



Neighborhood Services

FY 2025-2026

**Annual
Action Plan**

**One-Year Implementation Plan for
Community Development
The Neighborhood Services Department**

2025-2026 ANNUAL ACTION PLAN

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Tyler (the City) is a federal entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) and HOME Investment Partnership. As a HUD entitlement community, the City is required to prepare an Annual Action Plan to implement the CDBG and HOME program that funds housing, community development, and economic development within the community. The City of Tyler Annual Action Plan covers the period from October 1, 2025, to September 30, 2026.

The City of Tyler will receive \$743,501.00 in CDBG funds and \$303,679.49 in HOME funds for the 2025-2026 program year. This is the second (2nd) year to implement the high priority needs that are identified in the City of Tyler's Five (5) Year Consolidated Plan (2024-2028). In this second (2nd) year, CDBG and HOME funds are allocated to Homebuyer's Down Payment Assistance, New Construction, Public Facilities and Improvements, and Program Administration. During the development of this plan, the City used an effective citizen participation process in compliance with the regulations set forth in 24 CFR Part 91.

The City's Community Participation Plan encourages and empowers citizens to participate in the development of viable urban programs. The City utilizes the public input received to help establish strategies and priority needs to guide the development of the Annual Plan.

Two (2) public hearings were held to solicit input from residents, developers, contractors, and social service providers in Tyler. There were no public comments received regarding allocating 2025-2026 funding to address community needs and potential partnerships to leverage resources.

The projects and programs described in the Annual Action Plan are aligned with the Strategic Plan, as outlined in the 2024–2029 Consolidated Plan. The Annual Plan for the 2025–2026 Program Year will place considerable emphasis on improving public infrastructure by leveraging public funds and entitlement funds. In addition to the alignment to the Strategic Plan, other federal requirements will be considered to determine if a project is eligible for CDBG and HOME funding. Any project or activity must meet the one of the three (3) National Objectives to be eligible [24 CFR 570.200 (a)]: 1) Benefit low to moderate income persons, or 2) Prevent slum or blight; or 3) Meet an urgent need.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

This section may restate items or present a table found elsewhere in the plan, or reference another section. It may also include essential information from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

The Action Plan outlines the activities for the fifth year in relation to the goals and objectives of the Consolidated Plan, which covers the fiscal years 2024-2029. It provides a brief description of the programs and projects planned by the City of Tyler for Fiscal Year 2025-2026, along with funding announcements for the Community Development Block Grant (CDBG) and HOME programs. The City has established four priorities based on an analysis of market and community conditions, as well as input from Tyler residents and service providers:

1. Decent Affordable Housing
2. Public Facilities and Infrastructure
3. Homelessness

Additionally, the City of Tyler is implementing the three main components of the HUD Outcome Performance Measurement System: Objectives, Outcomes, and Indicators. This system is closely related to the objectives, as it helps clarify the expected changes or results that the grantee aims to achieve. The three outcomes included in this system are: Availability, Affordability, and Sustainability.

Several common indicators will be reported for nearly all program activities. These four indicators are:

1. The amount of money leveraged from federal, state, local, and private sources for each activity.
2. The number of persons, households, businesses, units, or beds assisted, as appropriate.
3. Income levels of persons or households classified as 30 percent, 50 percent, 60 percent, or 80 percent of the area median income.
4. Data on race, ethnicity, and disability rates for activities that currently report these demographics.

In line with the priorities identified in the City's Consolidated Plan, public infrastructure projects, a Down Payment Assistance Program (which aims to assist at least 10 families), new construction for decent, affordable housing, and Public Facility and Infrastructure Programs have been designated for allocation in Program Year 2025. These projects and programs will serve low- to moderate-income areas and households within the City, aligning with national goals and supporting ongoing efforts in the community to address the growing population.

The City will monitor the performance measures and outcomes of each project and program by utilizing internal tracking systems and HUD's Integrated Disbursement and Information System.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City has assessed the effectiveness of its performance in the achievement of its Annual Action Plan strategies, objectives, and priorities; and has concluded that the City is currently meeting its expected annual performance measures. Of importance to the health of the City, there have been programs that address the conditions of the housing stock and dilapidated homes within the City. The City has been able to promote safety and wellness through the tagging and demolishing of homes and infrastructure projects. Emphasis has also been placed on citizens to improve their home and property once it has been tagged. These continued efforts should ensure that the City will be able to continue to achieve substantial progress in meeting its neighborhood revitalization goals. This evaluation assesses past performance and explains how it guided the grantee in selecting its goals and projects.

The City has reviewed the effectiveness of its actions in achieving the strategies, objectives, and priorities outlined in its Annual Action Plan. The assessment concludes that the City is currently meeting its expected annual performance measures. A key focus for the City's health has been programs aimed at improving the quality of the housing stock and addressing dilapidated homes. The City has successfully promoted safety and wellness by tagging and demolishing unsafe homes, along with implementing various infrastructure projects and a Critical Repair Program. Additionally, residents are encouraged to enhance their properties following the tagging process. These ongoing efforts should ensure that the City continues to make substantial progress toward achieving its neighborhood revitalization goals.

4. Summary of Citizen Participation Process and consultation process

Summary from the citizen participation section of the plan.

The City of Tyler aims to promote broad participation among residents, housing providers, economic stakeholders, and service providers in the planning and implementation of community development and housing programs. The City of Tyler seeks valuable input from citizens regarding the challenges of affordable housing and the homeless needs of low-income and moderate-income residents.

Citizen participation is facilitated through public hearings. This year, the consultation and public participation process for the development of the Annual Action Plan included two public hearings. Notices for these meetings were published in local newspapers in accordance with the Community Participation Plan. Additionally, City staff met with officials to identify potential projects and partnerships for funding.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

On April 24 and April 29, 2025, from 6 PM to 8 PM, Neighborhood Services held two public hearings to gather citizen feedback on community needs and priorities for affordable housing prior to developing the Draft Annual Action Plan. Additionally, a third public comment period was conducted during the City Council meeting on June 25, 2025 to solicit citizen input regarding the Draft Annual Action Plan before the City adopted it. During these sessions, no comments were received.

