Community Development Block Grant (CDBG)

PRESENTED TO THE CITY COUNCIL – SEPTEMBER 8, 2026

JANALEA HEMBREE, DIRECTOR OF STRATEGY AND INNOVATION

BACKGROUND

BTX Home Improvement Rebate Program
Up to $5,000 rebate on improvements per application. General Funds of up to $25,000 per fiscal year. Program was discontinued in FY2026.

Neighborhood Empowerment Zone Incentive Policy
Development Services Department worked with the City Council to create a Neighborhood Empowerment Zone Policy. Different areas in the city were considered to create zones, but at this time no zones have been established.

Other Opportunities
City staff researched other options to receive community development funds. Staff also researched current Entitlement Status and other funding opportunities for neighborhood revitalization.

NEW METROPOLITAN CITIES

HUD identifies Burleson as a potential new Metropolitan City eligible for CDBG Entitlement funding. As a current participant in the Tarrant County Urban County program, the City had four options for FY 2027–2029:

Option 1 – Independent Metropolitan City
Accept CDBG Entitlement status and administer the program independently.

Option 2 – Metropolitan City + Tarrant County Joint Agreement
Accept CDBG Entitlement status and continue participation with Tarrant County through a Joint Agreement.

Option 3 – Continue as Participating UGLG (current participation)
Defer CDBG Entitlement status and remain a participating unit of general local government (UGLG) within Tarrant County Consortium.

Option 4 – State CDBG Program
Defer CDBG Entitlement status, leave the Urban County program, and seek funding through the State CDBG Program as a non-entitlement community.

FUNDING OPTIONS

Infrastructure Improvements
Streets, sidewalks, drainage, water/sewer improvements, and other public infrastructure in eligible areas

Public Facilities
Parks, community facilities, senior facilities, ADA improvements, and other public facility improvements

Economic & Community Development
Eligible activities supporting senior services, youth program, economic opportunity, and community development

Housing Rehabilitation
Various home repairs, code compliance, and housing rehabilitation

Key Requirement: Projects must meet HUD eligibility requirements and satisfy a CDBG National Objective.

JOINT AGREEMENT OVERVIEW

Staff Recommendation: Option 2

Option 2 – Metropolitan City + Tarrant County Joint Agreement (Approx. $355,000 annually with an 80/20 split)

Accept CDBG Entitlement status and continue participation with Tarrant County through a Joint Agreement.

- Agreement covers FY 2027, FY 2028, and FY 2029
- Remains in effect until all associated funds are expended and funded activities are completed
- Neither party may terminate or withdraw during the three-year program period
- Tarrant County will administer the program in accordance with applicable HUD requirements

STRUCTURE AND RESPONSIBILITIES

Funding Structure

- Burleson will receive its CDBG funding through Tarrant County in the form of approved projects
- At least 80% of Burleson's annual HUD CDBG allocation will be available for City projects (~ $285,000 annually)
- Tarrant County retain up to 20% for eligible administrative costs (~ $70,000 annually)
- CDBG funds allocated to Burleson will be used for the benefit of the City

City of Burleson Responsibilities

- Staff recommends and Council approves all City CDBG funding projects
- Submit programs, projects, and eligible uses
- Establish local funding priorities

Tarrant County Responsibilities

- Administers the City's CDBG program
- Determine eligibility of CDBG projects
- Oversees HUD grant administration and compliance
- Manages applicable federal, state, and local requirements

KEY POINTS & RECOMMENDED ACTION

Key Considerations

- Maintains Burleson's participation in Tarrant County's established CDBG program
- Provides the City with local control over project and funding decisions
- Tarrant County assumes primary responsibility for program administration and HUD compliance
- While participating, Burleson may not apply through the State CDBG Program

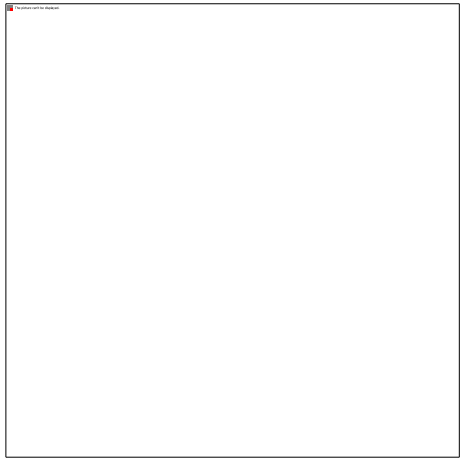
Recommended Action

Option 2 – Metropolitan City + Tarrant County Joint Agreement
Accept CDBG Entitlement status and approve the FY 2027–2029 Joint Agreement with Tarrant County for administration of the City's CDBG entitlement program.

FUTURE TIMELINES

December 2026	May 2027	June/July 2027	October 2027
Draft projects due to County for review	Project Action Plans Due	Public Hearing and Council action to approve projects	Start of project

Question / Comments



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