

## **MEMORANDUM**

**TO:** Claire Powell, City Manager

**FROM:** Chris McGinn, Director of Neighborhood & Inspection Services

**DATE:** August 4, 2025

**SUBJECT:** **Public Hearing: Consideration of a Resolution of the City Council of the City of Lewisville, Texas, Providing For The Adoption of An Amendment To The City's 2023 Community Development Block Grant Annual Action Plan To Reallocate Funds From The Multifamily Accessibility Program To The Fox Hembry Historical Cemetery Restoration, United Way Of Denton County HVAC Unit Replacement Project, and The Boys and Girls Clubs of Greater Tarrant County HVAC Replacement Project and Authorization for the City Manager, or Her Designee, to Submit the Amendment to the U.S. Department of Housing and Urban Development.**

### **BACKGROUND**

The 2023-2024 Community Development Block Grant (CDBG) Annual Action Plan (AAP) included allocating \$345,799 to a Multifamily Accessibility Program (MAP) to modify residential units for low-to-moderate income renters in multifamily housing complexes to gain or increase accessibility to the units or common area. City staff encountered challenges identifying a multifamily complex willing to utilize these CDBG funds. Concurrently, the Serve Lewisville's Phase 2 Design project, originally allocated \$150,000, required additional funding. To ensure the timely expenditure of CDBG funds, \$65,658.25 was reallocated from MAP to Serve Lewisville's project. Staff have been unsuccessful in securing a partner for the remaining \$280,140.75 in CDBG funds.

### **ANALYSIS**

For Fiscal Year 2025-2026, the city conducted an open application process for CDBG public infrastructure funds. The City received eight applications, totaling nearly \$2 million in funding requests. City staff reviewed and scored the applications and recommended funding four of the eight applications, amounting to \$837,866. Reallocating the Multifamily Assistance Program (MAP) funds will allow the projects to be fully funded and will ensure timely expenditure and compliance with the Department of Housing and Urban Development's (HUD) timeliness test. HUD conducts an annual timeliness test on August 1<sup>st</sup> to determine that the entitlement jurisdiction is spending funds in a timely manner. The jurisdiction cannot have more than 1.5

times the current grant award in their line of credit or they could be penalized. The City of Lewisville will meet the timeliness test this year.

The remaining \$280,140 will be split between three projects. The Fox Hembry Historical Cemetery revitalization project would receive \$158,248.82 to support replacing the fence, installing a historic information board, and solar-powered lighting. \$26,300 is allocated to replace one of five HVAC units for United Way of Denton County. The remaining \$95,591.93 is recommended to be allocated to the Boys & Girls Clubs of Greater Tarrant County HVAC replacement project. This will replace the HVAC system in the old Fire Station 3, a building that is planned to be donated to the Boys & Girls Club for the development of a new permanent club in Lewisville. This donation will be brought to City Council at a future meeting.

A notice for the Annual Action Plan amendment was published on July 3, 2025, for a 30-day public comment period. There have been no public comments received to date.

#### **CITY STAFF'S RECOMMENDATION**

That the City Council approve the resolution and authorize the City Manager, or her designee, to submit the amendment to the U.S. Department of Housing and Urban Development as set forth in the caption above.