Below are some of the programs and projects mentioned during the public hearings:

- New construction for Phase 2 of the Hidden Palace Home development, which will include four affordable single-family homes.
- First-Time Homebuyers program, in which four homes will be sold to families who completed the homes in Phase 1 of the Hidden Palace development.
- Public Facilities improvements, including park upgrades and street enhancements in low- to moderate-income areas.
- Demolition and clearance of substandard properties.
- Transitional homes created in partnership with local agencies to address homelessness. Housing prior to developing the Draft Annual Action Plan. A third public comment period was also held during the City Council meeting on Wednesday, June 25, 2025 to obtain citizen comments regarding the Draft Annual Action Plan prior to the City adopting the Annual Action Plan. No comments were made. Below are some of the programs/projects that were mentioned during the public hearing.
 - New construction for the phase 2 development of Hidden Palace Home, where four (4) affordable single homes will be built
 - First-Time Homebuyers, where four (4) homes will be sold to families of the completed homes in Phase 1 of the Hidden Palace development.
 - Public Facilities - park improvements or street improvements in low- or moderate-income areas
 - Demolition and clearance of substandard properties
 - Transitional Homes by partnering with area agencies to address homelessness

6. Summary of comments or views not accepted and the reasons for not accepting them

Although the citizens previously provided valuable input, some of the ideas were not achievable due to the city's funding allocation and capacity.

7. Summary

The Community Development Block Grant and HOME Investment Partnership grant, including the HOME-ARP Grant at this time, is provided through the US Department of Housing and Urban Development (HUD) Office of Community Planning and Development. Due to its size and composition, the City of Tyler is classified as an entitlement community and participating jurisdiction. This means that Tyler does not apply for the CBDG and HOME grants, but is awarded CDBG and HOME funds at levels based on a HUD formula involving population and demographics. To receive CDBG and HOME funds, the City must complete an Annual Action Plan each year, based on the Consolidated Plan that details the uses of funds.

The City of Tyler reviewed its Annual Action Plan and assessed the community's needs to identify programs/activities that will benefit low-to-moderate-income communities. All citizens' input was considered when the staff selected programs and activities for this fiscal year. The City is committed to providing programs that will enrich the community and encourage affordability, accessibility, health, and wellness of the population we serve.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role | Name | Department/Agency |
|-----------------------|-------------|-------------------------------------|
| Lead Agency | TYLER | |
| CDBG Administrator | TYLER | City of Tyler Neighborhood Services |
| HOPWA Administrator | | |
| HOME Administrator | TYLER | City of Tyler Neighborhood Services |
| HOPWA-C Administrator | | |

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The development of the 2025 Annual Action Plan included many opportunities for citizen and stakeholder input. Not only with two public hearings on **April 24, 2025** and **April 29, 2025**, there were various public sessions and meetings with agencies where input could be provided. The draft plan was posted on the City's website, and copies were available at the office of Neighborhood Services for anyone to pick up for review. Additionally, a 30-day period was open for citizens to send by email, written responses and/or suggestions to gather input for the draft Annual Action Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City's 2025-2026 Action Plan Non-Housing Objective 3 included objectives and specific strategies for meeting the needs of the homeless and populations with special needs, including efforts to end chronic homelessness. A significant component of the City's plan includes the continued participation in the East Texas Human Needs Network (ETHNN) and support of the various agencies and organizations that provide supportive services and emergency, transitional, and permanent housing. The City has received HOME-ARP Funding, which is also being utilized for this cause, and the City is working diligently to use the funds in the best manner for the City and its participants. It will continue with these efforts as described in the Consolidated Plan.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Tyler did not apply for ESG funds. Coordination with Texas Balance of States COC takes place with East Texas Human Needs Networks, PATH, Salvation Army, Gateway to Hope (Hwy 80 Rescue Mission), and Mayor's Veteran Roundtable to end homelessness within the City's jurisdiction. The Texas Balance of States COC administers the operations of the HMIS system.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Tyler did not apply for ESG funds. Coordination with Texas Balance of States COC takes place with East Texas Human Needs Networks, PATH, Salvation Army, Gateway to Hope (Hwy 80 Rescue

Mission), and Mayor's Veteran Roundtable to end homelessness within the City's jurisdiction. The Texas Balance of States COC administers the operations of the HMIS system.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

| | | |
|---|--|--|
| 1 | Agency/Group/Organization | Camp V |
| | Agency/Group/Organization Type | Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Health Services-Employment Service-Fair Housing Services - Victims Other government - County Other government - Local |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Public Housing Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | The City of Tyler is establishing a relationship with Camp V to support their efforts in assisting military personnel and veterans. This agency's goal is to help veterans who are struggling, in need of assistance, and at risk of becoming homeless. We will discuss strategies for collaboration and the potential use of HOME-ARP funds to work together in efforts to prevent homelessness among these individuals. The City of Tyler is establishing relationship with Camp V for their efforts as a Community Assisting Military Personnel and Veterans. The agency's goal is to help veterans who may be suffering, in need of help and are on the verge of becoming homeless. Discuss ways to help with strategies and possible use of HOME-ARP funds to work together in efforts to prevent homelessness. |

| | | |
|---|--|---|
| 2 | Agency/Group/Organization | Habitat for Humanity of Smith County |
| | Agency/Group/Organization Type | Housing Services - Housing |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | The organization was consulted via email during the development of the City's Action Plan. Additional meetings and workshops were planned. |
| 3 | Agency/Group/Organization | Andrews Center |
| | Agency/Group/Organization Type | Services - Housing Services-Children Services-Persons with Disabilities Services-Health |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | Met with a representative, additional meetings and workshops were planned. |
| 4 | Agency/Group/Organization | Tyler Housing Agency |
| | Agency/Group/Organization Type | PHA |

| | |
|--|--|
| What section of the Plan was addressed by Consultation? | Housing Need Assessment Public Housing Needs |
| Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | The organization was consulted on an ongoing basis during the Action Plan development process due to the proximity of the manager. |

Identify any Agency Types not consulted and provide rationale for not consulting

No specific organizations were intentionally left out of the public participation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

| Name of Plan | Lead Organization | How do the goals of your Strategic Plan overlap with the goals of each plan? |
|---------------------|--------------------------|---|
| Continuum of Care | | |

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

Tyler works closely with the East Texas Human Needs Network and other local communities active in the Continuum of Care process, State agencies, local non-profit organizations, and other departments of the City of Tyler in the development of programs to address housing, homeless, and community development needs and other local issues covered by the Consolidated Plan.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize the citizen participation process and how it impacted goal-setting

The policies and procedures outlined in the Citizen Participation Plan played a vital role in the development of the 2025 Annual Action Plan. This plan specifies the necessary procedures for conducting public hearings, making plan amendments, reporting information, and ensuring public accountability. Generally, the process includes the following stages:

1. ****Needs Assessment Public Hearings:**** These are held twice a year to gather citizens' views on the Annual Action Plan.
2. ****Adoption of a Consolidated Plan:**** This plan is renewed every five years and assesses community characteristics and needs, identifies priorities for addressing those needs, and establishes specific objectives the City intends to pursue or complete over the next five years.
3. ****Adoption of an Annual Action Plan:****

The public participation process contributed significantly to the development and finalization of the City's 2025 Annual Action Plan, incorporating valuable input and comments from citizens regarding the lack of affordable housing and urgent public service needs for low-income and moderate-income residents.

