

Date: July 14, 2026

To: Mark Israelson, City Manager
Jack Carr, Deputy City Manager

From: Curtis Howard, Assistant City Manager

Subject: 2026-2027 City of Plano Action Plan

Background:

The U.S. Department of Housing and Urban Development (HUD) requires the City of Plano to submit a Consolidated Plan that proposes goals and objectives for the use of estimated HUD funds allocated to the City of Plano over the five-year consolidated plan period. Each year of the five-year Consolidated Plan period begins with the submission of an annual Action Plan to HUD using the required reporting format. The annual Action Plan report conveys the following to HUD:

- a brief summary of the most recent completed Action Plan year;
- a list of proposed activities that the City will undertake with HUD allocated funds; and
- general activities that show how the City will assist low-to-moderate income residents.

Overview:

This Action Plan represents the upcoming 2026-2027 Action Plan Grant Year, which is year two of the 2025-2029 five-year Consolidated Plan, that begins October 1, 2026.

The Neighborhood Services Department's Community Services Division expects to receive \$2,334,196 available to allocate in federal funds and program income during fiscal year 2026-2027. These funds are eligible to be allocated during fiscal years 2026-2027 and 2027-2028.

The total breakdown of expected funding is as follows:

Funding Source	Amount
CDBG (2026)	\$ 1,647,687
Estimated CDBG Program Income (2026)	\$ 80,000
HOME (2026)	\$ 599,759
Estimated HOME Program Income (2026)	\$ 6,750
Total Federal Funding	\$ 2,334,196

Moreover, the City had \$14,978 in CDBG, \$117,104 in HOME, and \$19,694 HOME Community Housing Development Organization (CHDO) funds that were not allocated from 2025 and are available to allocate during the 2026-2027 fiscal year. The Community Relations Commission (CRC) has recommended the programs outlined below to receive federal funding.

City of Plano Grant Administration	\$ 389,513
City of Plano Housing Rehabilitation	\$ 1,125,247
City of Plano Homelessness Prevention Program	\$ 132,500
City of Plano Tenant Based Rental Assistance Program	\$ 150,000
Peace in the Home Family Services (formerly Texas Muslim Women's Foundation)	\$ 40,000
Samaritan Inn	\$ 46,653
City House	\$ 40,000
Bella House	\$ 7,500
Housing Channel (includes required CHDO set-aside)	\$ 365,319

HUD funds must be used to meet the goals set forth in the City's 2025-2029 Consolidated Plan, which was approved by City Council on April 14, 2025. Annually, HUD requires the submission of an Action Plan that explains programs and activities to be undertaken within the upcoming year to meet the City's Consolidated Plan goals.

Public services can be funded through CDBG but are limited to 15% of the total CDBG entitlement funds and the prior year's program income. Public services are defined as activities directed toward improving community services, including but not limited to: employment services, crime prevention, public safety, child care, health services, substance abuse services, fair housing counseling, education programs, energy conservation, services for senior citizens and homeless persons, welfare services and recreational services. The 2026-2027 CDBG public service grant amount is budgeted at \$259,153, which is at the maximum 15%.

Likewise, activities related to providing housing for low-to-moderate income households may be funded with HOME funds. A minimum of 15%, or \$89,964 of the HOME funding allocation must be set aside for a Community Housing Development Organization (CHDO).

Next Steps:

If approved, the City Manager will make application for the use of HUD funds for the 2026-2027 fiscal year. The Buffington Community Services Grant (BCSG) funding recommendations will be presented at the August 13, 2026, City Council budget work session.