



Board Summary Report

File #: 26-330

Agenda Date: 6/23/2026

Agenda #: 5.g.

To: Board of County Commissioners

Through: Katherine Smith, Director, Community Resources Department

Prepared By:
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Subject:
2026 Annual Action Plan - Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME)

Purpose and Request:

Staff requests the Board of County Commissioners (BOCC) approve the funding recommendations for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) projects for 2026 grant year funding, as well as authorize the submission of the 2026 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) for its review and approval. The Board of County Commissioners reviewed the funding recommendations and Annual Action Plan, presented by Community Development Housing and Stability Services (CDHSS) staff, during a study session on May 19, 2026, and instructed staff to schedule the item for consent agenda during a business meeting.

Alignment with Strategic Plan: Economic Resilience and Stability - Support long-term economic resilience through responsible fiscal and investment strategies.

Background and Discussion: The BOCC was presented funding recommendations for CDBG and HOME projects utilizing 2026 grant year funds, as described below, during a study session on May 19, 2026, and advised staff to schedule the 2026 Annual Action Plan approval for consent agenda. The narrative below is a copy of the background and discussion portion of the Board Summary Report (BSR) presented to the BOCC during the May 19, 2026, study session, without any changes.

The Arapahoe County CDBG and HOME programs started in 1992 and now operate as an Urban County Consortium, comprising Deer Trail, Englewood, Littleton, and Sheridan. As an entitlement community, Arapahoe County receives CDBG and HOME funds annually from HUD on a formula basis related to our population and demographics, particularly low-to-moderate income residents. In addition to administering the County CDBG and HOME programs, Arapahoe County CDHSS staff also administers the City of Centennial's CDBG funds. Centennial is designated as a separate entitlement community and does not receive HOME funds.

The 2026 CDBG applications were released in early February 2026 and were due by March 18, 2026. A total of 10 applications were received requesting \$1,711,000 in assistance. Applications were reviewed by CDHSS staff and evaluated based on the proposed projects and community needs, including, but not limited to reasonable quantifiable goals, measurable community impact, addressing

an unmet need, serving low-to-moderate income residents, cost reasonableness and effectiveness, leveraged funds, organizational resources and efficacy, SMART goals, staff experience, past performance, community support and consistency with County goals and priorities, specifically the Consolidated Plan.

Each of the four participating Urban County jurisdictions receives a portion of the CDBG award as a set-aside allocation, and the municipalities are provided the opportunity to direct their allocation to specific projects or defer to the County recommendations for community-wide projects. The set-aside amounts for participating jurisdictions include the following allocations: Deer Trail - \$10,000; Englewood - \$135,000; Littleton - \$135,000; Sheridan - \$22,500.

Both Englewood and Littleton requested the use of their set-aside allocation for specific projects in 2026. Neither Deer Trail nor Sheridan requested the use of their set-aside allocation for 2026.

The CDBG program has spending limits for Administrative Costs (20%) and Public Service Projects (15%), which cannot be exceeded. Based on these restrictions, only 15% of the total CDBG award from HUD may be spent on Public Service Projects, plus 15% of the prior year program income. Only 20% of the total CDBG award from HUD may be spent on Administration costs. Based on our agreement with the City of Centennial, a maximum of 18% of the City of Centennial award may be spent on Administration costs, as opposed to the 20% deducted from the County CDBG award. The remaining balance after deducting Administration costs and Public Service projects is available for Public Facility, Public Infrastructure, and Housing projects, applicable to both Centennial and County CDBG programs.

The HOME program has a spending limit for Administrative Costs (10%), which cannot be exceeded, and a minimum Community Housing Development Organization (CHDO) reserve (15%).

Based on the aforementioned program details and restrictions, the 2026 funding recommendations are based on the following funding scenario:

2026 CDBG and HOME Awards:

Centennial CDBG Award - \$319,836

Centennial CDBG Administration - \$57,570

Centennial CDBG Public Services - \$47,975

Centennial CDBG Public Facilities/Public Infrastructure/Housing - \$214,291

County CDBG Award - \$1,035,877

County CDBG Administration - \$207,175

County CDBG Public Services - \$155,381

County CDBG Public Facilities/Public Infrastructure/Housing - \$673,321

County HOME Award - \$593,647.80

County HOME Administration - \$59,364

County HOME CHDO Reserve - \$89,048

County HOME Affordable Housing Development Projects - \$445,235.80

Centennial CDBG Recommendations:

1. Centennial Public Infrastructure/Public Facility/Housing Activity *
Centennial Council Approved Project (Place Holder for PI/PF/HS Project)

Funding Recommendation - \$214,291

The requested amount will be allocated to a public infrastructure/public facility/housing activity at the discretion of Centennial staff and council. CDHSS staff will work with Centennial to formalize a request to City Council for approval that is consistent with program and city goals and priorities.

2. Centennial Public Service Activity *

Funding Recommendation- \$47,975

The requested amount will be allocated to a public service project(s) benefiting City of Centennial residents. CDHSS staff will work with Centennial to formalize a request to City Council for approval that is consistent with program and city goals and priorities.

3. Centennial CDBG Program Administration

Funding Recommendation - \$57,570

This amount represents 18% of the Centennial award, consistent with our intergovernmental agreement for program management and will support necessary administrative functions, including planning, oversight and reporting.

***Please note:** CDHSS staff is recommending broad approval for projects supported/funded with City of Centennial entitlement funds under the basic eligible project activity categories of public services and public infrastructure/public facilities/housing, as formal recommendations and approvals have not been approved by City Council at this time. If County recommendations require reevaluation based on final Centennial funding decisions, CDHSS staff will seek further guidance and direction from the BOCC.