Two public hearings were conducted during the initial development phase. Notices for these meetings were disseminated through the local newspaper and the City website in line with the Community Participation Plan. In an effort to enhance citizen involvement, particularly among lower-income individuals, the public hearings were held in person at the Neighborhood Services building, located at the prominent intersection of Palace and Gentry Parkway, and at the Glass Recreation Center, situated in a low-to-moderate-income community.

Meetings were scheduled at both daytime and nighttime hours, with bilingual staff present to accommodate and encourage participation from non-English speaking individuals, persons with disabilities, and low-income community members. The meetings commenced with a summary outlining the need for and purpose of the public meetings, as well as the requirements associated with the Annual Action Plan. Information was

provided regarding the City’s past, existing, and proposed programs, along with details about the funding available for affordable housing initiatives.

A brief overview of the draft proposed goals and objectives for the 2025 Annual Action Plan was also prepared. The meetings were designed to be open for participants' comments, questions, and discussions, allowing feedback on the Annual Action Plan processes, community needs, and eligible projects and activities. The public hearings were set to close only after all comments were received, at which point the meetings would be adjourned.

Unfortunately, only two people attended the public hearings. However, staff did receive phone calls and requests for meetings with City administration during the review period.

The Notice of Public Hearing and Request for Citizen Input for the City of Tyler 2025 Annual Action Plan was published in the Tyler Morning Telegraph newspaper. The notice provided the public with a 30-day comment period prior to the final public hearing on **July 6, 2025**. The final FY 2025 Annual Action Plan was presented at the City Council meeting held on June 25th, with the request for City Council to approve the Plan. An additional timeline up to **July 31, 2025**, was added for citizens to have additional opportunities to submit comments and suggestions about the Annual Plan. All comments received from the public were addressed before submitting the plan to the U.S. Department of Housing and Urban Development.

Citizen Participation Outreach

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|--------------------|--------------------------------|------------------------------|--|---------------------|
| | | | | | | |

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Tyler receives funding for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME). This program will bring approximately \$1,047,198.49.00 into the City through CDBG and HOME Entitlement funds to support affordable housing and promote non-housing community development during the next five-year period. During the first year (FY 2025-2026), the City will receive \$743,501.00 in CDBG and \$303,679.49 in HOME Entitlement funds. The funds will be used primarily for administration, acquisition,

housing reconstruction, new construction, first-time homebuyers, and various targeted public facilities improvements.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|--|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | public - federal | Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services | 70,000.00 | 0.00 | 0.00 | 70,000.00 | 3,020,508.00 | Expected amount for remainder of the Con Plan equals the Year 1 Annual Allocation times four |

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|------------|---|---|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| HOME | public - federal | Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA | 300,000.00 | 0.00 | 0.00 | 300,000.00 | 1,216,613.24 | Expected amount for the remainder of Con Plan equals the Year 1 Annual Allocation times four. |

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funds will be leveraged through the ability of service organizations to raise program funds through outside sources and other adjustments by the City for housing development activities in underdeveloped and low-mod areas, such as waiver of fees for water, sewer, permits, etc. Additionally, the City will consider establishing Neighborhood Empowerment Zones in partnership with participating developers.

Other sources of funding will include the HUD Housing Choice Voucher Program, HOME ARP Funds, Low-Income Housing Tax Credit (LIHTC), Federal Home Loan Bank, state funds, private lender financing, private foundation funds, non-profit organizations, for-profit developers, and local contributors. We will also leverage the coordination of programs with non-profit partners and volunteer work groups who will provide labor and assistance.

HUD mandates that the City of Tyler provide a local match for the HOME Participation Funds. These matching funds may originate from several sources, including city general funds, donated properties, city services, locally supported infrastructure, Community Development Corporations, fee waivers from various city departments, in-kind services from the Affordable Housing Task Force, funds from private lenders, private investments, and partnerships with local higher education institutions.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is looking to make lots available to developers through the Housing Infill Program (HIP), which will commit to building affordable housing in low-mod census tract areas or selling the houses to low-mod homebuyers as part of the Affordable Housing Task Force. Priority is given to projects that intend to revitalize neighborhoods and stimulate economic development within the City.

Discussion

Working with other entities in the City, such as non-profits and private foundations, will allow the City to leverage the CDBG and HOME funds better and better identify the needs of lower-income citizens. The Funds listed above are estimated and will be adjusted accordingly when the allocated amount is known.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Estimated Funding | Goal Outcome Indicator |
|------------|---------------------------------|------------|----------|-----------------------------------|-----------------|-----------------------------------|--------------------|--|
| 1 | Homebuyers | 2015 | 2019 | Affordable Housing | City of Tyler | Decent and Affordable Housing | CDBG: \$90,000.00 | Direct Financial Assistance to Homebuyers: 5 Households Assisted |
| 2 | Public Facilities | 2015 | 2019 | Non-Housing Community Development | City of Tyler | Non-Housing Community Development | CDBG: \$161,400.00 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 0 Beds |
| 3 | New Construction/Reconstruction | 2015 | 2019 | Affordable Housing | City of Tyler | Decent and Affordable Housing | HOME: \$280,287.55 | Homeowner Housing Added: 6 Household Housing Unit |
| 4 | Single Family Housing Goals | 2015 | 2019 | Affordable Housing Homeless | City of Tyler | Decent and Affordable Housing | CDBG: \$285,000.00 | Homeowner Housing Rehabilitated: 15 Household Housing Unit |

Table 6 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|---|
| 1 | Goal Name | Homebuyers |
| | Goal Description | Funds to provide or expand affordable housing opportunities for low-income homebuyers by providing down payment and closing cost assistance (including direct & project delivery costs) and homebuyer education assistance. |
| 2 | Goal Name | Public Facilities |
| | Goal Description | Funds to construct infrastructure and construct or rehabilitate public facilities. |
| 3 | Goal Name | New Construction/Reconstruction |
| | Goal Description | Construction of modest and affordable dwellings for low-moderate households. |
| 4 | Goal Name | Single Family Housing Goals |
| | Goal Description | Funds to preserve existing housing through Minor/Critical Repair and Removal of Architectural Barriers of owner-occupied dwelling (including direct costs and project delivery costs). |

Projects

AP-35 Projects – 91.220(d)

Introduction

The projects outlined below were developed by staff in consultation with non-profit service providers and with input from the community. This input was gathered through a community survey and meetings with social service agencies to identify the housing and community development needs of low- to moderate-income citizens, children, the elderly, individuals with disabilities, veterans, and homeless individuals.

