed in FY 2022-2023.

Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|-----------------------------|----------------------------------|---------------------------------|-----------------------|
| CDBG ELIGIBLE CENSUS TRACTS | 55 | 77 | Low-Income Areas |

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 and construction projects 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.

“Attachment III. Maps” provides visual representation of low income areas, project locations, public housing authority, and projects overlaid on areas of minority concentration. These maps identify the locations of investment within the City.

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 in order to leverage funds and maximize HUD-awarded subsidies. Prior to contract ratification, potential amounts of leveraging are determined on a per project basis. The following shows estimated and actual leveraging for FY 2022-2023 projects. Overall, projects were successful in receiving approximately 75% of intended leveraged funds.

For specific project leveraging information, please refer to "Attachment II. Grantee Performance Report". The Grantee Performance Report (GPR) will indicate specific amounts and sources.

The publicly-owned land/property that was rehabilitated for improvements/provides use as green or open space were at Uvalde, Retama and Suarez Parks. 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.

As an economically distressed area, the City has been waived 100% from its HOME matching requirement. The HOME Match Report is provided in "Attachment I. Financial Summary Report". Of note, 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.

| 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 | 272,584 | 0 | 0 | 0 | 272,584 | 0 |
| Number | 1 | 0 | 0 | 0 | 1 | 0 |
| Sub-Contracts | | | | | | |
| Number | 44 | 0 | 0 | 0 | 44 | 0 |
| Dollar Amount | 1,367,410.70 | 0 | 0 | 0 | 1,367,410.70 | 0 |
| | Total | Women Business Enterprises | Male | | | |
| Contracts | | | | | | |
| Dollar Amount | 0 | 0 | 0 | | | |
| Number | 0 | 0 | 0 | | | |
| Sub-Contracts | | | | | | |
| Number | 44 | 12 | 32 | | | |
| Dollar Amount | 3,780,444.66 | 14,160 | 3,766,284.66 | | | |

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

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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 | 0 | 0 |
| Number of Non-Homeless households to be provided affordable housing units | 59 | 19 |
| Number of Special-Needs households to be provided affordable housing units | 3 | 1 |
| Total | 62 | 20 |

Table 11 – Number of Households

| | One-Year Goal | Actual |
|--|---------------|-----------|
| Number of households supported through Rental Assistance | 54 | 16 |
| Number of households supported through The Production of New Units | 7 | 4 |
| Number of households supported through Rehab of Existing Units | 1 | 2 |
| Number of households supported through Acquisition of Existing Units | 0 | 0 |
| Total | 62 | 22 |

Table 12 – Number of Households Supported

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

For Table 11 - Number of Households to be supported, Non-Homeless goal was exceeded while the Special Needs household goals were not met. In the second chart, Table 12 - Number of Households Supported through:, the Rental Assistance goal and the production of new units was not met with CDBG funds; however, it must be noted that additional funding was made available from the State of Texas – Texas Department of Housing and Community Affairs as well as the Development Corp. of McAllen, local funds. The rehabilitation of housing units goals were not met but this was due in part to the effects of

COVID. The City is cognizant of the need to increase production and rehabilitation in the next fiscal year. In order to assuage untimeliness, CHDO staff has hired relevant staff, the City is utilizing HEROS for faster documentation of environmental reviews and monthly communication is occurring with the housing providers. Still, the City will continue these changes in order to maintain compliance or to streamline processes.

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 client's requesting assistance, beginning construction or rehabilitation and payment/reimbursement for services as well as 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 (6) utilization of the underwriting HUD-TA developed tool and (7) continue to review the effects the COVID-19.

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 | 2 | 0 |
| Low-income | | 0 |
| Moderate-income | | 4 |
| Total | 1 | 4 |

Table 13 – Number of Households Served

Narrative Information

To follow is information by housing type, income, race/ethnicity, female headed households and size.

No housing services were provided with HOME Investment Partnerships Program.

Four 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

The City is committed to address worst case needs, including renters who are severely cost burdened, persons living in substandard housing, homeless individuals and persons involuntarily displaced. In

order 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 or County 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 in accordance with the 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.

No housing services were provided to middle-income persons/households.

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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

Unsheltered homeless individuals represent the hardest cases to address. These individuals often have substance abuse, mental illness or other significant concerns which contribute to their homeless status. Most unsheltered homeless sought assistance from The Salvation Army - Emergency Shelter. Staff at The Salvation Army maintain a relationship with staff at Tropical Texas MHMR as well as serve as a site for AA meetings in an attempt to address some of the clients' concerns.

