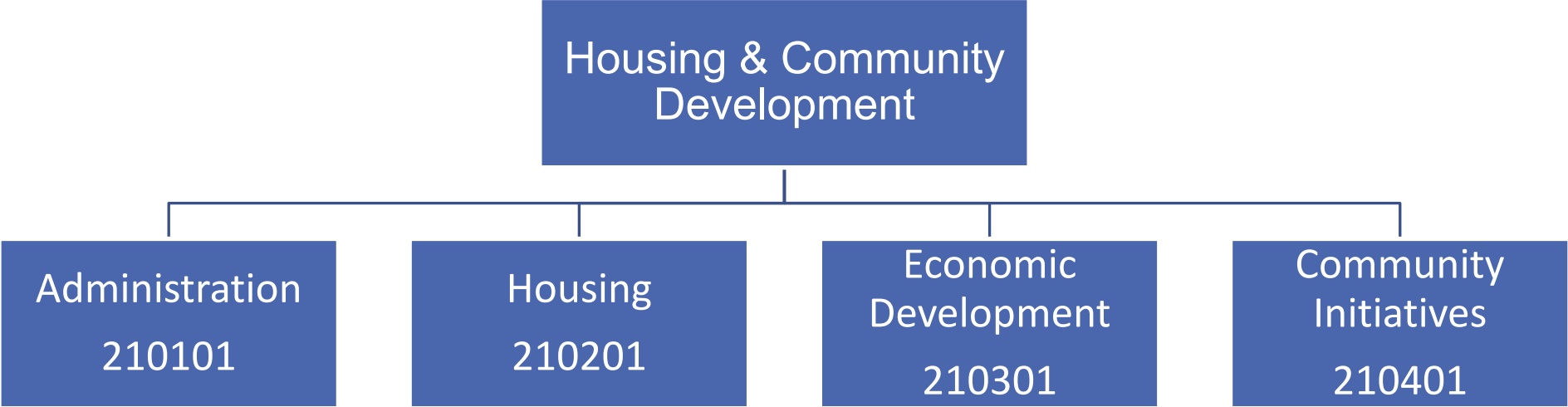