Projects

| # | Project Name |
|---|--|
| 1 | Administration |
| 2 | Critical Home Repair and Accessibility |
| 3 | Public Facilities |
| 4 | First Time Homebuyer |
| 5 | Construction/Reconstruction |
| 6 | CHDO Reserve |

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The projects mentioned above were carefully chosen from various proposals based on their alignment with the priorities set during the Consolidated Plan forums and the community survey process. These projects are deemed essential and aim to address critical needs within the community. One of the primary challenges in tackling these needs is the limited availability of resources. The amounts are estimated and will be adjusted by the percentage of funds available once the allocated amount is known.

AP-38 Project Summary
Project Summary Information

| | | |
|-------------------|--|--|
| 1 | Project Name | Administration |
| | Target Area | |
| | Goals Supported | Homebuyers Public Facilities New Construction/Reconstruction Single Family Housing Goals |
| | Needs Addressed | Non-Housing Community Development |
| | Funding | CDBG: \$150,000.00 HOME: \$30,000.00 |
| | Description | This project aims to offer comprehensive management, oversight, coordination, planning, and capacity-building activities in accordance with 24 CFR 570.205 and .206 for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds. |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | N/A |
| | Location Description | 900 W. Gentry, Tyler, Texas 75702 |
| | Planned Activities | This project aims to offer comprehensive management, oversight, coordination, planning, and capacity-building activities in accordance with 24 CFR 570.205 and .206 for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds. |
| \$250,0002 | Project Name | Critical Home Repair and Accessibility |
| | Target Area | |
| | Goals Supported | Single Family Housing Goals |
| | Needs Addressed | Decent and Affordable Housing |
| | Funding | CDBG: \$250,000 |

| | | |
|----------|--|--|
| | Description | Critical Home Repair program- to assist owner-occupied, low/mod income households with critical repairs that will help bring their house up to minimum standards. Repairs help to eliminate hazardous situations such as plumbing or sewer leaks, electrical system hazards, furnace/heater repairs, water heater replacement, exterior door replacement, structural failures, roof repairs, rotted wood replacement, or other minor code-related violations. Critical repairs include reasonable accommodations for persons with disabilities, such as handicapped ramps, handrails, grab bars, bathroom modifications, door alterations, etc. Critical repair is in accordance with ADA (Americans with Disabilities Act) requirements. This includes activity costs and activity delivery costs |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | 20 |
| | Location Description | Throughout the City of Tyler to Low/ Mod Income Families |
| | Planned Activities | Critical Home Repair program- to assist owner-occupied, low/mod income households with critical repairs that will help bring their house up to minimum standards. Repairs help eliminate hazardous situations such as plumbing or sewer leaks, electrical system hazards, furnace/heater repairs, water heater replacement, exterior door replacement, structural failures, roof repairs, rotted wood replacement, or other minor code-related violations. Critical repairs include reasonable accommodations for persons with disabilities, such as handicapped ramps, handrails, grab bars, bathroom modifications, door alterations, etc. Critical repair is in accordance with ADA (Americans with Disabilities Act) requirements. This includes activity costs and activity delivery costs |
| 3 | Project Name | Public Facilities |
| | Target Area | |
| | Goals Supported | Public Facilities |
| | Needs Addressed | Non-Housing Community Development |

| | | |
|----------|--|---|
| | Funding | CDBG: \$275,000 |
| | Description | This important initiative is dedicated to improving public amenities in low to moderate-income areas of the city. The primary focus is to develop much-needed parks, enhance lighting infrastructure, and provide bus shelters in these specific communities, where such resources are currently lacking. |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | 500 |
| | Location Description | These activities will be focused on specific Block Groups where the number of families could be 1000 or more combined. |
| | Planned Activities | This important initiative is dedicated to improving public amenities in low to moderate-income areas of the city. The primary focus is to develop much-needed parks, enhance lighting infrastructure, and provide bus shelters in these specific communities, where such resources are currently lacking. |
| 4 | Project Name | First Time Homebuyer |
| | Target Area | |
| | Goals Supported | Homebuyers |
| | Needs Addressed | Decent and Affordable Housing |
| | Funding | HOME: \$100,000 |
| | Description | First Time Home Buyer Program for Low-Mod Income Buyers toward down payment and closing cost assistance. |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | Approximately five households will benefit from the proposed activities. |
| | Location Description | City of Tyler |

| | | |
|----------|--|--|
| | Planned Activities | First Time Home Buyer Program for Low-Mod Income Buyers toward down payment and closing cost assistance. |
| 5 | Project Name | Construction/Reconstruction |
| | Target Area | |
| | Goals Supported | New Construction/Reconstruction |
| | Needs Addressed | Decent and Affordable Housing |
| | Funding | HOME: \$600,000 |
| | Description | Construct new affordable homes for low and very low-income families, including activity and activity delivery costs. |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | Approximately four families will benefit from the proposed activities. |
| | Location Description | The activities will take place throughout the City of Tyler. |
| | Planned Activities | Acquire lots and construct new affordable housing for low and very-low-income families. |
| 6 | Project Name | CHDO Reserve |
| | Target Area | |
| | Goals Supported | Single Family Housing Goals |
| | Needs Addressed | Decent and Affordable Housing |
| | Funding | HOME: \$45,000 |
| | Description | 15% set aside for CHDO |
| | Target Date | 9/30/2026 |
| | Estimate the number and type of families that will benefit from the proposed activities | Approximately 2 families will benefit from the proposed activities. |
| | Location Description | Activities will be located throughout the City of Tyler. |

| | | |
|--|---------------------------|--|
| | Planned Activities | 15% of HOME funds to be utilized by an eligible CHDO for investment only in housing owned, developed, or sponsored by a CHDO under 24 CFR 92.300 |
|--|---------------------------|--|

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Funding from the Community Development Block Grant (CDBG) and HOME programs is often available for use in designated neighborhoods or citywide, depending on the specific activities involved. Additionally, some funding is allocated based on individual benefit rather than area benefit. Other eligible projects and activities may also be available on a citywide basis unless HUD regulations require them to be limited to specific low-income areas.