The City of McAllen continually strives to promote access to affordable housing and support services for homeless individuals and families. With the aid of CDBG funds, Catholic Charities of the RGV, Silver Ribbon Community Partners, The Salvation Army, Women Together and Valley AIDS Council were able to provide support services and temporary housing to homeless individuals and families, those individuals and families threatened with homelessness and/or those families fleeing domestic violence situations.

It must be noted that the past few years have been particularly difficult in addressing homeless concerns since there has been a strong influx of undocumented immigrants traveling through the area. Medical services, housing, transportation and food are immediate concerns. Local expenses have topped \$1 Million annually to address the influx. Catholic Charities of the RGV has maintained a presence in McAllen in an effort to process these individuals and address any immediate medical concerns.

Addressing the emergency shelter and transitional housing needs of homeless persons

CDBG funds were used to fund services at the single emergency shelter for the general population in Hidalgo County. It is operated by The Salvation Army and located within the City of McAllen. The Salvation Army utilized CDBG funds to provide work clothes for shelter clients as well as arranging for long distance transportation of clients who could identify a support network in other communities.

An emergency shelter and a transitional housing complex exist for victims of domestic violence. They are operated by Women Together Foundation, Inc. and are both found within the City's limits. In FY 2002-2003 and FY 2003-2004, the City aided in the construction of the Women Together Transitional Housing Nueva Vida and Family Justice Center. The facility is a 15-unit complex for victims of domestic violence and their families. For FY 2021-2022, Women Together Foundation, Inc.- received CDBG funds improve both the Emergency Shelter and Satellite.

It should be noted that both agencies (The Salvation Army and Women Together) also receive ESG funds

from the Hidalgo County – Urban County Program allocation in order to assist with costs associated with the shelters and/or expenses to assuage the needs of homeless persons.

Still, a transitional housing complex remains needed for the general population; however, with limited resources, no homeless service provider has actively sought funding for the construction of a transitional housing facility. An alternative may come from agencies that can provide rapid re-housing in lieu of a traditional transitional housing facility.

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

CDBG funds were targeted towards precariously housed populations, those threatened with homelessness. Homeless prevention programs which address utilities and/or rent shortages are provided by several agencies and are funded through the City's CDBG allocation.

Chronically homeless individuals still represent the most difficult cases for which permanent housing is realized. Without a transitional housing facility for the general population, it is rare for chronically homeless persons to obtain and maintain stable housing.

In contrast, families with children and veterans are more likely to maintain housing. Additional resources exist for these groups, either through McKinney-Vento funds or through Veterans Affairs benefits/VASH vouchers. Catholic Charities of the RGV primarily utilized their CDBG award to address homeless prevention of veterans and/or their families.

Lastly, one of the closely monitored tools to address the needs of homeless individuals and families or precariously housed persons is the use of HMIS. HMIS allows users to monitor the number and length of times assistance was provided by the various homeless providers as well as review case notes regarding mainstream benefits, goals or other concerns. The City encourages subrecipients to use HMIS when providing homeless prevention activities.

Addressing the needs of the homeless or persons threatened with homelessness continues to be a "High" priority. As the municipality that houses both emergency shelters and transitional housing complex within the County, the City has a stake in assuring that quality services are rendered by homeless service providers.

Further, the City, in conjunction with the other entitlement communities in the Rio Grande Valley, developed a discharge policy plan. It is an attempt to dissuade publicly funded institutions from discharging clients into homelessness. The City's Anti-Poverty Strategy also aids in addressing

coordination of public and private agencies that address social concerns. In addition, the City has a 311 dedicated call line to address the needs of residents. This has helped to alleviate calls to the State 211 system and has been used to connect residents with the requested services including housing, health services, public services, employment, handicapped services, or childcare/youth needs. Questions may also be asked of Alexa or Google regarding City services.

In order to quickly address potential loss of housing, Development Corporation of McAllen, Inc. (DCMI) funds were quickly dispatched. These funds are not subject to 80% AMI cap. In contrast, \$350,000 in Texas Emergency Mortgage Assistance Program (TEMAP) funds, subject to income limitations, and \$ 439,775.03 in Texas Emergency Rental Assistance Program (TERAP) with was also awarded to keep individuals and families from becoming homeless.

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

Victims of domestic violence who utilize the transitional housing complex are one of the most likely group of formerly homeless individuals who are able to obtain and maintain permanent housing. Many of these transitional housing residents use the services provided by Affordable Homes of South Texas, Inc. in order to purchase their own homes. Conversely, chronically homeless individuals and unaccompanied youth have less success obtaining and maintaining permanent housing.

