

PUBLIC NOTICE

SUBSTANTIAL AMENDMENT TO THE CITY OF PLANO'S 2009-2010 ANNUAL ACTION PLAN

This notice will inform interested persons of a proposed substantial amendment to the City of Plano's Annual Action Plan for Grant Year 2009-2010.

The proposed amendment would allow the City of Plano to apply for Section 108 Loan Guarantee funds in the amount of \$700,000 from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds. The Section 108 Loan funds will be used to acquire land to build a public facility that provides transitional housing and support services to families. This multi-building public facility will be approximately 27,320 square feet and include a three story, 9,720 square foot, transitional housing facility for families. Surrounding buildings will house administrative offices and support services for families in transition.

The proposed Section 108 Guarantee Loan project meets the following 2009 Consolidated Plan Goal: Expanding the continuum of housing and services for a variety of special needs populations, including persons who are homeless and at risk of homelessness and Objective: Increase transitional housing and permanent supportive housing for persons with special needs. The use of the Section 108 Loan is eligible under the CDBG Regulations Section 570.703(l); Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities which meet the CDBG National Objective requirements of Section 570.208(a)(2)(A); Limited clientele activities that benefit a clientele who are presumed low-to-moderate income persons.

The City is proposing to pay back the loan including principal and interest due, servicing and other associated costs with future CDBG Entitlement funds pursuant to Section 106 of Title I of the Housing and Community Development Act of 1974, as amended. The repayment period will not exceed 10-years. The activity is not expected to generate program income. The City will execute a deed of trust and promissory note on the building securing the real property as collateral.

PUBLIC COMMENTS

Copies of the proposed amendment will be available for review from July 2, 2010 to August 13, 2010, in the Planning Department, Suite 250 of the Plano Municipal Center, 1520 K Avenue, Plano, TX 75074. (City department office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday). Comments regarding the proposed amendment should be directed to Christina Day, Community Services Manager, P.O. Box 860358, Plano, TX 75086-0358, Phone Number (972) 941-7151, Fax (972) 941-7396, Email: chrisd@plano.gov.

PUBLIC HEARINGS

A public hearing will held by the Community Relations Commission at 5:30 p.m., Tuesday, July 13, 2010 in Planning Conference Room 2E at 1520 K Avenue, Plano TX, 75074 to allow for public comment/discussion of the proposed substantial amendment to the 2009-2010 Annual Action Plan.

A public hearing will be held on Monday, August 9, 2010, at 7:00 p.m., in the Council Chambers, at 1520 K Avenue, Plano TX, 75074, to allow for public comments/discussion of the proposed amendment to the 2009-2010 Annual Action Plan. Immediately following the public hearing, and after all public comments have been considered, the City Council will take formal action on the amendment to the FY 2009-2010 Annual Action Plan at its regularly scheduled City Council meeting.

ACCESSIBILITY STATEMENT

The Plano Municipal Building is wheelchair accessible. A sloped curb entry is available at the main entrance facing Municipal Avenue, with specially marked parking spaces nearby. Access and special parking are also available on the north side of the building. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the Planning Department at (972) 941-7151.



CITY OF PLANO APPLICANT COMPLETENESS GUIDE
SECTION 108 LOAN GUARANTEE APPLICATION
24 CFR §570.700 – §570.710

SECTION I – GENERAL INFORMATION

Please ensure the submission includes:

- Standard Form 424 (form SF-424) – Application for Federal Assistance;
 - Applicant's congressional district(s); and (To be attached after City Council approval)
- Name, title, address, telephone and fax numbers, and e-mail of applicant contacts:

Chief elected official or chief executive officer

Name & Title: Thomas H. Muehlenbeck, City Manager
Organization: City of Plano
Address (Street): 1520 Avenue K
Address (City/State/Zip): Plano, TX 75074
Phone & Fax: 972-941-7000
E-mail: tomm@plano.gov