Geographic Distribution

| Target Area | Percentage of Funds |
|---------------|---------------------|
| City of Tyler | 100 |

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City has collaborated closely with the public and civic leaders to identify the priority needs in the targeted areas. Building on the successful past allocations of federal funds to designated annual target areas, the City has allocated a portion of the CDBG funds for affordable housing and public facilities projects and activities within the City.

Discussion

Based on the information gathered during the development of the Action Plan, the City will make HOME Program funds available for affordable housing activities throughout the City, with no geographic preference. Detailed information on how the City of Tyler assesses eligibility for its programs can be found in the Neighborhood Services (NBS) General Administrative Guidelines. Additional eligibility criteria are provided in separate documentation for each program administered by the Neighborhood Services Community Development Division. The General Administrative Guidelines are available at the Neighborhood Services office located at 900 W. Gentry Parkway. This information can also be obtained by contacting the Community Development Office at (903) 531-1303.

GENERAL ADMINISTRATIVE GUIDELINES

1. **PURPOSE - APPLICATION PROCEDURES**

A. Neighborhood Services will provide public notice and advertisements regarding the availability of program funds in accordance with the requirements outlined in the City's approved Citizen Participation Plan. Interested applicants will receive application and verification forms and instructions for completion. Staff members are available to assist with completing the required forms. Applicants can obtain applications, instructions, and verification forms from the front desk secretary at the NBS office,

where all forms are readily accessible. Applicants can drop by the office, call to set up an appointment, or email a staff member to request forms, which can be emailed. If an applicant is handicapped or does not have transportation, instructional forms and an application can be mailed directly to them.

B. Applications must be submitted in writing. Applicants can fill out the original application at the NBS office or return it to the front desk receptionist later. The receptionist will route the application to the proper personnel for review. Household income and other eligibility criteria will be assessed and certified by examining supporting documents, such as employer wage statements, interest statements, and Warranty Deeds. The applicant must also submit any changes to the information provided in writing.

All applications are initially evaluated to determine if the applicant qualifies by being at or below 80 percent of the median income range. Depending on the specific program applied for, applications may also be considered on a first-come, first-served basis for the Owner-Occupied Minor Repair Program. For the First-Time Homebuyer Program, eligibility and capacity criteria are considered. For the Owner-Occupied Reconstruction and New Construction Programs, both income eligibility and housing needs are determining factors.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City is strongly committed to preserving the existing supply of affordable housing and increasing opportunities for affordable housing through the facilitation and funding of new construction efforts. HOME funds specifically target housing activities for low-income individuals and families, offering assistance for homebuyers, homeowners, rental development, and new construction projects. Additionally, CDBG and HOME funds are allocated to provide direct assistance for homebuyer support, reconstruction, and construction activities, as well as to fund infrastructure and public facilities that enable new infill housing development.

| One Year Goals for the Number of Households to be Supported | |
|---|---|
| Homeless | 0 |
| Non-Homeless | 7 |
| Special-Needs | 0 |
| Total | 0 |

Table 9 - One Year Goals for Affordable Housing by Support Requirement

| One Year Goals for the Number of Households Supported Through | |
|---|---|
| Rental Assistance | 0 |
| The Production of New Units | 2 |
| Rehab of Existing Units | 5 |
| Acquisition of Existing Units | 0 |
| Total | 0 |

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The city is committed to assisting households by creating new units and renovating existing ones. Additionally, the city's CDBG and HOME administrator works closely with the HCV administrator to provide maximum support for households.

AP-60 Public Housing – 91.220(h)

Introduction

Tyler does not have a public housing authority or public housing units. The City ensures the continued affordability of housing units assisted through its programs by utilizing liens that include designated occupancy and affordability requirements. Additionally, the City is actively working to strengthen its relationships with non-profit housing and service providers as well as local lending institutions to enhance both the quality and quantity of its affordable housing stock. The City participates in HUD's Housing Choice Voucher Program and currently manages a total of 1,022 vouchers, which include Thirty Nine (39) allocated for Veterans Affairs Supportive Housing (VASH) and Nine (9) Emergency Vouchers. The City's Housing Choice Voucher Program inspectors conduct initial, annual, and special inspections to ensure that subsidized housing units meet Housing Quality Standards (HQS).

Actions planned during the next year to address the needs to public housing

****Strategy 1.2.4:**** Coordinate with the Housing Choice Voucher Program (HCV) to identify homeownership opportunities through their subsidized funds.

****Output:**** Meet with the Housing Choice Voucher Program Manager at least once a year to discuss homeownership opportunities for participants.

****Outcome:**** Transition of HCVP participants into homeownership.

****Indicator:**** The number of HCVP participants who successfully transition into homeownership.

The City of Tyler also allocates support from its local general fund to assist with economic development activities aimed at attracting and retaining new businesses, as well as creating job opportunities for low-income and underserved populations.

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

The City of Tyler does not provide public housing, but it administers the Housing Choice Voucher Program, which offers vouchers to 1,022 low-income families each month. Many apartment complexes participate in this program, allowing tenants to receive rental assistance in their units. The city strives to expand affordable housing initiatives aimed at alleviating the financial burden of rent and homeownership for low-income households.

In addition, Tyler supports local non-profit organizations that offer educational courses on homebuyer

and homeowner responsibilities, home maintenance, budgeting, nutrition, parenting, affordable rental units, and other health and human services. The city is committed to supporting public service activities that enhance the quality of life for low-income residents, help youth reach their full potential, and break the cycle of poverty.

Tyler also seeks to expand the Housing Choice Voucher Homeownership Program and applies annually for funding for the Family Self-Sufficiency Program, aiming to provide supportive and educational services that reduce reliance on subsidy programs. Furthermore, the city plans to offer economic development incentives using local funds to encourage the retention and creation of job opportunities for low-income residents.

Additionally, Tyler aims to promote collaboration and reduce duplication of efforts among regional entities and public service providers, and it participates in initiatives to deliver supportive services and environments for homeless individuals and those with special needs

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Tyler does not have a public housing authority or public housing units.

Discussion

The Housing Choice Voucher (HCV) program continues to assist with mortgage payments through Housing Vouchers. Currently, the Family Self-Sufficiency (FSS) program is supporting 31 families. The Community Development staff regularly meets with FSS and Homeownership staff to strategize how to maximize program and homeownership funds. These meetings aim to inspire ideas and initiatives for participants, with the goal of reducing their reliance on subsidy programs.