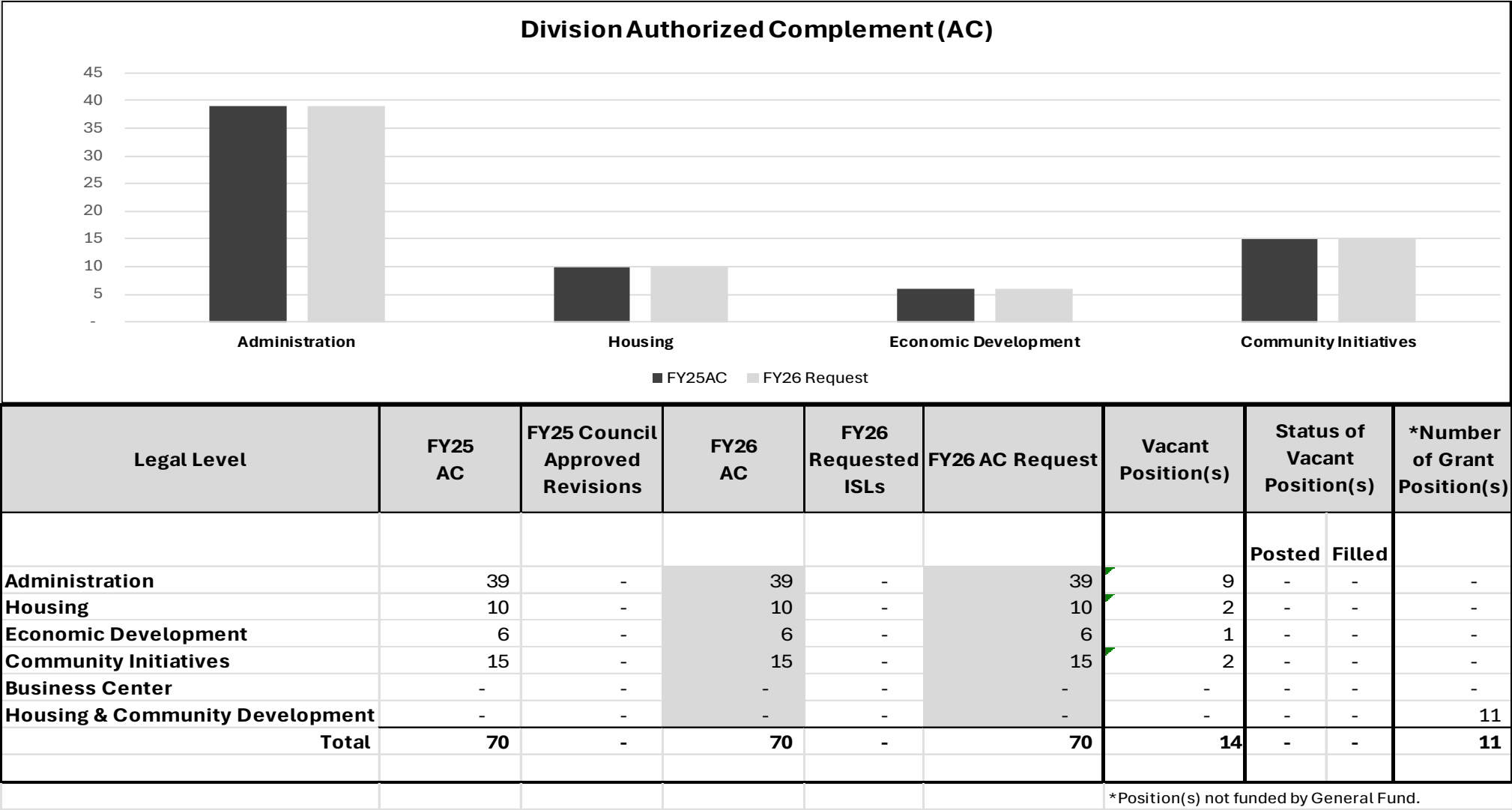