Staff contact

Name & Title: Christina Day, Community Service Manager
Organization: City of Plano
Address (Street): 1520 Avenue K
Address (City/State/Zip): Plano, TX 75074
Phone & Fax: 972-941-7151
E-mail: chrisd@plano.gov

State contact (If applicant is CDBG nonentitlement community)

Name & Title: N/A
Organization: N/A
Address (Street): N/A
Address (City/State/Zip): N/A
Phone and Fax: N/A
E-mail: N/A

Consultant contact (If applicant has designated a consultant as principal contact)

Name & Title: N/A
Organization: N/A
Address (Street): N/A
Address (City/State/Zip): N/A
Phone and Fax: N/A
E-mail: N/A

SECTION II – THE APPLICATION

- **Statement of Community Development Objectives (570.704(a)(1)(i)(A)).** Provide the statement of community development objectives in the Consolidated Plan to be achieved by use of Section 108 funds (Also provide the citation of the objectives in the Consolidated Plan).

The proposed Section 108 Guarantee Loan project meets the following 2005-2009 Consolidated Plan Goal: Expanding the continuum of housing and services for a variety of special needs populations, including persons who are homeless and at risk of homelessness and Objective: Increase transitional housing and permanent supportive housing for persons with special needs. The use of the Section 108 Loan is eligible under the CDBG Regulations Section 570.703(l); Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities which meet the CDBG National Objective requirements of Section 570.208(a)(2)(A); Limited clientele activities that benefit a clientele who are presumed low-to-moderate income persons.

- *Note: Nonentitlement community. If applicant is a CDBG nonentitlement community, include reference to the provision in the State's Final Statement regarding the use of Section 108 by nonentitlement communities.*

N/A

- **Citizen Participation Requirements.** Before submission of an application for loan guarantee assistance to HUD, the public entity must follow all presubmission and citizen participation requirements pursuant to 570.704(a). Provide a brief description of how the presubmission and citizen participation requirements were met.

The City of Plano is following the citizen participation guidelines established in the 2005-2009 Consolidated Plan, as approved by the U.S. Department of Housing and Urban Development (HUD).

- *Note: Environmental standards. Each project assisted is subject to the provisions of 24 CFR Part 58 (570.704(d)).*

Upon City Council approval of the proposed application, a complete environmental review will be conducted, and a public notice will be published in the newspaper for citizen comment.

- *Note: Labor standards. Each project assisted is subject to the provisions of 24 CFR Part 70 (570.707).*

The City of Plano understands that because a portion of this project is being funded with CDBG funds all labor standards regulation stated in 24 CFR Part 70 (570.707) will be followed.

□ **Project Description.**

- Describe the project;

The City of Plano wants to acquire land for the Samaritan Inn, a non-profit organization in Collin County, to assist their efforts in building a Transitional Living Facility for homeless families. The Samaritan Inn is the only shelter for homeless in Collin County. Specifically, the Section 108 Loan funds will be used to acquire land to build a public facility that provides transitional housing and support services to families. This multi-building public facility will be approximately 27,320 square feet and includes a two story, 9,720 square foot, transitional housing dormitory for families. Surrounding buildings will house administrative offices and support services for families in transition.

- Describe the project structure and participants (as applicable), including:
 - The name of the applicant public entity, or its designated public agency (if applicable), that will act as a borrower and issue the debt obligations (570.704(b)(2));

The City of Plano will serve as the borrower and issue the debt obligation.

- Amount of Section 108 assistance sought (May not exceed 5 times the CDBG allocation and should be in \$1,000 increments) (570.705(a)(2));

The amount of Section 108 assistance sought is \$700,000.

- The entity that will undertake the project;

The City of Plano is funding land acquisition for this project undertaken by the Samaritan Inn.

- The principal developer;

The Samaritan Inn will be the principal developer.

- Who will provide equity;

The Samaritan Inn will provide the equity for the project.