Staff will continue to share their expertise in affordable housing and provide assistance with down payments, closing costs, and programming initiatives to promote self-sufficiency among participants. The FSS program is presently serving 31 families involved in the HCV program. These families are either completing or in the process of achieving the following goals: (1) obtaining or maintaining employment; (2) creating their own sources of income through starting businesses; (3) pursuing higher education; and (4) entering homeownership.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City's comprehensive strategy emphasizes ongoing participation in the Texas Balance of States Continuum of Care (CoC) and strong support for various agencies and organizations that offer essential services. This includes supportive care and a range of housing options, such as emergency, transitional, and permanent residences. These targeted initiatives are outlined in the Consolidated Plan and will be actively implemented by the City.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

The City of Tyler are not recipients of ESG funds, nor will public service funds be allocated to address ending homelessness. However, the City will continue to support homeless providers with leveraging resources through supplying a continuum of services. This will be accomplished through attending at least 3 meetings and support at least one (1) outreach effort to support homeless efforts. Staff will continue to provide assistance for subcommittees, homelessness counts, and Continuum of Care development. Staff also meets with the East Texas Human Needs Network to address homelessness. The following agencies reach out to homeless persons and assess their individual needs such as the need for temporary shelter, transitional housing and other services:

- East Texas Crisis Center offers a short-term, transitional housing program that helps families transitioning out of the center. The center is a 50-facility based bed center servicing a specialized group of individuals who require immediate assistance and protection of identity.
- The Salvation Army of Tyler offers short-term housing to homeless individuals. The shelter is a 172-facility based bed center servicing the Tyler area.

Enhance affordable housing availability in FY 2025-2026. Collaborate with homeless service providers for a continuum of services: border-Attend relevant meetings and outreach efforts. Attend three meetings and support one outreach. * Understand homelessness issues and identify * Assist with subcommittees and homeless* One staff member will join a subcommittee and assist with counts. * Boost City of Tyler's participation in the Continuum of Care. *Goal 2:** Partner with local non-profits for a transitional housing feasibility study. Funding will be sourced from ESG entitlement or Super NOFA grants. The City of Tyler is not an ESG entitlements recipient, and funding will vary annually. Coordination will be managed by existing staff. Collaboration among the East Texas Human Needs Network, service providers, and local government will be essential, using a four-step strategy: identify the problem, set priorities, locate resources, and changes.

Addressing the emergency shelter and transitional housing needs of homeless persons

In Tyler, there is strong communication among supportive service and housing providers. The East Texas

Human Needs Network promotes collaboration through monthly meetings to discuss challenges and new services. The local 2-1-1 Call for Help, managed by United Way and Camp V, meets quarterly with agencies that assist homeless individuals and families, helping them navigate available resources.

For those entering the system, the 2-1-1 Texas Call for Help Community Resource Center and the Homeless Management Information System (HMIS) provide information and referrals to case management and support services. Most resources are first-come, first-served, and require an application with specific eligibility criteria.

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

The City of Tyler actively participates with local initiatives designed to provide supportive services and environments to assist homeless and special need populations. Consultation with Texas Balance of States COC takes place with ETHNN, PATH, Salvation Army, Gateway to Hope and Mayor's Veteran Roundtable to end homeless for the City's jurisdiction. These organizations help provide permanent supportive housing and assist with linking the clients to services, include independent living skills. The City has non-HUD funds that it uses to provide needed public services from non-profit agencies to the community that would include assistance to the homeless and chronically homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Texas Balance of State Continuum of Care outlines key discharge policy provisions:

1. Discharging individuals from institutions into homelessness is prohibited.
2. Discharge planning must begin upon entry into the institution.
3. Access to mainstream services should be facilitated while individuals are still in the institution to reduce recidivism and homelessness.

To implement effective discharge planning in East Texas, the East Texas Human Needs Network, along

with service providers, will collaborate with local governments, hospitals, the Department of Human Services, the justice system, and law enforcement. This will involve:

1. Identifying the problem,
2. Establishing priorities,
3. Locating resources,
4. Implementing institutional changes.

Discussion

The City works continuously with local non-profit organizations that provide services to the homeless. These partnerships enable the City to effectively address the needs of its homeless citizens by pooling resources and collaborating.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The Analysis of Impediments to Fair Housing identifies barriers to fair housing in Tyler. This analysis was originally completed in August 2020 and is currently being updated. The following impediments are discussed as obstacles to fair housing. The City will assess the recommended remedial actions and continue implementing feasible recommendations during the fiscal year 2025. In Tyler, local policies are not the primary barriers to affordable housing. The City has made a concerted effort to streamline the development process and has also offered fee waivers for certain development fees.

Actions it planned 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

There are several barriers that negatively affect affordable housing in Tyler. These barriers include long waiting lists, the inability of residents to come up with rent and utility deposits, and the lack of adequate funding for local groups due to the sluggish economy and lack of philanthropy. Housing affordability is also impacted by local factors like the availability of land for new construction, the income of residents, the supply of housing, and housing costs. In Tyler, affordable housing is further hindered by insufficient funds for down payment, lack of credit, and poor credit. Additionally, the long-term affordability of a home, including the required monthly payments for principal, interest, taxes, and insurance, is often too high for a low-income household. Moreover, the availability of homes for sale in the price range and size for low- to moderate-income families is limited. According to the City's Tyler 1st Comprehensive Plan, about 60% of housing in Tyler consists of single-family houses. Prices for existing single-family houses in Tyler have increased substantially since 2022, and new houses are, on average, much larger and more expensive than existing homes. Nearly half of Tyler's households do not receive enough income to afford the median-priced single-family home, which is \$210,200.

The U.S. Department of Housing and Urban Development (HUD) defines a household experiencing a cost burden as having gross housing costs that exceed 30% of gross income. A severe cost burden occurs when gross housing costs exceed 50% of gross income. The cost of homeownership can impact property maintenance, the ability to pay property taxes, and the household's ability to retain its home. High rents and prohibitive security deposits can also make it difficult for renters to afford units. With almost half of Tyler households below the median income, the cost of ownership or renting becomes a significant

burden.

Discussion:

To address barriers and impediments, the City of Tyler will take the following remedial actions:

Action #1: The city will continue to use entitlement funds to support the increased affordable housing production through public-private partnerships with developers and capacity building for nonprofits.

Action #2: The city will help facilitate access to below-market-rate priced units by leveraging federal funds to access nonfederal entitlement funding such as state low-income tax credits, federal home loan bank funding, and private sector participation in financing affordable housing and neighborhood reinvestment.

Action #3: The city will maintain a list of private partner lenders providing affordable housing financing and subsidies and offering buyers access to down payment, closing cost assistance, or favorable underwriting.

Action #4: The city will identify and support local developers seeking additional federal, state, and private sources of funds for affordable housing.

Action #5: The city will encourage private sector support for affordable housing developed as a market-rate and mixed-use development component.