FY26 Budget: HCD

FY26 Budget Org Chart at Legal Level: HCD



Division Authorized Complement (AC)



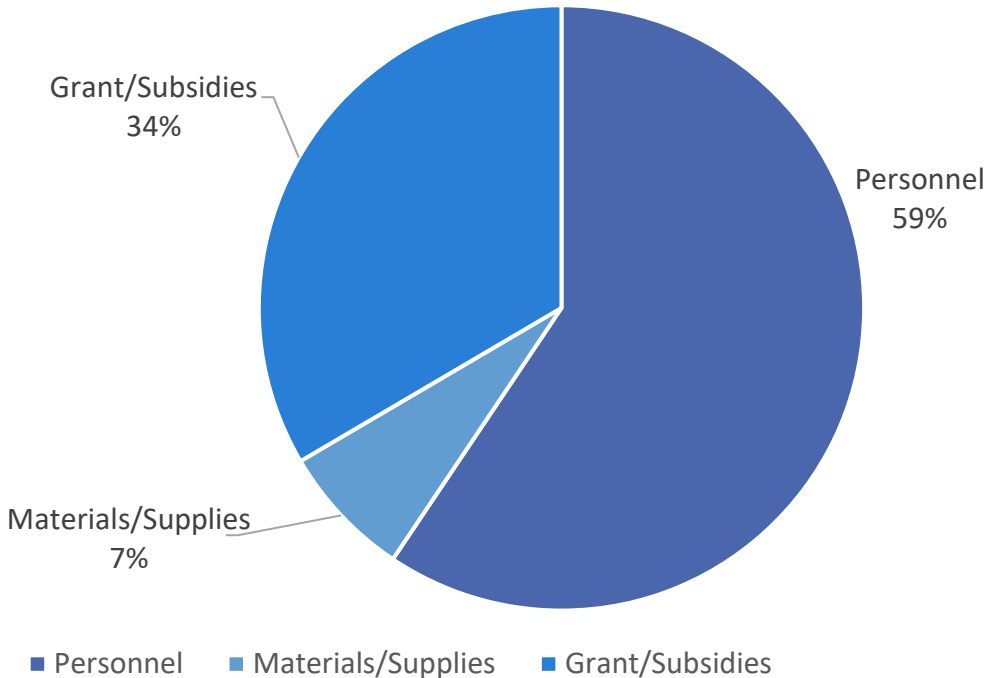
Budget Overview: HCD

Total Requested Budget for the upcoming year

Key Budget Priorities

- 1. Downpayment Assistance Programs (City-wide DPA and Middle - Income DPA)
- 2. Community Development Grants
- 3. Home Repair Assistance Programs
- 4. Affordable Housing
- 5. Homeless Initiative
- 6. Personnel

Breakdown of Major Spending Categories



Historical Budget Comparison: HCD

Category	FY21 Adopted Budget	FY22 Adopted Budget	FY23 Adopted Budget	FY24 Adopted Budget	FY25 Adopted Budget	FY25 Forecast	FY26 Proposed
Personnel Expenses	2,626,240	2,469,066	2,622,476	2,496,954	3,665,975	3,664,224	3,636,164
Materials and Supplies	584,537	608,657	430,560	584,894	452,246	505,132	437,247
Grant and Subsidies	1,655,013	1,755,013	1,755,013	1,675,013	2,047,464	2,065,480	2,047,465
Total Expenditures	4,865,790	4,832,737	4,808,050	4,756,861	6,165,685	6,234,837	6,120,876
Total Revenues	434,875	250,875	100,700	120,875	120,876	149,707	120,876

Key Budget Drivers: HCD

- The Down Payment Assistance Program continues to experience high demand from eligible homebuyers, particularly middle-income households and essential workers such as teachers, police, and fire personnel. Key factors driving the budget request include alignment with the City's priorities to expand access to affordable homeownership and support middle - income housing initiatives.
- In FY25, **87 down payment assistance (DPA) grants were awarded**, helping eligible households—including middle-income families and essential workers—achieve stable, affordable homeownership. HCD will remain focused on supporting working families, strengthening communities, and promoting equitable homeownership opportunities citywide, all while operating in a financially responsible manner.
- As of April 30, 2025, a total of **\$1,400,447.85** has been expended in FY25 to support the Down Payment Assistance Program. This includes **\$961,789.85** in City operating funds, **\$188,658.00** in HOME federal funds, and **\$250,000.00** from the Memphis Affordable Housing Trust (MAHT).

Key Budget Drivers: HCD

- The Community Development Grants will maintain support for community development by continuing to provide grants to youth programs, nonprofits, and agencies that foster youth development, as well as those that promote thriving arts and culture—ensuring consistent investment in the growth and enrichment of our community.
- For FY25, Through the Strategic Community Investment Fund (SCIF) grant process, 21 Neighborhood Partnership Grantee applicants/agencies were awarded Community Development Grants to support initiatives that enrich the lives of youth and foster vibrant arts and cultural experiences. These grants have empowered nonprofits, community agencies, and youth-serving organizations to deliver impactful programs that promote growth, creativity, and community engagement. Looking ahead, HCD will remain committed to sustaining this momentum by continuing to provide grants to programs that support youth development and a thriving cultural sector.
- As of April 30, 2025, a total of **\$310,276.43** has been expended for FY25, with an additional **encumbrance balance of \$132,139.30**, which is projected to be fully expended by **June 30, 2025**.