Nonetheless, because of the success of the American Recovery Reinvestment Act (ARRA) of 2009-funded Homeless Prevention and Rapid Re-housing Program (HPRP), the City and agencies were able to identify quality affordable rental units and units who would quickly process applications for homeless persons or those threatened with homelessness. This information shortened the time persons experience homelessness. In addition, ARRA put into place the use of the Homeless Management Information System (HMIS) which allows agency staff to track not only the time the families utilize homeless services but also enter case notes to assist households obtain mainstream services and address any potential relapses into homelessness. Agencies providing homeless prevention assistance may use HMIS for McAllen CDBG-funded services.

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

Actions taken to address the needs of public housing

The McAllen Housing Authority (MHA) receives funds from the U.S. Department of Housing and Urban Development to create and maintain affordable housing stock for low-income residents. Through their award, the local housing authority staffs its office located at 2301 Jasmine.

The McAllen Housing Authority consists of 89 units of public housing, 1,318 Housing Choice Vouchers plus 10 Veterans Affairs Supportive Housing - Housing Choice Vouchers and 49 Rental Demonstration Program ("RAD") Project-Based Section 8 Vouchers. 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.

The City of McAllen continues to be involved in the development of MHA programs. The Mayor appoints the Board Members for MHA. As required, MHA posts notices for their public meetings and maintains records of agendas and meetings.

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

The staff of the MHA has been able to successfully link service providers with residents. Some residents have been able to begin the path to homeownership using Section 8 vouchers, a program that began in July 2004 in conjunction with Affordable Homes of South Texas, Inc.

MHA maintains an MOU/partnership with various local non-profits and agencies; specifically, they have partnered with Rio Grande Valley Literacy Center to provide GED preparation, computer classes, and citizenship classes to residents that initiated in January 2020. Region One currently provides ESL classes twice a week. Volunteer Income Tax Assistance is also housed at the Family Development Center for income tax preparation particularly for housing authority residents (public housing, Section 8 and LIHTC). Valley Initiative for Development and Advancement hosted monthly sessions regarding assistance to individuals who would like to advance in their education. VIDA assistance varies according to each participant's needs, such as child care, transportation, tuition costs, etc., while "A Vision for You" Help Center provides weekly character building program with guidance regarding: Teen Dating Violence, Drug Prevention, Bullying, Teambuilding and Internet/Social Media Dangers.

MHA's Resident Advisory Board is active. The members meet regularly to review MHA policies and procedures. Board participation is one component of MHA's Citizen Participation Plan process.

Actions taken to provide assistance to troubled PHAs

N/A The McAllen Public Housing Authority is not a troubled agency as defined by HUD.

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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, 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 and 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 implementation of policies (i.e., code enforcement, job training, job sites and services for special needs populations).

In order to remove or ameliorate the negative effects of public policies, the City:

1. Expended funding for housing rehabilitation and reconstruction services
2. Encouraged and supported affordable housing developments
3. Continued 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; began process for next HOME-sponsored subdivision
5. Did not undertake any actions against this impediment; lack of progress was due to COVID hinderance 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

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 follow 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 are able to 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 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 funds were provided to address small and micro-businesses enterprises in an effort to mitigate the effects of COVID-19 on economic enterprises.

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 extents of South Texas College. Campuses were built/classes are being held throughout the County.
- Bus routes have increased in order to obtain transportation to and from the local campuses.

Further, in order 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 test homes that

were constructed prior to 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 in by EPA and HUD. This policy is included as part of the Standard Operating Procedures for the housing rehabilitation program in an effort 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 own resources on assisting these families and individuals through social programs. In order to develop effective strategies for economic development and job creation, the City must overcome barriers to job creation, which include 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 find housing and/or supportive services:

- Access Esperanza
- Affordable Homes of South Texas, Inc. (Homebuyer Classes)
- American Red Cross
- Amigos Del Valle, Inc.
- Boys and Girls Club of McAllen (USDA Nutritional Program)
- Catholic Charities of the RGV

- Comfort House Services, Inc.
- Community HOPE Projects, Inc.
- Food Bank of the RGV
- Hidalgo County - Community Service Agency
- LRGV Community Health Management Corp., Inc. - dba El Milagro Clinic
- LRGVDC - Area Agency on Aging
- McAllen Food Pantry
- McAllen Housing Finance Corp.
- McAllen I.S.D. - Free Lunch
- McAllen Metro - Municipal Transportation System
- McAllen Public Housing Authority
- Palmer Drug Abuse Program
- United Way of South Texas
- Silver Ribbon Community Partners
- Texas Department of Health and Human Services
- Texas Rural Legal Aid
- The Salvation Army
- Tropical Texas Mental Health and Mental Retardation Center
- Valley AIDS Council (VAC)
- Women Together Foundation, Inc.

The City has created a 311 call center for residents to obtain information and report any concerns. Along the same lines, an "app" was developed to allow web-based submission of concerns. These systems help to reduce response time to address citizen concerns. Moreover, Alexa and Google may be queried about City services.