- Who will own the assets upon completion, including land and improvements; and

Upon completion of the project, the Samaritan Inn will own the assets, including land improvements. The City of Plano will place a lien on the acquired land to ensure that the project meets a HUD national objective for at minimum five years after the project if completed in its entirety.

- What type of businesses will be assisted.

The Samaritan In a 501(c)3 will be assisted through this project.

- Displacement, relocation, acquisition, and replacement of housing. If applicable, each

project assisted must comply with the displacement, relocation, acquisition, and replacement of housing requirements in 570.606 (570.704(e)):

- Describe any acquisition activities to be undertaken; and/or

This project will require land acquisition which is the reason for the Section 108 loan request.

- Describe any relocation activities to be undertaken.

Relocation activities will not occur through this project because any land acquired will be vacant, thereby not triggering displacement.

- **Project Implementation Schedule.** Indicate the estimated project schedule. Identify each major task/activity associated with implementing the project and provide the projected begin and completion dates. The following is a sample format:

Major Tasks/Activities	Begin Date	End Date
1. Acquire Land	July 2010	February 2011
2. Capital Campaign for Building	January 2011	June 2011
3. Building of the facility in phases	June 2011	June 2014
4.		
5.		

The project will establish a 27,320 square foot, seven building transitional living complex that provides housing and support services to residents. The main two-story transitional housing building has approximately 9,720 SF. Assuming \$120 per square foot for construction cost, approximately \$1.3 million has been budgeted. Anticipated construction time is between 9 and 12 months to complete. Using the above price estimate, the entire complex should probably cost approximately \$3.3 million. Construction of the total complex will take approximately 12- 18 months. With the land the estimated total cost for this project will be approximately \$4 million.

- **Statement of Sources and Uses.** Indicate all project financial sources and related dollar amounts including the Section 108 loan and owner/developer equity and all principal project cost components (uses) and related dollar amounts. The following is a sample format:

Sources:	Amount	Uses:	Amount
Section 108 Loan	\$700,000	Project Cost Component No. 1	\$700,000 (acquisition only)
EDI or BEDI Grant	\$	Project Cost Component No. 2	\$
CDBG	\$	Project Cost Component No. 3	\$
Other (describe)	\$	Project Cost Component No. 4	\$
Owner / Developer Equity	\$3,300,000.00	Project Cost Component No. 5	\$3,300,000.00
Total Sources:	\$4,000,000.00	Total Uses:	\$4,000,000.00

- ❑ **Budget.** Clearly indicate all project costs, identify the eligible activities to be carried out with Section 108 assistance, and national objective(s) to be met (see national objective codes listed below), along with the budgeted amounts for each activity. The following is a sample format:

- ❑ *Note: Guaranteed loan funds may not be used to reimburse the CDBG program account or line of credit for costs incurred by the public entity or designated public agency and paid with CDBG grant funds or program income (570.703).*