Key Budget Drivers: HCD

- The Home Repair Programs ensure continued investment in essential services that support safe, healthy, and affordable housing. Programs supported include Weatherization, Lead Hazard Control, Senior Housing Program, the Memphis Affordable Housing Trust Fund, the CHDO Program, and the Shelby County Home Repair Program. This funding stability reflects our ongoing commitment to preserving the housing stock, supporting vulnerable populations, and improving quality of life for residents across the City of Memphis.
- FY2025 key accomplishments (as of April 30, 2025):
 - 35 homes remediated under the Lead Hazard Control Programs, with \$933,374 expended.
 - 53 homes repaired through Home Repair Programs, \$521,102 expended with various grant funds.

HCD will continue to support these critical housing programs, ensuring that resources remain available to assist income - eligible homeowners, seniors, and families with young children. Looking ahead, HCD aims to continue addressing housing safety, and energy efficiency, subsequently promoting healthy living conditions for City of Memphis qualified residents.

Key Budget Drivers: HCD

- The Affordable Housing Program ensures continued investment in the rehabilitation and new construction of quality housing for residents of the City of Memphis. This program provides critical support for homeowners and neighborhoods by addressing substandard housing conditions and increasing the availability of affordable homes. This fiscal responsibility reinforces our commitment to preserving and expanding affordable housing options, supporting neighborhood revitalization, and improving the quality of life for Memphis residents.
- In FY25, the Affordable Housing Program completed the construction of 353 housing units and has 336 additional units currently under construction with completion dates of 2025 and 2026.
- As of April 30, 2025, the total amount expended for FY25 is **\$11,738,792**.

HCD will continue to build on this progress by leveraging partnerships, securing new funding opportunities, and advancing policies that expand access to safe, affordable, and sustainable housing across Memphis.

Key Budget Drivers: HCD

- The Homeless Initiative Program remains a vital part of the City of Memphis' commitment to ending homelessness and supporting individuals and families in crisis. Through strategic partnerships and targeted services, the program continues to deliver impactful solutions including outreach, shelter, rapid rehousing, and supportive housing.
- In FY25, the Homeless Initiative Program provided services to 87 families and 210 individuals. Looking ahead, HCD will stay committed to strengthening partnerships to address homelessness in Memphis.
- As of April 30, 2025, total expenses for FY25 reached **\$4,293,059.73, funded through \$429,765.21 (ESG), \$2,607,393.99 (HOPWA), \$623,809.81 (CDBG), \$60,548.43(HOME), \$446,506.09 (HOME ARP), and \$125,036.20 (Operating Funds).**

Key Budget Drivers: HCD

- Personnel staffing is a critical budget priority, as it directly supports the successful implementation, management, and delivery of our programs and initiatives. Adequate personnel ensures that initiatives can be effectively launched, monitored, and sustained.

Qualitative/Quantitative Outcomes: Division - HCD

Programs/Projects above 25% of Material & Supplies Budget

- HCD's Materials & Supplies FY26 is \$15,000 less than FY25 due to the removal of the budget for lawsuits.
- The FY26 total budget is \$44,809 less than the FY25 adopted budget.

Performance Metrics: HCD

Key Performance Indicators that will be used to measure success

- **Response Times:** NA
- **Service Delivery:** Affordable Housing, Healthy Homes, Homelessness/Special Needs, and Community Initiatives are programs delivered. (see below for number service delivery figures).
- **Efficiency Gains:** NA

Comparison of Past Performance: This is a historical overview of performance trends.

	FY21	FY22	FY23	FY24	FY25
Affordable Housing Units	66	273	148	120	689
Homebuyers Receiving DPA	100	90	70	44	87
Home Repair Assistance	20	169	14	97	88
Total Funding Directly towards Community-General Fund					\$1,397,102
Total Funding Directly towards Community – Other Funds					\$17,699,910

Challenges and Risks: HCD

HCD will be limited in the ability to provide additional funds to support accelerated, middle-income housing.

HCD may be limited in its' ability to support down payment assistance for first time homebuyers with no other options for down payment.