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

The City of McAllen's municipal government is a Council/Manager form of government. The Mayor and six Commissioners serve as McAllen's legislative body.

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 and HOME funds to social service agencies and municipal departments for the implementation of eligible projects. The City uses the following departments to aid in the implementation of HUD-funded projects:

- Engineering Department - design and construction management of infrastructure and/or public facilities
- Parks and Recreation Department - analysis and oversight of improvements related to green

space, open space and recreation programs

- Finance Department - issuance of payment and liaison with external auditors
- Internal Auditing Department - monitoring of subrecipient and department procedures
- Purchasing and Contracting Department - provides technical assistance related to procurement policies applicable to municipal and subrecipient purchases
- City Attorney's Office - provides legal advice and reviews contracts prior to municipal ratification for CDBG and HOME agreements
- Office of Management and Budget - reconciles grant financial information, completes financial reports and streamlines budget and amendment process
- Office of Communication - provides media/social media information regarding programs and events
- Information Technology - aid in the provision of maps and posting of information on the website
- McAllen Public Utilities - design and construction management of water and sewer projects

In addition, 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 prior to recommending funding.

In order to overcome gaps in the institutional structure, the City of McAllen:

- Maximized 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;
- Supported partnership of Affordable Homes of South Texas, Inc. with local banks and other funding sources to assist low- and moderate- income persons become 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

Further, the City was able to utilize expertise from various non-profit and governmental agencies in order to identify and overcome the gaps in institutional structure as well as develop and implement a regional mechanism to establish income qualification and relative support documentation.

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 assure that clients are not unduly burdened with submitting income documentation to each to 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)

In order to overcome the effects of any impediments identified in the Analysis of Impediments to Fair Housing Choice, the City

1. Provided funding for housing rehabilitation and reconstruction services
2. Encouraged and supported affordable housing developments
3. Continued transportation services, particularly to areas of interest including the Texas A&M campus
4. Continued to encourage de-concentration of low-income housing and support a mixed type and varied styles of affordable housing; began the process for the next HOME-funded subdivision
5. Did not undertake any actions against this impediment; lack of progress was due to COVID hinderance of in-person fairs and events
6. Was 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 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 fees for development, 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. In order 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 continued to be addressed using FY 2020-2021 CDBG and HOME funds. The City attempted to ameliorate, to the extent feasible, any conditions that serve as barriers to construction, maintenance, development or sustainability of affordable housing units.

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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, other Federal, State or local codes or statutes. The City remotely or on-site monitored 100% of its non-profit projects.

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 generally allows 10 days for response. The City remotely and/or onsite monitored all of its subrecipients.

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 own 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 minorities and women businesses to participate in the implementation of HUD programs. One of 30 contracts was issued to a women-owned enterprise. Conversely, all 28 contracts were awarded to minority enterprises.

The City has adopted a Citizen Participation Plan (revised in the previous fiscal year) in order 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 whereby the City should have less than 1.5 times its annual allocation in LOCCS (U.S. Treasury payment mechanism). However, due to the Federal Register Notice FR-6218-N-01 *Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs*, the timeliness requirement was waived.

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

In addition, the Community Development Advisory Board will hold 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 will occur in The Monitor, the newspaper of largest circulation, and in El Periodico, a Spanish-language newspaper, on Wednesday, November 22, 2023. A copy of the notices will be attached in "Attachment IV. Publications".

Any comments received during the solicitation and their effect on this document will be noted on the final version of the CAPER.

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 substantially amended the 2022-2023 Annual Action Plan to include the deletion of 3 projects.

Every effort is made to ensure project attain at least 75% of their proposed goals. Projects that fail to meet this goal are considered noncompliant. 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.

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

- CASA of Hidalgo County
- Children's Advocacy of Hidalgo County
- Catholic Charities of the RGV,
- Comfort House Services, Inc.,
- Community HOPE Projects, inc

Because the City was not compliant 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. Further, in conjunction with CAPER notification, the City is proposing amendments to delete slow moving projects and reprogram these funds into "shovel-ready" projects.

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 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 §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. 92.351(b)

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 in order 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.

Four 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 nor its CHDO generate reportable program income. However, proceeds are generated from the use of CDBG and HOME funded projects. In accordance with 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.

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

91.320(j)

The City awarded funds to Affordable Homes of South Texas, Inc. (AHSTI) in order 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. As such, the City may certify that the projects completed during this fiscal year support the established Consolidated Plan and Strategy's and Action Plan's goals.

The following summarizes the strategies that the City undertook 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 is able to provide pre- and post-purchase homebuyer counseling as well as foreclosure prevention services in accordance with national standards and guidelines.