Eligible Activity	\$ 108	\$ EDI/ BEDI	\$ CDBG	\$ Other	Nat. Obj.
Acquisition of improved or unimproved real property in fee or by long-term lease, including acquisition for economic development purposes (570.703(a))	N/A	N/A	N/A	N/A	N/A
Rehabilitation of real property owned or acquired by the public entity or its designated public agency (570.703(b))	N/A	N/A	N/A	N/A	N/A
Payment of interest on 108 loan obligations (570.703(c))	N/A	N/A	N/A	N/A	N/A
Relocation costs of 108-assisted activity (570.703(d))	N/A	N/A	N/A	N/A	N/A
Clearance, demolition and removal of buildings and improvements on real property acquired or rehabilitated pursuant to (a) acquisition and (b) rehabilitation, except where necessary to carry out other eligible 108 activity (570.703(e))	N/A	N/A	N/A	N/A	N/A
Site preparation, including construction, reconstruction, or installation of public or other site improvements, utilities, or facilities (other than buildings), which is: (1) related to the redevelopment or use of the real property acquired or rehabilitated pursuant to (a) acquisition and (b) rehabilitation or (2) for an economic development purpose(570.703(f))	N/A	N/A	N/A	N/A	N/A
Payment of 108 issuance, underwriting, servicing, trust administration, and other costs associated with private sector financing (570.703(g))	N/A	N/A	N/A	N/A	N/A
Housing rehabilitation eligible under 570.202 (570.703(h))	N/A	N/A	N/A	N/A	N/A
Economic development eligible under 570.203 (570.703(i)(1))	N/A	N/A	N/A	N/A	N/A
Economic development as “community economic development” eligible under 570.204 (570.703(i)(2))	N/A	N/A	N/A	N/A	N/A
Construction of housing by nonprofit organizations (570.703(j))	N/A	N/A	N/A	N/A	N/A
108 debt service reserve to be used in accordance with requirements specified in the contract (570.703(k))	N/A	N/A	N/A	N/A	N/A
Acquisition, construction, reconstruction, rehab or installation of public facilities, public streets, sidewalks and other site improvements and public utilities (570.703(l))	\$700,000	N/A	N/A	N/A	570.208(a)(2)
Public works, site or other improvements in colonias (570.703(m))	N/A	N/A	N/A	N/A	N/A
Total Budget:	\$700,000	N/A	N/A	N/A	N/A

□ **National Objective Compliance (570.704(b)(1)).**

- Provide a description of how each of the eligible activities to be carried out will meet a CDBG national objective and indicate which national objective the activities will meet.

The proposed Section 108 Guarantee Loan project meets the following 2009 Consolidated Plan Goal: Expanding the continuum of housing and services for a variety of special needs populations, including persons who are homeless and at risk of homelessness and Objective: Increase transitional housing and permanent supportive housing for persons with special needs. The use of the Section 108 Loan is eligible under the CDBG Regulations Section 570.703(1); Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities which meet the CDBG National Objective requirements of Section 570.208(a)(2)(A); Limited clientele activities that benefit a clientele who are presumed low-to-moderate income persons.

- If the application proposes multiple activities with multiple national objectives, tie each eligible activity to a national objective.

National Objectives	Citation	Code
Low- and moderate-income persons – area benefit	570.208(a)(1)	LMA
Low- and moderate-income persons – limited clientele	570.208(a)(2)	LMC
Low- and moderate-income persons – housing	570.208(a)(3)	LMH
Low- and moderate-income persons – job creation or retention	570.208(a)(4)	LMJ
Prevention or elimination of slums or blight – area basis	570.208(b)(1)	SBA
Prevention or elimination of slums or blight – spot basis	570.208(b)(2)	SBS
Prevention or elimination of slums or blight – urban renewal	570.208(b)(3)	SBR
Urgent need/imminent threat	570.208(c)	URG

□ **Generic Application Screening Activities, Underwriting & Public Benefit Standards.** If any of the following three items are applicable, prepare and attach a narrative on the issues:

- (1) If the application is generic in nature, (e.g., use of Section 108 as economic development loan fund where specific businesses to be assisted have not yet been identified) describe the types of activities to be carried out and the criteria which the applicant will use to screen activities for assistance.
- (2) If the application is for generic special economic development activities, provide a summary of the process established to complete basic financial underwriting of the project(s) and a public benefit evaluation in accordance with 570.209.
- (3) If the application is for a single special economic development activity, summarize the basic information used for the financial underwriting of the project and for the public benefit evaluation in accordance with 570.209.

□ **Section 108 Loan Repayment Source (570.704(b)(2)).** Identification of proposed Section 108 loan repayment source. Examples of sources of repayment may include one or a combination of the following:

- Project generated revenue; N/A

- CDBG funds or program income; and/or

The City of Plano will pay back the loan through use of future CDBG entitlement dollars.