Action #6: The city will encourage banks and traditional lenders to offer products addressing the needs of households with poor and marginal credit, which negatively impacts their ability to qualify for mortgages. These products can assist individuals negatively affected by predatory lenders. This may require traditional lenders and banks to establish "fresh start programs" for those with poor credit and previous non-compliant bank account practices.

AP-85 Other Actions – 91.220(k)

Introduction:

The City continues to allocate a significant portion of federal grants to programs and activities that directly benefit low-income residents, focusing on affordable housing and health and human services. To support these initiatives, the City has provided non-profit organizations and private housing developers with technical assistance and help with data requests to explore additional funding opportunities. The City also funds programs aimed at helping families achieve self-sufficiency, thereby breaking the cycle of generational welfare. These efforts include parent education, homebuyer education, mentoring, tutoring, emergency shelter, daycare services for low-income families, leadership development in underserved neighborhoods, and demolition projects to aid in revitalization efforts.

Actions planned to address obstacles to meeting underserved needs

The lack of a coordinated community effort to bridge service gaps and eliminate duplication among service providers significantly hinders the ability to offer effective and efficient services tailored to the needs of low-income and special-needs populations. To address this challenge, the City is committed to evaluating and ranking requests from organizations seeking public service funding.

A mandatory workshop will be conducted for non-profit organizations interested in applying for federal funds. During this workshop, the City will provide technical assistance and detailed information about the eligible uses of these funds, along with compliance and monitoring requirements that must be met. Additionally, City staff will be available to consult with individual agencies as necessary.

A citizen review committee will play a crucial role in assisting City staff and officials in evaluating the funding requests. This evaluation will focus on the organization's capacity to provide the service, the identified need, the proposed use of federal funds, the targeted population, the number of individuals to be served, and how these plans address the priority needs outlined in the Consolidated Plan.

Actions planned to foster and maintain affordable housing

The City is committed to preserving and maintaining the existing supply of affordable housing while also increasing the availability of affordable housing opportunities through support and funding for new construction efforts. HOME funds specifically target housing activities for low-income individuals and families, providing assistance to homebuyers, homeowners, rental development, and new construction projects. Additionally, CDBG funds are allocated to provide direct assistance for homebuyer activities and rehabilitation, as well as to fund infrastructure and public facilities that aid in the new development of infill housing.

To ensure the continued affordability of the housing units supported by the City's programs, liens with designated occupancy and affordability requirements are utilized. The City is also working to strengthen

its relationships with non-profit housing and service providers, as well as local lending institutions, to enhance the quality and quantity of affordable housing available.

Through the implementation of the 2025-2026 Action Plan, the City of Tyler will persist in its efforts to provide decent housing for its residents. Specifically, the City will:

- Enforce standards for all affordable housing programs administered and supported by the City.
- Provide educational opportunities and training for staff managing affordable housing programs, ensuring compliance with building and housing code requirements.
- Facilitate and fund initiatives from other entities and non-profit organizations that provide affordable and standard housing.
- Enforce the Construction Specifications adopted by the Neighborhood Services Department, which outline quality materials and acceptable workmanship standards for all CDBG and HOME-funded projects.
- Provide technical assistance and funding to support projects that eliminate health and safety hazards.
- Offer technical assistance and funding for improvements to public facilities and infrastructure in low-income neighborhoods, which will encourage the redevelopment of existing areas and the creation of new affordable housing options, ultimately enhancing the overall quality of life for low-income residents.

Actions planned to reduce lead-based paint hazards

The city recognizes that older homes may pose lead-based paint hazards, which can be harmful to young children. The Homeless Needs Assessment has identified that a significant number of homes in Tyler may potentially contain lead-based paint issues.

The City is aware of the dangers associated with lead poisoning and will consistently monitor health data to detect any related cases. It will also provide information to the public about the risks of lead paint and continue testing for lead in housing units considered for CDBG or HOME assistance.

The following actions will be taken:

1. Appropriate City staff who are not yet certified will complete the EPA-Accredited Certified Renovator

Training. Policies and procedures will be updated as needed, and all contractors will be required to obtain this certification.

2. Public information and education regarding lead-based paint will be provided.
3. Lead hazard evaluation and reduction activities will be integrated into housing projects whenever applicable.
4. The City will monitor regular reports from the County Health Department and the Texas Department of State Health Services to track reported cases of lead poisoning.
5. Local construction contractors will be encouraged to become certified as lead paint inspectors, removers, and abaters.
6. The City will continue to develop the technical capacity needed to manage projects impacted by lead paint.

Actions planned to reduce the number of poverty-level families

To promote and encourage economic and social self-sufficiency, the City will take the following actions:

1. Continue to provide and expand the Housing Choice Voucher Homeownership Program and the Family Self-Sufficiency Program (FSS) with funding received for FY 2025. The FSS Program is aimed at providing supportive and educational services to help reduce reliance on subsidy programs.
2. Expand affordable housing programs to alleviate the financial burden of rent and homeownership for low-income households.
3. Offer economic development incentives using local funds to encourage the retention and creation of job opportunities for low-income residents.
4. Enforce Section 3 requirements in applicable contracts that utilize federal funds.
5. Support local non-profit organizations that offer educational courses in areas such as homebuyer and homeowner responsibilities, home maintenance, budgeting, nutrition, parenting, affordable rental units, and other health and human services.
6. Back public service activities that improve the quality of life for low-income residents.
7. Promote public service initiatives that help youth reach their full potential and ultimately break the cycle of poverty.
8. Encourage collaboration and reduce duplication of efforts among local entities and public service providers.
9. Actively participate in the Texas Balance of States Continuum of Care (CoC) for the Homeless and other local initiatives aimed at providing supportive services for homeless individuals and those with

special needs

Actions planned to develop institutional structure

The City of Tyler will oversee and implement the goals, objectives, and strategies outlined in this document through its Neighborhood Services Department. The City plans to utilize its Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and other local, state, and federally funded programs to support various affordable housing initiatives and community development activities. These efforts are aimed at assisting low-income residents and revitalizing neighborhoods in decline.

The City will also consider providing letters of support, when appropriate, to organizations and agencies seeking grant funding or state/federal assistance. The staff within the Neighborhood Services Department will act as liaisons to coordinate with volunteer groups that offer free labor assistance to low-income homeowners. They will also collaborate with public and private organizations that provide housing assistance, as well as those that offer supportive services to low-income families. Furthermore, the City will continue to provide technical assistance and funding for health and public services as resources become available.