County CDBG Recommendations:

1. City of Englewood - Energy Efficient Englewood (E3)

Funding Recommendation - \$115,000

Project will provide grants to low- and moderate-income City of Englewood homeowners for energy efficiency upgrades that would minimize their annual energy costs and contribute to the overall efficiency and sustainability of the owner-occupied homes. The grants are capped at \$13,000 and require a 20% match from the homeowner(s).

2. South Metro Housing Options/South Metro Property Corporation - Starlight Development

Funding Recommendation - \$558,320

The proposed project will create 72 new units of affordable housing at the intersection of W. Littleton Blvd and S. Delaware St in Littleton. All 72 units, upon completion, will be available to residents at, or below 70% AMI. Of the 72 units, 8 units will utilize project-based vouchers to support youth aging out of foster care. Completion is anticipated in 2027.

3. Doctors Care - Connection to Coverage

Funding Recommendation - \$40,000

Project will support efforts to enroll Arapahoe County residents in affordable health care through Medicaid enrollment, ensuring a path toward long-term wellness. As a certified assistant site for Health First Colorado (Colorado's Medicaid program), Doctor's Care staff will support uninsured individuals with health care education, enrollment and navigation education and services at no cost to clients, helping individuals make educated decisions regarding their health insurance.

4. Family Tree - House of Hope and GOALS Staffing

Funding Recommendation - \$50,000

Project will partially support case management positions at the House of Hope Shelter in Englewood and GOALS facility in Aurora, which provides safe shelter, supportive services and case management to individuals and families experiencing or at-risk of homelessness. Assistance will help maintain and support the shelter/facility case managers in their efforts to assist clients with services, referrals and support aimed at transitioning to economic independence and housing stability.

5. HAAT Force - Severe Weather Sheltering

Funding Recommendation - \$40,000

Project will provide voucher-based emergency housing during severe cold and/or wet weather for unhoused individuals for whom other shelter options (particularly congregate shelter) are untenable due to pregnancy, physical disability, age, being a family with children, having a service animal, or other vulnerability. HAAT Force's program is specifically designed to meet the unique needs of their clients and will help to address unmet needs and limited options for emergency housing during severe weather.

6. Project Angel Heart - Home-Delivered Meals

Funding Recommendations - \$30,381

Project will support home-delivered, medically tailored meals to improve the health and quality of life of food-insecure, critically ill Arapahoe County and City of Centennial residents. Project Angel Heart provides individually tailored meals, delivered by volunteers that alleviate hunger and improve the physical, financial, and emotional health of vulnerable community members, helping to increase their self-sufficiency and ability to remain independent in their own home.

7. County CDBG Program Administration

Funding Recommendation - \$207,175

This amount represents 20% of the County award, consistent with program caps, and will support necessary administrative functions, including planning, oversight and reporting.

Unfortunately, based on limited funds and the aforementioned funding recommendations, the following applications were not recommended for 2026 County funding, but will be evaluated for Centennial funding (City of Centennial has \$262,266 in awards to be finalized, which factored into County recommendations):

Habitat for Humanity of Metro Denver - Home Repair Initiative

Request: \$200,000

Project Type: Housing Rehabilitation

Application to support Habitat's Home Repair program for an estimated 10 households through minor homeowner rehabilitation projects.

Integrated Family Community Services - Homeless Prevention

Request: \$40,000

Project Type: Public Service

Application to provide one-time rent assistance to income-qualified residents.

Integrated Family Community Services - Hunger Alleviation

Request: \$50,000

Project Type: Public Service

Application to support the cost of operating and managing the on-site food pantry, The Market, including staffing and food purchases.

Nourish Meals on Wheels - Home-Delivered Meals

Request: \$50,000

Project Type: Public Service

Application to support the cost of providing home-delivered meals to older and homebound adults living in western Arapahoe County, including the cost of food.

***Please note:** CDHSS staff is not recommending these projects for County CDBG funds; However, these projects may be recommended for, and receive Centennial funds, which was a consideration and factor in the County's decision making process. As mentioned, if County recommendations require reevaluation based on final Centennial funding decisions, CDHSS staff will seek further guidance and direction from the BOCC.

County HOME Recommendations:

1. Community Housing Development Organization (CHDO) Reserve/Set-Aside

Funding Recommendation - \$89,048

Participating Jurisdictions in the HOME program are required to set aside a minimum of 15% of their HOME allocations for housing development activities in which qualified CHDOs are the owners, developers and/or sponsors of the housing. Community Housing Development Association dba Grovewood Community Development, Inc. (GCD), a qualified CHDO in Arapahoe County will use the required HOME-CHDO Set-Aside funds to support Phase II of their Stables affordable housing development project.

2. Multi-Family Affordable Housing Development Project

Funding Recommendation - \$445,235.80

Requested amount will be utilized for an upcoming multi-family affordable housing development project within Arapahoe County. Ultimately, the funding recommendation/decision will be made in coordination with the State Low-Income Housing Tax Credit (LIHTC) applications and awards, as well as Private Activity Bond (PAB) awards. Once project applications are received, CDHSS staff will review the development project budget and underwriting and present a specific recommendation to the BOCC for approval.

3. County HOME Program Administration

Funding Recommendation - \$59,364

This amount represents 10% of the County award, consistent with program caps, and will support necessary administrative functions, including planning, oversight and reporting.

Alternatives: The BOCC may recommend an alternative distribution of CDBG and/or HOME funds.

Fiscal Impact: The CDBG and HOME programs are entitlement programs awarded and distributed by the U.S. Department of Housing and Urban Development. Therefore, the allocation of these funds will not impact Arapahoe County general funds.

Alignment with Strategic Implementation Strategies: The attached framework helps Arapahoe County institutionalize values-based, transparent decision-making, documenting how we make decisions and carry out actions to achieve the county's strategic plan.

Concurrence: N/A