- Other local sources, etc. (describe other sources). N/A

- **Section 108 Loan Repayment Schedule (570.704(b)(2)).** Identification of proposed Section 108 repayment schedule. The term may not exceed twenty years (570.705(f)); the schedule should show principal only; and principal amounts must be in \$1,000 increments. See the sample format below:

Year	Principal	Year	Principal	Year	Principal	Year	Principal
1	\$70,000.00	6	\$70,000.00	11	\$	16	\$
2	\$70,000.00	7	\$70,000.00	12	\$	17	\$
3	\$70,000.00	8	\$70,000.00	13	\$	18	\$
4	\$70,000.00	9	\$70,000.00	14	\$	19	\$
5	\$70,000.00	10	\$70,000.00	15	\$	20	\$

- **Additional Security Requirements (570.705(b)(3)).** Identification of proposed additional security beyond pledge of CDBG funds. Examples of security may include one or a combination of the following:

- The asset financed with the Section 108 funds;
- A first or second lien on real property;

The City of Plano will serve as the first lien holder on the acquired property.

- A lien on machinery or equipment;
- Debt service reserves;
- The pledge of an income stream;
- A pledge of future tax increments; and/or
- Other security (describe other security).

- **Section 108 Certifications (570.704(b)).** Standard CDBG certifications are not acceptable. Applicant should submit the Section 108 certification forms. Preferably, each certification will be individually executed but certifications included as part of application submitted with original signature of appropriately authorized official are acceptable. State certification, required for applicants from nonentitlement localities, must be signed by appropriate State official. **(To be attached after City Council approval)**

- Pledge of CDBG grant funds under 570.705(b)(2) (570.704(b)(3));
- “Other financing” certification (570.704(b)(4));
- Drug-free workplace (570.704(b)(5));
- Debarment, suspension, and other responsibility matters (570.704(b)(6));
- Statement regarding lobbying (570.704(b)(7)); and
- Section 108 certifications required under 570.704(b)(8).
- State pledge of CDBG funds and certifications required under 570.704(b)(9), if applicant is a CDBG nonentitlement community.

**Substantial Amendment to the City of Plano 2009-10 Action Plan
to Support Transitional Housing for Homeless Through
a Section 108 Loan Guarantee Application**

A. General Information

Grantee Name	City of Plano
Name of Entity or Department Administering Funds	Planning Department – Community Services Division
Contact Person (person to answer questions about this amendment)	Christina Day
Title	Community Services Manager
Address Line 1	1520 K Avenue
Address Line 2	Suite 250
City, State, Zip Code	Plano, TX 75074
Telephone	972-941-5262
Fax	972-941-7396
Email Address	chrisd@plano.gov
Authorized Official (if different from Contact Person)	Thomas H. Muehlenbeck
Title	City Manager
Address Line 1	1520 K Avenue
Address Line 2	Suite 300
City, State, Zip Code	Plano, TX 75074
Telephone	972-941-7121
Fax	972-423-9587
Email Address	tomm@plano.gov
Web Address where this Form is Posted	http://plano.gov/Departments/Planning/
Amount Grantee is	\$700,000

**Substantial Amendment to the City of Plano 2009-10 Action Plan
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Requesting*	
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B. Citizen Participation and Public Comment

1. Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment (limit 250 words).

Response: On Friday, July 9, 2010 a public notice was placed in the paper informing citizens of the public of this Substantial Amendment proposal. A public hearing was held by the Community Relations Commission at 5:30 p.m., Tuesday, July 13, 2010 in Building Inspections Training Room at 1520 K Avenue, Plano TX, 75074 to allow for public comment/discussion of the proposed substantial amendment to the 2009-2010 Annual Action Plan.