Actions planned to enhance coordination between public and private housing and social service agencies

The city is actively pursuing all available funding opportunities to support both public and private agencies, as well as other service providers. We will provide technical assistance, help secure funding from various sources (both federal and non-federal), and strive to simplify processes while enhancing local coordination efforts.

Discussion:

The City plans to work with other non-profits to identify and address community needs. Additionally, the City regularly seeks new funding to support low- to moderate-income residents.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Tyler has no other forms of investment beyond those outlined in the HOME regulations. Based on information gathered while developing the Consolidated Plan, the City will allocate HOME Program funds for affordable housing activities throughout the city, without any specific geographic preference. However, efforts will be made to distribute the funds in a manner that addresses the identified needs and priorities outlined in the plan. This includes allocating funding for various projects and activities that benefit the maximum number of low-income, elderly, and special needs households.

Here's how the City will accept applicants:

A. The Neighborhood Services (NBS) will publicly announce and advertise the availability of program funds as outlined in the City's approved Citizen Participation Plan. Interested applicants will receive application and verification forms along with instructions for completion. NBS staff will also be available to assist with filling out the required forms.

B. Applications must be submitted in writing. Household income and eligibility criteria will be determined and certified by examining source documents such as wage statements, interest statements, and warranty deeds. Any changes in information must be made in writing by the applicant. Selection for most programs will be on a first-come, first-served basis for eligible applications submitted before the published deadline. Projects will be conducted citywide, with a preference for activities benefiting low- to moderate-income individuals and families. Preference will also be given to homeless veterans for the tenant-based rental assistance program.

C. NBS staff will provide technical assistance to program participants. This assistance includes explaining application procedures, providing briefings on program requirements, communicating with contractors at the owner's request, and assisting homeowners in inspecting construction in progress. It may also involve referring homeowners to appropriate social service agencies.

D. NBS will inform program participants about the processes involved in rehabilitation, new construction, home purchase, and homeownership.

Detailed eligibility criteria for each program administered by NBS are provided in separate documentation. The general public can obtain more information about eligibility, applications, selecting proposals, and the solicitation process at the Neighborhood Services office located at 900 W. Gentry

Parkway, or by contacting the Community Development Office at (903) 531-1303.

The overall benefit period for this Annual Action Plan covers the program years 2025-2026.

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

| | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

| | |
|---|--------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 75.00% |

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City does not use any other form of investment beyond what is identified in the HOME regulations.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used

for homebuyer activities as required in 92.254, is as follows:

The City of Tyler’s first-time homebuyers (FTHBs) that receive direct downpayment, closing cost, principal buydown assistance, and/or a reduction of the sales price to below the market value to make the unit(s) affordable will meet the affordability period if they remain in the home for the full required period of affordability as determined by the amount of the assistance received (five to fifteen years). The actual required period of affordability will be based on the total amount of direct HOME assistance provided, as noted below. The effective date of the beginning of the required period of affordability is the **date all completion data is entered into IDIS (See: §92.2, Definitions, “Project Completion”)** and as documented by a fully executed HUD-1, a copy of which has been placed in each individual homebuyer’s and/or homeowner’s file. Should there be instances where a HUD-1 is not executed [e.g., the 1st mortgage loan is carried by the PJ or another entity] substitute the name of the document(s) replacing the HUD-1.

The federal assistance will be provided in the form of a 0% interest, deferred payment loan (DPL) and will be secured by a HOME Written Agreement, fully executed and dated by all applicable parties, and a Promissory Note and Deed of Trust, which will be recorded in the land records of Smith County. Under **“Recapture”**, if the home is **SOLD** prior to the end of the required affordability period [the homebuyer or the property owner may sell to any willing buyer at any price], a portion of the net sales proceeds from the sale, if any, will be returned to the City of Tyler to be used for other HOME-eligible activities. The portion of the net sales proceeds that is returned to the City of Tyler is equal to the amount of HOME funds invested in the property less the amount for each **FULL** month that the residence was occupied by the homebuyer or property owner as his/her/their principal residence. Any funds remaining after distributing the *net sales proceeds* to all lien holders, including the City of Tyler, will be returned to the homebuyer or homeowner. In the event of a sale, short sale, or foreclosure, the amount recaptured will be limited to the amount of ‘*net sales proceeds*’ available at the time of such occurrence. Additional information pertaining to the **“Recapture Provisions”** is detailed in the written policies and procedures of the City of Tyler.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

If there are insufficient funds remaining from the **sale** of the property and the City of Tyler recaptures less than or none of the recapture amount due, the City of Tyler must maintain data in each individual file that provides the amount of the sale and the distribution of the funds. This will document that:

1. There were no net sales proceeds; or
2. The amount of the net sales proceeds was insufficient to cover the full amount due; and that,

3. No proceeds were distributed to the homebuyer/homeowner. Other than the actual sale of the property, if the homebuyer [or homeowner] breaches the terms and conditions for any other reason, e.g. no longer occupies the property as his/her/their principal residence, the **full amount of the subsidy** [cannot be prorated] is immediately due and payable. The City of Tyler must immediately repay its HOME Treasury Account, from non-federal funds, for the full amount of the assistance provided, whether or not it can recoup any or all of the funds from the homebuyer (or homeowner). [**HOMEFires Vol 5 No 2, June 2003 – Repayment of HOME Investment; Homebuyer Housing with a ‘Recapture’ Agreement; Section 219(b) of the HOME Statute; and §92.503(b)(1)-(3) and (c)**]The City has elected to utilize the Recapture provision in the event of default on all homebuyer activities and will reduce the HOME Program investment on a pro-rated basis for any remaining affordability period. The affordability period is based on the total amount of HOME funds subject to recapture. The amount of funds subject to recapture shall be based on the net proceeds available from any sale, rather than the entire amount of the HOME investment that enabled the homebuyer to buy the dwelling unit.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds. In addition, the funds will not be used to refinance multifamily loans made or insured by any federal program. The City is aware that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

Not Applicable

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

Not Applicable

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR

92.253(d)(3) and CFR 91.220(l)(2)(vii). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

Not Applicable

The City intends to use the HOME affordable homeownership limits for the area as provided by HUD.

The City intends to structure its New Construction Program with HOME funds as a direct subsidy to reduce the purchase price of new construction. For-profit and non-profit developers as well as income eligible households are eligible to apply. However, the ultimate home owner must be low income as defined by HUD and the household will be subject to applicable HOME regulations. The New Construction Program will solicit and accept applications on an ongoing basis. More information will be available to the applicants on the application form itself, which will be available on the City's website and for pickup at certain City locations.

The City does not intend to limit the beneficiaries or give preference to a particular segment of the low-income population.