A public hearing will be held on Monday, August 9, 2010, at 7:00 p.m., in the Council Chambers, at 1520 K Avenue, Plano TX, 75074, to allow for public comments/discussion of the proposed amendment to the 2009-2010 Annual Action Plan. Immediately following the public hearing, and after all public comments have been considered, the City Council will take formal action on the amendment to the FY 2009-2010 Annual Action Plan at its regularly scheduled City Council meeting.

2. Provide the appropriate response regarding this substantial amendment by checking one of the following options:

- Grantee did not receive public comments.
- Grantee received and accepted all public comments.
- Grantee received public comments and did not accept one or more of the comments.

(Section to be completed upon the end of the Public Comment Period)

3. Provide a summary of the public comments regarding this substantial amendment. Include a summary of any comments or views not accepted and the reasons for non-acceptance.

Response: (Section to be completed upon the end of the Public Comment Period)

C. Project Description and Distribution of Funds

The proposed amendment would allow the City of Plano to apply for Section 108 Loan Guarantee funds in the amount of \$700,000 from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds. The Section 108 Loan funds will be used to acquire land to build a public facility that provides transitional housing and support services to families. This multi-building public facility will be approximately 27,320 square feet and include a two story, 9,720 square

**Substantial Amendment to the City of Plano 2009-10 Action Plan
to Support Transitional Housing for Homeless Through
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foot, transitional housing facility for families. Surrounding buildings will house administrative offices and support services for families in transition.

The proposed Section 108 Guarantee Loan project meets the following 2009 Consolidated Plan Goal: Expanding the continuum of housing and services for a variety of special needs populations, including persons who are homeless and at risk of homelessness and Objective: Increase transitional housing and permanent supportive housing for persons with special needs. The use of the Section 108 Loan is eligible under the CDBG Regulations Section 570.703(l); Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities which meet the CDBG National Objective requirements of Section 570.208(a)(2)(A); Limited clientele activities that benefit a clientele who are presumed low-to-moderate income persons.

The City is proposing to pay back the loan including principal and interest due, servicing and other associated costs with future CDBG Entitlement funds pursuant to Section 106 of Title I of the Housing and Community Development Act of 1974, as amended. The repayment period will not exceed 10-years. The activity is not expected to generate program income. The City will execute a deed of trust and promissory note on the building securing the real property as collateral. The recipient agency will pay all interest and fees associated with the loan.

D. Collaboration Efforts

In May of 2010, the Community Services staff was approached by members of the Collin County Homeless Coalition with a proposal to purchase property in Plano for the location of a non-profit social service and transitional housing facility serving the homeless. The Samaritan Inn would expand their programs into Plano providing program-based shelter and care for families and individuals in need. Currently, the Samaritan Inn operates the only comprehensive transitional housing program for homeless persons in Collin County and is located in McKinney.

This project is a collaborative effort with the Samaritan Inn and various non profits within the city of Plano.

E. Estimated Budget Summary

HUD requires the grantee to complete the following table so that participants in the citizen participation process may see the grantee's preliminary estimated amounts for various HPRP activities. Enter the estimated budget amounts for each activity in the appropriate column and row. The grantee will be required to report actual amounts in subsequent reporting.

**Substantial Amendment to the City of Plano 2009-10 Action Plan
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a Section 108 Loan Guarantee Application**

Estimated Budget Summary			
	Section 108 Loan Funds	Outside Funding Source (Principle Developer funds)	Total Amount Budgeted
Land acquisition	\$700,000	\$0	\$700,000
Building construction & associated costs	\$ 0	\$3,300,000	\$3,300,000
Subtotal (add previous two rows)	\$700,000	\$3,300,000	\$4,000,000
Total Project Budget			\$4,000,000
Private Developer Budget			\$3,300,000
Section 108 Loan Guarantee			\$700,000

F. Authorized Signature

By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete, and accurate to the best of my knowledge. I also provide the required assurances and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

SIGNED ONLY AFTER COUNCIL APPROVAL

Signature/Authorized Official

Date

Title